# VOLUME 5 JOURNAL

OF THE

# HOUSE

# OF REPRESENTATIVES

# SEVENTY-EIGHTH SESSION

OF THE

# LEGISLATURE

STATE OF MINNESOTA

# 1994

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION — 1994

# SIXTY-SECOND DAY

# SAINT PAUL, MINNESOTA, TUESDAY, FEBRUARY 22, 1994

The House of Representatives convened at 12:00 noon and was called to order by Representative Willard Munger, District 7A.

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

Music was performed by Representative Kris Hasskamp from District 12A.

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

Representative Munger introduced the new House member, Tim Finseth, from District 1B and announced that he had previously been administered the oath of office and that his election certificate was on file. He was elected in a special election held on July 13, 1993, to replace Wally Sparby whose resignation was effective on May 18, 1993.

Representative Munger introduced the new House member, Kevin Knight, from District 40B and announced that he had previously been administered the oath of office and that his election certificate was on file. He was elected in a special election held on January 11, 1994, to replace Kathleen Blatz whose resignation was effective on January 24, 1994.

Representative Munger introduced the new House member, Tom Van Engen, from District 15A and announced that he had previously been administered the oath of office and that his election certificate was on file. He was elected in a special election held on February 8, 1994, to replace Alan W. Welle whose resignation was effective on January 4, 1994.

The roll was called and the following members were present:

Abrams	Davids	Hausman	Koppendrayer	Morrison	Peterson	Tomassoni
Anderson, I.	Dawkins	Holsten	Krinkie	Mosel	Pugh	Tompkins
Anderson, R.	Dehler	Hugoson	Krueger	Munger	Reding	Trimble
Asch	Delmont	Huntley	Lasley	Murphy	Rest	Tunheim
Battaglia	Dempsey	Jacobs	Leppik	Neary	Rhodes	Van Dellen
Bauerly	Erhardt	Jaros	Lieder	Nelson	Rice	Van Engen
Beard	Evans	Jefferson	Limmer	Ness	Rodosovich	Vellenga
Bergson	Farrell	Jennings	Lindner	Olson, K.	Rukavina	Vickerman
Bertram	Finseth	Johnson, A.	Long	Olson, M.	Sama	Wagenius
Bettermann	Frerichs	Johnson, R.	Lourey	Onnen	Seagren	Waltman
Bishop	Garcia	Johnson, V.	Luther	Opatz	Sekhon	Weaver
Brown, C.	Girard	Kahn	Lynch	Orenstein	Simoneau	Wejcman
Brown, K.	Goodno	Kalis	Macklin	Orfield	Skoglund	Wenzel
Carlson	Greenfield	Kelley	Mahon	Osthoff	Smith	Winter
Carruthers	Greiling	Kelso	Mariani	Ostrom	Solberg	Wolf
Clark	Gruenes	Kinkel	McCollum	Ozment	Stanius	Worke
Commers	Gutknecht	Klinzing	McGuire	Pauly	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Milbert	Pawlenty	Sviggum	
Dauner	Haukoos	Knight	Molnau	Pelowski	Swenson	1

A quorum was present.

Dorn; Olson, E., and Perlt were excused.

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

# **ELECTION OF OFFICERS**

Representative Munger announced the next order of business to be the election of a new Speaker due to the resignation of Dee Long as Speaker effective on September 15, 1993.

The name of Irv Anderson was placed in nomination by Jefferson. The nomination was seconded by Murphy.

The name of Steve Sviggum was placed in nomination by Gutknecht. The nomination was seconded by Bettermann.

There being no further nominations, Representative Munger declared the nominations closed.

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

The following members of the House voted for Anderson, I.:

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

Anderson, I., received 81 votes.

The following members of the House voted for Sviggum:

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

Sviggum received 50 votes.

Irv Anderson, having received a majority of the votes cast, was declared duly elected Speaker of the House.

Clark; Sarna; Wenzel; Mariani; Steensma; Garcia; Brown, K., and Johnson, V., were appointed to escort the Speakerelect to the rostrom.

# OATH OF OFFICE

The oath of office was administered to Speaker-elect Irv Anderson by the Honorable Esther M. Tomljanovich, Associate Justice of the Minnesota Supreme Court. The Speaker expressed his appreciation for the honor bestowed upon him.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

House File Nos. 1802 through 1901 were pre-filed with the Speaker during the recess, given a file number and unofficially referred to committee pursuant to House Rule 5.14. The following is the official introduction and committee reference:

Munger, Sekhon, Orfield, Weaver and Wagenius introduced:

H. F. No. 1802, A bill for an act relating to pollution; regulating toxic air emissions; appropriating money; amending Minnesota Statutes 1992, sections 115D.07, subdivisions 1 and 2; 115D.08, subdivision 1; 115D.10; 115D.12, subdivision 2; 299K.08, by adding subdivisions; and 438.08; proposing coding for new law in Minnesota Statutes, chapter 115D.

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

Leppik, Kelley, Rhodes, Smith and Knickerbocker introduced:

H. F. No. 1803, A bill for an act relating to highways; allowing use of existing paved road surface to be used for additional lane of travel on I-394; amending Minnesota Statutes 1992, section 161.123.

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

Farrell; Jennings; Munger; Olson, E., and Goodno introduced:

H. F. No. 1804, A bill for an act relating to environment; providing reciprocal access to courts and administrative agencies for injuries caused by transboundary pollution; proposing coding for new law in Minnesota Statutes, chapter 543.

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

Erhardt, Skoglund, Goodno and Olson, E., introduced:

H. F. No. 1805, A bill for an act relating to lotteries; proposing a constitutional amendment to prohibit the legislature from authorizing a lottery operated by the state; providing for conforming legislation if the amendment is adopted by the people.

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

Erhardt, Skoglund, Vellenga and Olson, E., introduced:

H. F. No. 1806, A bill for an act relating to the lottery; abolishing the state lottery; amending Minnesota Statutes 1992, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 270A.03, subdivision 7; 340A.410, subdivision 5; 541.20; 541.21; 609.75, subdivision 3; and 609.762, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 349A; repealing Minnesota Statutes 1992, sections 270B.14, subdivision 7; 349A.01; 349A.02; 349A.03; 349A.04; 349A.05; 349A.06; 349A.07; 349A.08; 349A.09; 349A.10; 349A.11; 349A.12; 349A.13; 349A.14; and 349A.15.

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

#### Jennings introduced:

H. F. No. 1807, A bill for an act relating to taxation; altering the composition of public regional library district boards; changing the maximum levy authority for certain regional library systems; limiting the ability of regional library systems to incur debt.

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

Jennings, Nelson, Goodno, Bertram and Olson, E., introduced:

H. F. No. 1808, A bill for an act relating to workers' compensation; providing for insurance regulation; regulating benefits; appropriating money; amending Minnesota Statutes 1992, sections 79.50; 79.51, subdivisions 1 and 3; 79.53, subdivision 1; 79.55, subdivisions 2, 5, and by adding subdivisions; 79.56, subdivisions 1 and 3; 176.021, subdivisions 3 and 3a; 176.101, subdivisions 1, 3g, 3l, 3m, 3o, 3q, 4, and 5; 176.645, subdivision 1; and 176.66, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 79; repealing Minnesota Statutes 1992, sections 79.53, subdivision 2; 79.54; 79.56, subdivision 2; 79.57; 79.58; and 176.132, subdivisions 1 and 2.

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

Skoglund introduced:

H. F. No. 1809, A bill for an act proposing an amendment to the Minnesota Constitution, adding a section to article XIII; providing for the admission of certain DNA evidence in judicial proceedings.

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

Skoglund introduced:

H. F. No. 1810, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article IV; requiring the legislature to provide by law for DNA evidence in civil and criminal trials and hearings.

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

Anderson, R.; Ozment; Carlson; Greiling and Kalis introduced:

H. F. No. 1811, A bill for an act relating to school bus drivers; designating third Monday of January as Minnesota School Bus Driver Day; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Olson, K., and Winter introduced:

H. F. No. 1812, A bill for an act relating to appropriations; appropriating money to the rural development board for grants to businesses affected by the 1993 flood.

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

Greiling, Seagren, Vellenga, Kelso and Bauerly introduced:

H. F. No. 1813, A bill for an act relating to education; fostering professional staff involvement and satisfaction, improving instruction and educational accountability; using staff development revenue to develop alternative staffing patterns; amending Minnesota Statutes 1993 Supplement, sections 123.951; 124A.225, subdivisions 3, 4, and 5; and 124A.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 123.

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

Olson, K., and Winter introduced:

H. F. No. 1814, A bill for an act relating to agriculture; establishing and financing an interest rate buy-down program; establishing benefit limits; appropriating money.

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

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Rodosovich and Knickerbocker introduced:

H. F. No. 1815, A bill for an act relating to redistricting; allowing for description of legislative and congressional districts using federal census units; amending Minnesota Statutes 1992, section 2.031, by adding a subdivision.

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

#### Lieder and Osthoff introduced:

H. F. No. 1816, A bill for an act relating to motor vehicles; requiring motor vehicles sold in Minnesota on and after January 1, 2000, to be equipped with an automatic mileage recorder meeting certain specifications; requiring a study and report by the commissioner of transportation on replacing the present highway user tax system with a system based on charges per mile traveled; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Greiling, McCollum, Seagren, Mahon and Dempsey introduced:

H. F. No. 1817, A bill for an act relating to state government; providing that the open appointments act applies to certain appointments made by legislators; amending Minnesota Statutes 1992, section 15.0597, subdivision 1.

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

Rest; Olson, E.; Abrams; Neary and Girard introduced:

H. F. No. 1818, A bill for an act relating to taxation; property; repealing limited market value; amending Minnesota Statutes 1993 Supplement, sections 273.11, subdivision 5; 273.121; and 276.04, subdivision 2; repealing Minnesota Statutes 1993 Supplement, section 273.11, subdivision 1a.

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

Lieder and Osthoff introduced:

H. F. No. 1819, A bill for an act relating to transportation; authorizing the issuance of state transportation bonds; appropriating the proceeds for grants to political subdivisions for bridge construction and reconstruction; authorizing issuance of state bonds to finance state share of costs of light rail transit facilities; appropriating money.

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

Delmont and Skoglund introduced:

H. F. No. 1820, A bill for an act relating to crime; expanding the forfeiture law's definition of "weapon used"; requiring the destruction of forfeited weapons used, firearms, ammunition, and firearm accessories; amending Minnesota Statutes 1992, section 609.5316, subdivision 1; Minnesota Statutes 1993 Supplement, sections 609.531, subdivision 1; and 609.5315, subdivisions 1 and 2.

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

#### Skoglund introduced:

H. F. No. 1821, A bill for an act relating to juveniles; extending the jurisdiction of the juvenile court to adjudicated delinquents aged 19 or older who have intentionally avoided the court's jurisdiction; amending Minnesota Statutes 1992, section 260.181, subdivision 4.

#### Skoglund introduced:

H. F. No. 1822, A bill for an act relating to crime; providing mandatory minimum prison sentences for persons convicted of a drive-by shooting; prohibiting persons under the age of 21 from possessing a pistol or assault weapon; making it a felony for a person under the age of 21 to carry an assault weapon or for any person to sell a pistol or assault weapon to a person under the age of 21; prohibiting juvenile offenders from possessing any firearm for ten years following discharge from disposition for a violent offense; amending Minnesota Statutes 1993 Supplement, sections 609.11, subdivision 9; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2.

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

#### Perlt, Mahon, Skoglund, Wenzel and Sarna introduced:

H. F. No. 1823, A bill for an act relating to traffic regulation; authorizing use of blue lights on law enforcement vehicles; amending Minnesota Statutes 1992, section 169.64, subdivision 4.

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

#### Skoglund and Olson, K., introduced:

H. F. No. 1824, A bill for an act relating to data practices; providing for release of the current address of certain welfare recipients to law enforcement agencies; providing for release of patient and resident directory information to law enforcement agencies; permitting law enforcement and court services agencies to share their records on juveniles with school officials under certain circumstances; requiring proposed transferees of pistols and semiautomatic military-style assault weapons and applicants for a permit to carry a pistol to authorize release of mental health and chemical dependency records to the local police authority conducting the firearms background check; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 260.161, by adding a subdivision; 624.7131, subdivision 2; and 624.714, subdivisions 3 and 4; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.161, subdivision 3; 624.7131, subdivision 1; and 624.7132, subdivisions 1 and 2.

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

Lasley and Skoglund introduced:

H. F. No. 1825, A bill for an act relating to driving while intoxicated; establishing a pilot program to evaluate the effectiveness of electronic alcohol monitoring of DWI offenders; appropriating money.

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

Mahon, Greiling, Asch, Evans and Rest introduced:

H. F. No. 1826, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only, appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

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

Anderson, R.; Anderson, I.; Lieder; Kalis and Bishop introduced:

H. F. No. 1827, A bill for an act relating to capital improvements; Minneapolis veterans home; authorizing the issuance of state bonds; appropriating money.

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

Perlt; Brown, C.; Bergson; Delmont and Mahon introduced:

H. F. No. 1828, A bill for an act relating to the city of Oakdale; authorizing the city to petition for annexation of certain properties acquired by the Minnesota department of transportation in Washington county for right-of-way purposes.

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

Brown, K.; Clark and Evans introduced:

H. F. No. 1829, A bill for an act relating to housing; requiring copies of evacuation plans for residents of manufactured home parks; amending Minnesota Statutes 1992, sections 290A.19; 327C.01, by adding a subdivision; and 327C.02, subdivision 5; Minnesota Statutes 1993 Supplement, section 327.20, subdivision 1.

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

Anderson, R.; Anderson, I.; Lieder; Lasley and Dempsey introduced:

H. F. No. 1830, A bill for an act relating to elections; providing for a voluntary code of fair campaign practices; prohibiting false, misleading, or deceptive campaigning; expanding the jurisdiction of the conciliation court; imposing penalties; amending Minnesota Statutes 1992, section 211B.06, subdivision 1; Minnesota Statutes 1993 Supplement, section 491A.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 211B.

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

Leppik introduced:

H. F. No. 1831, A bill for an act relating to elections; voter registration; eliminating the requirement that a voter registration card include the voter's telephone number; amending Minnesota Statutes 1993 Supplement, section 201.071, subdivision 1.

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

Brown, K.; Evans and Luther introduced:

H. F. No. 1832, A bill for an act relating to housing; requiring certification of shelters in manufactured home parks; eliminating certain shelters from manufactured home park valuation; requiring shelters in certain parks; providing financial assistance for shelter construction; appropriating money; amending Minnesota Statutes 1992, sections 273.11, by adding a subdivision; 327.205; 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 16B.61, subdivision 3; and 327.20, subdivision 1.

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

Erhardt, Morrison, Seagren, Knickerbocker and Abrams introduced:

H. F. No. 1833, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

Tunheim introduced:

H. F. No. 1834, A bill for an act relating to solid waste management; postponing the prohibition on disposing of unprocessed mixed municipal solid waste at substandard landfills under specific circumstances; amending Minnesota Statutes 1993 Supplement, section 115A.415.

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

Tunheim and Anderson, I., introduced:

H. F. No. 1835, A bill for an act relating to game and fish; agreements on taking and possession of fish taken from Ontario boundary waters; amending Minnesota Statutes 1993 Supplement, section 97A.531, by adding a subdivision.

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

Luther; Johnson, A.; Simoneau; Perlt and Peterson introduced:

H. F. No. 1836, A bill for an act relating to health; requiring the commissioner of health to provide information to the public regarding second hand smoke health risks to children; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Luther; Onnen; Ostrom; Anderson, I., and Sviggum introduced:

H. F. No. 1837, A bill for an act relating to taxation; income; changing the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivision 1.

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

Bishop, Carruthers, Farrell and Skoglund introduced:

H. F. No. 1838, A bill for an act relating to public safety; providing for judicial commitment of sexually violent predators to the custody of the commissioner of human services; providing a petitioning process and commitment procedures; amending Minnesota Statutes 1992, sections 609.1351; proposing coding for new law as Minnesota Statutes, chapter 253D; repealing Minnesota Statutes 1992, sections 526.09; 526.10; 526.11; and 526.115.

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

Skoglund and Lasley introduced:

H. F. No. 1839, A bill for an act relating to driving while intoxicated; establishing a pilot program to evaluate the effectiveness of electronic alcohol monitoring of DWI offenders; appropriating money.

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

Morrison; Simoneau; Brown, C., and Pawlenty introduced:

H. F. No. 1840, A bill for an act relating to local government; requiring the metropolitan council to study housing redevelopment and rehabilitation costs.

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

Pelowski introduced:

H. F. No. 1841, A bill for an act relating to education; permitting bonds to be issued; permitting the city of Rollingstone to construct and lease space for educational purposes to independent school district No. 861, Winona; amending Laws 1993, chapter 224, article 5, section 43.

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

#### Molnau introduced:

H. F. No. 1842, A bill for an act relating to capital improvements; appropriating money for a flood hazard mitigation grant to the city of Chaska; authorizing the sale of state bonds.

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

Tomassoni, Kahn, Greiling, Rukavina and Johnson, R., introduced:

H. F. No. 1843, A bill for an act relating to retirement; various public employee pension plans; authorizing the payment of partial postretirement adjustments to the estates of certain pre-1973 and related retirees; providing prorated postretirement adjustments to the estates of certain 1993 decedents; amending Minnesota Statutes 1992, section 356.86, subdivision 2.

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

#### Molnau introduced:

H. F. No. 1844, A bill for an act relating to highways; designating trunk highway marked No. 212 as the Minnesota Veterans Memorial Highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

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

Rhodes, Kelley, Orenstein and Rest introduced:

H. F. No. 1845, A bill for an act relating to education; permitting school boards to begin the school year before Labor Day when a religious holiday is observed the day following Labor Day; amending Minnesota Statutes 1992, section 126.12, subdivision 1.

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

Luther; Evans; Vellenga; Johnson, A., and Seagren introduced:

H. F. No. 1846, A bill for an act relating to economic development; appropriating money for a women-owned business study.

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

Morrison, Munger, Frerichs and Rukavina introduced:

H. F. No. 1847, A bill for an act relating to alternative energy; providing a consumer rebate for the purchase of residential low-emission wood or biomass combustion devices; providing for rulemaking by the Minnesota pollution control agency and the department of public service; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

# Perlt, Delmont, Beard, Holsten and Macklin introduced:

H. F. No. 1848, A bill for an act relating to data practices; requiring treatment facilities to release mental health and chemical dependency information to the local police authority conducting the firearms background check; appointing a mental health directory information policy group; amending Minnesota Statutes 1992, sections 13.42, by adding a subdivision; 624.7131, subdivision 2; and 624.714, subdivision 4; Minnesota Statutes 1993 Supplement, section 624.7132, subdivision 2.

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

#### Leppik introduced:

H. F. No. 1849, A bill for an act relating to taxation; allowing a refund for a portion of the motor vehicle excise taxes paid on certain park trailers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 297B.

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

#### Steensma; Bishop; Anderson, I.; Kahn and Winter introduced:

H. F. No. 1850, A bill for an act relating to state government; administrative procedures; requiring agencies to notify the legislature before proposing administrative rules; providing for review by legislative committees; permitting legislative committees to object to proposed rules and providing the effect of an objection; amending Minnesota Statutes 1992, section 14.365; proposing coding for new law in Minnesota Statutes, chapter 14.

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

Lasley introduced:

H. F. No. 1851, A bill for an act relating to campaign finance; changing certain contents of a principal campaign committee report; amending Minnesota Statutes 1993 Supplement, section 10A.20, subdivision 3.

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

#### Molnau introduced:

H. F. No. 1852, A bill for an act relating to local government; limiting members of local government bodies and town boards to a single per diem payment per day; providing duties to the county auditor; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

## Morrison, Osthoff, Knight and Kelso introduced:

H. F. No. 1853, A bill for an act relating to highways; requiring the commissioner of transportation's rules for the operation of the I-394 parking ramp in Minneapolis to provide incentives for use of the ramp by high-occupancy vehicles that use highways other than I-394; amending Minnesota Statutes 1992, section 161.1231, subdivision 2, and by adding a subdivision.

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

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Greiling, Rest, Mahon, Seagren and McGuire introduced:

H. F. No. 1854, A bill for an act relating to education; modifying the formula for abatement aids; appropriating money; amending Minnesota Statutes 1992, sections 124.214, subdivision 2; and 124A.032.

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

Reding introduced:

H. F. No. 1855, A bill for an act relating to retirement; Minnesota state retirement system; providing a retroactive exception to the reemployed annuitant earnings limitation for a certain individual.

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

Bettermann, Goodno and Koppendrayer introduced:

H. F. No. 1856, A bill for an act relating to employment; modifying provisions relating to prevailing wages; amending Minnesota Statutes 1992, section 177.41; 177.42, subdivision 6; 177.43, subdivisions 1 and 3; and 471.345, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 177.

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

Brown, K.; Evans and Clark introduced:

H. F. No. 1857, A bill for an act relating to manufactured housing; requiring a study of state administration, regulation, and enforcement; requiring a report to the legislature.

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

Rest, Mahon, Vellenga, Erhardt and McGuire introduced:

H. F. No. 1858, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

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

Luther; Evans; Mariani; Brown, K., and Clark introduced:

H. F. No. 1859, A bill for an act relating to housing; establishing penalties for failure to provide a written lease; amending Minnesota Statutes 1993 Supplement, section 504.12,

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

Abrams, Leppik, Kelley and Knickerbocker introduced:

H. F. No. 1860, A bill for an act relating to education; permitting independent school district No. 270 school year to commence before Labor Day.

Brown, K.; Evans; Smith and Wejcman introduced:

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

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

Hausman, Munger, Kahn and Pauly introduced:

H. F. No. 1862, A bill for an act relating to state departments and agencies; environmental quality board; providing that the board may provide its own staff and administration; amending Minnesota Statutes 1992, section 116C.03, subdivision 4; repealing Minnesota Statutes 1992, section 116C.03, subdivision 5.

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

Olson, E.; Pauly; Anderson, I.; Bishop and Asch introduced:

H. F. No. 1863, A bill for an act relating to ethics in government; providing for the house and senate ethics committees to perform specified duties in ethics leadership; changing various lobbyist and principal reporting requirements; prescribing penalties; amending Minnesota Statutes 1992, section 10A.04, subdivisions 4, 5, and 6; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Orenstein introduced:

H. F. No. 1864, A bill for an act relating to alcoholic beverages; authorizing the city of St. Paul to issue a wine and beer license to the College of St. Catherine catering service for certain buildings.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Simoneau, Jefferson and Morrison introduced:

H. F. No. 1865, A bill for an act relating to state government; requiring newly hired state employees to be state residents; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Bergson introduced:

H. F. No. 1866, A bill for an act relating to education; requiring nonresident school districts to enroll siblings of nonresident pupils attending school in the nonresident district; amending Minnesota Statutes 1992, section 120.062, by adding a subdivision.

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

Dempsey, Ozment and Koppendrayer introduced:

H. F. No. 1867, A bill for an act relating to education; expanding the uses of reserve funds to include innovative and remedial education programs; amending Minnesota Statutes 1993 Supplement, section 124A.29, subdivision 1.

62ND DAY]

4809

Winter; Anderson, I.; Ostrom; Goodno and Rest introduced:

H. F. No. 1868, A bill for an act relating to the local government trust fund; transferring an appropriation from the local government trust fund to the general fund; amending Minnesota Statutes 1993 Supplement, section 256E.06, subdivision 12.

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

Weaver, Rhodes, Smith, Swenson and Leppik introduced:

H. F. No. 1869, A bill for an act relating to education; safe schools; requiring students who transfer and school officials to transmit students' education records; allowing peace officers to disseminate certain information to schools and social service agencies; expanding the definition of directory information to include published photographs; expanding antiviolence programs in schools; establishing grant programs to develop curricula on ethics and parenting skills; precluding disruptive students from participating in the open enrollment program; making possession of a firearm or engaging in dangerous, disruptive, or violent behavior in a school zone grounds for immediate dismissal from school; providing for criminal prosecution of juveniles alleged to have possessed a firearm in a school zone; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms and the possession of weapons within 300 feet of school property; extending the juvenile court's continuing jurisdiction to a minor's 23rd birthday; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable supervision or control over their minor children; establishing a school-related crime hotline; increasing the limit on parental liability for personal injury torts committed by a minor; encouraging school districts to create alternative programs for disruptive students; appropriating money; amending Minnesota Statutes 1992, sections 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; and 609.055, subdivision 2; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 120.101, subdivision 5; 121.831, subdivision 9; 260.161, subdivision 3; 540.18, subdivision 1; and 609.66, subdivision 1d; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

Weaver, Swenson, Carruthers and Skoglund introduced:

H. F. No. 1870, A bill for an act relating to driving while intoxicated; authorizing imposition of a two-year gross misdemeanor sentence on certain repeat DWI offenders; requiring consecutive sentences for multiple crimes committed by repeat DWI offenders and DWI offenders who drive without insurance or after license cancellation or revocation; imposing misdemeanor penalties on persons who knowingly lend their motor vehicles to intoxicated or unlicensed drivers; amending Minnesota Statutes 1992, sections 169.797, subdivision 4; 609.02, subdivision 2, and by adding a subdivision; 609.105; Minnesota Statutes 1993 Supplement, sections 169.121, subdivision 3; and 171.24; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Koppendrayer, Ness and Sviggum introduced:

H. F. No. 1871, A bill for an act relating to education; providing for a statewide student assessment; permitting the state board of education to prescribe a single statewide form of assessment for the graduation rule; appropriating money; amending Minnesota Statutes 1993 Supplement, section 121.11, subdivision 7c; Laws 1992, chapter 499, article 8, section 33, as amended; Laws 1993, chapter 224, article 7, section 27.

Rukavina introduced:

H. F. No. 1872, A bill for an act relating to liquor; authorizing the St. Louis county board to issue one off-sale liquor license to a premises in Embarrass township.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Cooper introduced:

H. F. No. 1873, A bill for an act relating to health; creating an exception to the nursing home moratorium; amending Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 3.

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

Dempsey introduced:

H. F. No. 1874, A bill for an act relating to the city of Red Wing; authorizing the city to extend the duration of a tax increment financing district.

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

Anderson, I., introduced:

H. F. No. 1875, A bill for an act relating to highways; cemeteries; authorizing highway information signs to direct travelers to public cemeteries; amending Minnesota Statutes 1992, section 160.292, subdivisions 2, 10, and by adding a subdivision.

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

Luther, Clark, Simoneau, Holsten and Orenstein introduced:

H. F. No. 1876, A bill for an act relating to general assistance; modifying eligibility for payments to residents of shelter facilities; amending Minnesota Statutes 1992, section 256D.05, subdivision 3.

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

Dempsey introduced:

H. F. No. 1877, A bill for an act relating to pollution control; modifying the eligibility area for the state financial assistance program for combined sewer overflow; appropriating money; amending Minnesota Statutes 1992, section 116.162, subdivision 2.

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

Peterson; Lieder; Dempsey; Johnson, A., and Greiling introduced:

H. F. No. 1878, A bill for an act relating to taxation; income; changing the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivision 1.

#### Kalis introduced:

H. F. No. 1879, A bill for an act relating to taxation; property tax; reducing the apartment class rate in certain municipalities; amending Minnesota Statutes 1992, section 273.13, subdivision 25.

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

#### Bergson; Lieder; Anderson, I.; Johnson, V., and Perlt introduced:

H. F. No. 1880, A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desecration of the flag of the United States.

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

Dempsey, Reding and Sviggum introduced:

H. F. No. 1881, A bill for an act relating to the city of Red Wing; authorizing certain police officers to elect retirement coverage by the public employees police and fire fund.

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

#### Macklin, Pugh and Brown, C., introduced:

H. F. No. 1882, A bill for an act relating to contracts; creating the public contractors' performance and payment bond act by amending existing provisions; amending Minnesota Statutes 1992, sections 574.26; 574.261; 574.262, subdivision 1; 574.263, subdivision 3; 574.264, subdivision 1; 574.27; 574.28; 574.29; 574.30; 574.31; and 574.32.

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

Morrison and Seagren introduced:

H. F. No. 1883, A bill for an act relating to public utilities; requiring the public utilities commission to justify flat rates for utility service; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Evans; Johnson, A., and Sekhon introduced:

H. F. No. 1884, A bill for an act relating to housing; requiring a report to the legislature evaluating emergency weather procedures in manufactured home parks; appropriating money.

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

Jennings, Reding, Girard and Peterson introduced:

H. F. No. 1885, A bill for an act relating to financial institutions; regulating administrative hearings on bank applications, certain bank mergers, certain emergency notices, certain credit union accounts, and motor vehicle sales finance contracts; making technical and clarifying changes; amending Minnesota Statutes 1992, sections 46.041, subdivision 4; 47.0154; 48.47; 48.70; 52.191; 59A.03, subdivision 1; 168.69; Minnesota Statutes 1993 Supplement, section 47.54, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 48; repealing Minnesota Statutes 1992, sections 48.26; and 48.88, subdivision 2.

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

Reding, Winter, Gruenes, Jennings and Peterson introduced:

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

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

Solberg; Johnson, R., and Anderson, I., introduced:

H. F. No. 1887, A bill for an act relating to retirement; changing optional annuities under the judges retirement plan; amending Minnesota Statutes 1992, section 490.124, subdivision 11.

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

Solberg and Anderson, I., introduced:

H. F. No. 1888, A bill for an act relating to capital improvements; authorizing bonds and appropriating money to build an addition to the Grand Rapids civic center.

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

Tompkins, Milbert, Dempsey, Ozment and Pugh introduced:

H. F. No. 1889, A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of state bonds to finance the construction of a secure juvenile detention and treatment facility in Dakota county for multicounty use; authorizing juvenile courts to make placements at the facility; appropriating money; amending Minnesota Statutes 1993 Supplement, section 260.185, subdivision 1.

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

Tunheim introduced:

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

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

#### Pugh and Macklin introduced:

H. F. No. 1891, A bill for an act relating to real property; clarifying and making technical corrections to statutory provisions relating to real property; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 83.26, subdivision 2; 500.19, subdivision 4; 507.09; 507.332; 508.12, subdivision 1; 508.13; 508.23, subdivision 1; 508.35; 508.37, subdivision 1a; 508.38; 508.45; 508.47, subdivision 5; 508.51; 508.52; 508.55; 508.68; 508.70; 508.71, subdivision 4; 508A.22, subdivision 1; 508A.35; 508A.45; 508A.45; 508A.47, subdivision 5; 508A.51; 508A.52; 508A.52; 508A.52; 508A.55; 508A.68; 508A.71, subdivision 4; 559.21, subdivisions 3, 4, and 8; and 580.12; Minnesota Statutes 1993 Supplement, section 256B.0595, by adding a subdivision; 508.71, subdivision 7; 515B.1-102; 515B.1-103; 515B.1-105; 515B.1-116; 515B.2-104; 515B.2-105; 515B.2-110; 515B.2-118; 515B.2-119; 515B.3-116; and 515B.3-117; proposing coding for new law in Minnesota Statutes, chapters 508; and 508A.

Commers and Pawlenty introduced:

H. F. No. 1892, A bill for an act relating to highways; extending department of transportation sign franchise program to include urban controlled-access highways; amending Minnesota Statutes 1993 Supplement, section 160.80, subdivision 1.

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

Pawlenty and Commers introduced:

H. F. No. 1893, A bill for an act relating to intoxicating liquor; authorizing the city of Eagan to issue up to ten additional licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Lasley and Haukoos introduced:

H. F. No. 1894, A bill for an act relating to elections; eliminating the designation of incumbency for judicial offices; repealing Minnesota Statutes 1992, section 204B.36, subdivision 5.

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

Vellenga; Anderson, I.; Solberg; Kalis and Osthoff introduced:

H. F. No. 1895, A bill for an act relating to capital improvements; appropriating money to the department of administration for a grant to the Minnesota humanities commission to rehabilitate and retrofit the west wing of the former Gillette Children's Hospital; authorizing the sale of state bonds.

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

Reding and Davids introduced:

H. F. No. 1896, A bill for an act relating to capital improvements; appropriating money for Mower county to acquire the historic Grand Meadow chert quarry; authorizing the sale of state bonds.

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

Reding and Davids introduced:

H. F. No. 1897, A bill for an act relating to bonding; providing funding for a nonmotorized trail between Lake Louise state park and the city of Le Roy.

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

Orenstein introduced:

H. F. No. 1898, A bill for an act relating to appropriations; appropriating money to reimburse local law enforcement agencies for all or part of the costs they incur in conducting background checks and issuing permits under the handgun control act.

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

Greiling, Kahn, Evans, Leppik and Winter introduced:

H. F. No. 1899, A bill for an act relating to state government; revising procedures used for adoption and review of administrative rules; making various technical changes; amending Minnesota Statutes 1992, sections 14.05, subdivision 1; 14.12; 14.38, subdivisions 7, 8, and 9; 14.46, subdivisions 1 and 3; 14.47, subdivisions 1, 2, and 6; 14.50; 14.51; 17.84; 84.027, by adding a subdivision; and 128C.02, subdivision 4; Minnesota Statutes 1993 Supplement, sections 3.841; and 3.984, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3; and 14; repealing Minnesota Statutes 1992, sections 3.842; 3.843; 3.844; 3.845; 3.846; 14.03, subdivision 3; 14.05, subdivisions 2 and 3; 14.06; 14.08; 14.09; 14.11; 14.115; 14.131; 14.1311; 14.14; 14.15; 14.16; 14.18; 14.19; 14.20; 14.22; 14.225; 14.23; 14.235; 14.24; 14.25; 14.26; 14.27; 14.28; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; 14.365; 14.38, subdivisions 4, 5, and 6; and 17.83; Minnesota Statutes 1993 Supplement, section 14.10.

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

## Jaros, Smith, Sarna, Commers and Clark introduced:

H. F. No. 1900, A bill for an act relating to economic development; establishing a coordinator of international affairs; establishing an advisory committee; providing for appointments; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

#### Ness, Cooper, Onnen and Mosel introduced:

H. F. No. 1901, A bill for an act relating to local government; permitting the city of Hutchinson to incur debt for certain improvements; authorizing a reverse referendum on the issuance of city bonds.

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

House File Nos. 1902 through 1970 were not pre-filed pursuant to House Rule 5.14 and were introduced on the 62nd legislative day as follows:

#### Johnson, A.; Carlson; Vellenga and Greiling introduced:

H. F. No. 1902, A bill for an act relating to education; establishing a pilot program for children with specific learning disabilities; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 125.185, subdivision 4; and 126.70, subdivision 2a.

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

#### Johnson, A., introduced:

H. F. No. 1903, A bill for an act relating to retirement; granting service credit in the teachers retirement association for periods of military service; proposing coding for new law in Minnesota Statutes, chapter 354; repealing Minnesota Statutes 1992, section 354.53.

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

#### Cooper introduced:

H. F. No. 1904, A bill for an act relating to the environment; forgiving advances and loans made to the city of Morton under a pilot litigation loan project relating to wastewater treatment.

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

Johnson, A.; Neary and Rhodes introduced:

H. F. No. 1905, A bill for an act relating to motor vehicles; allowing certain licensed motor vehicle dealers to act as deputy registrars; amending Minnesota Statutes 1992, section 168.33, subdivision 2, and by adding a subdivision.

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

Reding introduced:

H. F. No. 1906, A bill for an act relating to state trails; routing an existing trail; establishing new trails; amending Minnesota Statutes 1992, section 85.015, subdivision 7, and by adding subdivisions.

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

Greiling, McCollum, Asch, Perlt and Stanius introduced:

H. F. No. 1907, A bill for an act relating to metropolitan mosquito control; requiring the metropolitan mosquito control commission to prepare and adopt a long-range comprehensive plan and budget subject to metropolitan council approval; amending Minnesota Statutes 1992, section 473.704, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Greiling, Asch, McCollum, Perlt and Stanius introduced:

H. F. No. 1908, A bill for an act relating to metropolitan mosquito control; providing for conflict of interest rules to apply to employees of the commission; amending Minnesota Statutes 1992, section 473.706; Minnesota Statutes 1993 Supplement, section 10A.01, subdivision 18.

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

Reding introduced:

H. F. No. 1909, A bill for an act relating to retirement; local police and salaried firefighters relief associations; requiring continuation of surviving spouse benefits upon remarriage; amending Minnesota Statutes 1992, section 423A.17.

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

Wejcman, Pugh and Lynch introduced:

H. F. No. 1910, A bill for an act relating to courts; expanding conciliation court jurisdiction over matters involving. rental property; amending Minnesota Statutes 1993 Supplement, section 491A.01, subdivision 9.

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

Carruthers, Skoglund, Wejcman, Macklin and Bergson introduced:

H. F. No. 1911, A bill for an act relating to criminal procedure; proposing an amendment to the Minnesota Constitution, article I, section 7, to permit courts to deny a defendant's release on bail when necessary to protect the safety of any individual or the public or to ensure the defendant's appearance at court proceedings; enacting the Minnesota bail reform act; providing procedures governing pretrial and postconviction release and detention decisions; providing for appellate review of release and detention orders; imposing penalties for failure to appear in court as required and for commission of a crime while on release; amending Minnesota Statutes 1992, sections 589.16; 629.53;

and 629.63; Minnesota Statutes 1993 Supplement, section 629.72, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; proposing coding for new law as Minnesota Statutes, chapter 629A; repealing Minnesota Statutes 1992, sections 609.49; 629.44; 629.45; 629.47; 629.48; 629.49; 629.54; 629.55; 629.58; 629.59; 629.60; 629.61; 629.62; and 629.64.

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

Seagren, Carlson, Koppendrayer, Leppik and Weaver introduced:

H. F. No. 1912, A bill for an act relating to education; authorizing the use of a portion of capital expenditure facilities revenue for equipment uses; amending Minnesota Statutes 1993 Supplement, section 124.243, subdivision 8.

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

Farrell introduced:

H. F. No. 1913, A bill for an act relating to retirement; St. Paul police consolidation account; authorizing the payment of refunds to the estates of certain deceased police officers.

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

Jennings, Reding, Huntley, Abrams and Girard introduced:

H. F. No. 1914, A bill for an act relating to financial institutions; reciprocal interstate banking; removing the geographical limitation contained in the definition of reciprocating state; amending Minnesota Statutes 1992, section 48.92, subdivision 7.

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

Weaver, Van Dellen, Lynch and Rukavina introduced:

H. F. No. 1915, A bill for an act relating to employment; establishing a disaster volunteer leave program in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Brown, K., and Klinzing introduced:

H. F. No. 1916, A bill for an act relating to taxation; property; requiring a delay in implementing future property tax changes; proposing coding for new law in Minnesota Statutes, chapter 272.

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

Kelso and Morrison introduced:

H. F. No. 1917, A bill for an act relating to metropolitan government; providing for financial assistance and capital expenditures of the regional transit board; amending Minnesota Statutes 1992, sections 473.375, subdivision 13; and 473.39, subdivision 1b.

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

Evans, Bergson and Asch introduced:

H. F. No. 1918, A bill for an act relating to licensing; requiring implementation of a system of consolidated business licensing; requiring the state to provide citizens with electronic access to state agencies for the purpose of obtaining certain licenses and permits; proposing coding for new law in Minnesota Statutes, chapters 16B; and 116J.

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

Evans and Mariani introduced:

H. F. No. 1919, A bill for an act relating to manufactured homes; clarifying certain language governing application fees with in park sales; amending Minnesota Statutes 1992, section 327C.07, subdivisions 1, 2, 3, and 6.

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

#### Simoneau, Morrison, Bishop and Anderson, I., introduced:

H. F. No. 1920, A bill for an act relating to traffic regulations; motor vehicles; establishing system for the notification, recording, and collection of delinquent fines for parking violations; prohibiting registration of vehicle of owner who has not paid the fine for a parking violation; prohibiting issuance of warrants for parking violations; imposing a fee; appropriating money; amending Minnesota Statutes 1992, sections 169.91, subdivision 3; 169.95; and 169.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168; and 169.

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

Johnson, R.; Reding; Knickerbocker; Greiling and Kahn introduced:

H. F. No. 1921, A bill for an act relating to retirement; increasing employee contribution rates and benefit computation formulas for the teachers retirement fund; revising the salary growth assumption for certain public pension funds; amending Minnesota Statutes 1992, sections 354.42, subdivision 2; 354.44, subdivision 6; and 356.215, subdivision 4d; Minnesota Statutes 1993 Supplement, section 356.215, subdivision 4g.

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

#### Bettermann, Koppendrayer and Dauner introduced:

H. F. No. 1922, A bill for an act relating to counties; permitting examinations of accounts and records by certified public accountants; amending Minnesota Statutes 1992, section 6.48.

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

Perlt, Skoglund, Klinzing and Bergson introduced:

H. F. No. 1923, A bill for an act relating to the secretary of state; changing filing procedures for corporations and certain organizations; providing for service of process on limited partnerships; changing requirements for filings governed by the uniform commercial code; amending Minnesota Statutes 1992, sections 302A.821, subdivision 1; 303.07, subdivision 2; 303.17, subdivisions 2 and 4; 315.23, subdivision 3; 315.44; Minnesota Statutes 1993 Supplement, sections 336.9-403; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 322A.

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

#### Bergson, Carruthers, Luther, Weaver and Perlt introduced:

H. F. No. 1924, A bill for an act relating to crime; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable care, supervision, protection, or control over their minor children; amending Minnesota Statutes 1992, section 260.315.

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

Vellenga; Anderson, I.; Bauerly; Carlson and Koppendrayer introduced:

H. F. No. 1925, A bill for an act relating to education; lowering the property tax revenue recognition shift; clarifying state aid payments; modifying the appeal process for school districts to revise the state-aid payment schedule; modifying the tax credit adjustment; amending Minnesota Statutes 1992, sections 121.904, subdivision 4e; and 124.195, subdivision 3a; Minnesota Statutes 1993 Supplement, section 121.904, subdivisions 4a and 4c; Laws 1993, chapter 224, article 1, section 38.

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

Opatz, Bergson and McGuire introduced:

H. F. No. 1926, A bill for an act relating to crime; expanding the definition of "domestic abuse" to include harassment and stalking crimes; increasing penalties for certain attempted first degree murders; requiring persons convicted of domestic assault to pay restitution to the victim for treatment expenses; expanding peace officer warrantless probable cause arrest authority in domestic assault cases; amending Minnesota Statutes 1992, sections 609.135, subdivision 5; and 609.17, subdivision 4; Minnesota Statutes 1993 Supplement, sections 518B.01, subdivision 2; 611A.04, subdivision 1; and 629.341, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Tunheim introduced:

H. F. No. 1927, A bill for an act relating to public employment; requiring a Medicare coverage referendum for certain public employees.

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

Tunheim introduced:

H. F. No. 1928, A bill for an act relating to motor vehicles; authorizing special license plates for vehicles owned by volunteer ambulance drivers; amending Minnesota Statutes 1992, section 168.12, by adding a subdivision.

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

Pawlenty, Commers and Rhodes introduced:

H. F. No. 1929, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; providing for the legislature to meet only in the odd-numbered year.

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

Pawlenty and Commers introduced:

H. F. No. 1930, A bill for an act relating to consumer protection; requiring cable television installation standards in the state building code; requiring cable television installers to be certified by professional cable installation trade organizations; providing for enforcement by civil damages and penalties; amending Minnesota Statutes 1992, section 16B.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

Koppendrayer and Rhodes introduced:

H. F. No. 1931, A bill for an act relating to education; providing unlimited access to education records of a child with a disability by the child or parent; modifying charter school sponsorship by state board; allowing leasing of space from sectarian organizations; extending age limit of a child with a disability for special instruction and services; increasing number of Minnesota academic excellence foundation staff; permitting department of education to send essential data to higher education coordinating board; modifying facility plan for alternative facilities bonding and levy program; modifying funding for outcome-based charter schools; providing aid to nonprofit organizations that provide adult basic education; modifying revenue date of children under five years; establishing reserve accounts for early childhood family education and community education; limiting operating debt level authority; modifying reserve revenue for staff development; permitting school boards to begin school year before Labor Day when religious holiday is observed the day following Labor Day; clarifying aid for private alternative programs; modifying staff development program; modifying library hours; modifying debt surplus adjustment; modifying health and safety aid; modifying NSF math-science initiative; modifying declining pupil unit aid; modifying county board and school district responsibilities for special education; modifying the interagency early childhood intervention system; amending Minnesota Statutes 1992, sections 13.04, by adding a subdivision; 120.17, subdivision 1; 121.612, subdivision 7; 121.932, subdivision 5; 124.26, subdivision 1b; 124.2601, subdivisions 3, 5, and 7; 124.2711, by adding a subdivision; 124.2713, by adding a subdivision; 126.12, subdivision 1; 126.23; 134.195, subdivision 10; and 475.61, subdivision 4; Minnesota Statutes 1993 Supplement, sections 120.064, subdivisions 4 and 16; 120.17, subdivisions 11b, 12, and 17; 124.239, subdivision 2; 124.248, subdivision 4; 124.26, subdivisions 1c and 2; 124.2711, subdivision 1; 124.914, subdivision 4; 124A.29, subdivision 1; and 126.70, subdivisions 1 and 2a; Laws 1993, chapter 224, articles 5, section 46, subdivision 4; 7, section 28, subdivision 4; and 15, section 2; proposing coding for new law in Minnesota Statutes, chapter 120.

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

#### Orenstein introduced:

H. F. No. 1932, A bill for an act relating to local government; changing the date by which the joint property tax advisory committee must agree; amending Minnesota Statutes 1993 Supplement, section 383A.75, subdivision 3.

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

## Stanius, Sviggum, Girard and Dempsey introduced:

H. F. No. 1933, 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 issuance of bonds; authorizing assessments for debt service; reducing certain earlier project authorizations and appropriations; appropriating money, with certain conditions; amending Minnesota Statutes 1992, sections 16A.632, subdivisions 1 and 2; 103F.175; and 136.261, subdivision 2; Minnesota Statutes 1993 Supplement, section 16B.335; repealing Minnesota Statutes 1992, sections 124.491; 124.492; 124.493; 124.494, as amended; 124.4945; 124.4946; and 124.495.

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

#### Pugh introduced:

H. F. No. 1934, A bill for an act relating to corporations; modifying provisions for the organization and operation of business corporations; amending Minnesota Statutes 1992, sections 302A.135, subdivision 4; 302A.405, subdivision 1; 302A.471, subdivision 1; 302A.661, subdivision 1; 302A.725, subdivision 3; and 302A.751, subdivisions 1, 2, and 3a; Minnesota Statutes 1993 Supplement, sections 302A.401, subdivision 1; 302A.435, subdivision 1; and 302A.673, subdivision 3.

Lasley introduced:

H. F. No. 1935, A bill for an act relating to education; expanding funding for teacher education for teachers of deaf and hard of hearing students; appropriating money.

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

Battaglia and Huntley introduced:

H. F. No. 1936, A bill for an act relating to game and fish; requiring return to the water of fish snagged in certain waters; amending Minnesota Statutes 1993 Supplement, section 97C.331.

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

#### Finseth introduced:

H. F. No. 1937, A bill for an act relating to crime; increasing penalties for intentionally mutilating a flag; clarifying the purpose of the law; amending Minnesota Statutes 1992, section 609.40, subdivision 2, and by adding a subdivision.

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

Finseth introduced:

H. F. No. 1938, A bill for an act relating to wetlands; exempting small tracts from replacement requirements; amending Minnesota Statutes 1992, section 103F.516, subdivision 1; Minnesota Statutes 1993 Supplement, section 103G.2241.

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

McGuire, Swenson and Greiling introduced:

H. F. No. 1939, A bill for an act relating to alcoholic beverages; extending the dram shop act to include illegal gifts of alcoholic beverages to persons under age 21; requiring the commissioner of public safety to prescribe standards for identification of beer kegs; requiring retailers of beer to maintain records of sale of beer kegs and record the identification number of each beer keg sold; prescribing penalties; amending Minnesota Statutes 1992, section 340A.801, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Minnesota Statutes 1992, section 340A.801, subdivision 6.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Simoneau; Weaver; Johnson, A., and Lynch introduced:

H. F. No. 1940, A bill for an act relating to human resources; directing the commissioner to authorize Anoka county to provide certain mental health services under an alternative system; amending Minnesota Statutes 1992, section 256B.031, subdivision 10.

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

Carruthers, Macklin, Limmer, Skoglund and Dawkins introduced:

H. F. No. 1941, A bill for an act relating to government data practices; listing provisions codified outside the government data practices act that limit access to data; amending Minnesota Statutes 1992, section 13.99, subdivisions 7, 39, 45, 53, 60, 71, and by adding subdivisions.

Carruthers, Skoglund, Macklin, Limmer and Perlt introduced:

H. F. No. 1942, A bill for an act relating to courts; providing that only court-appointed counsel are eligible for reimbursement of investigative, expert, and other defense costs; amending Minnesota Statutes 1992, section 611.21.

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

Greiling, McCollum, Asch, Perlt and Stanius introduced:

H. F. No. 1943, A bill for an act relating to metropolitan mosquito control; abolishing the metropolitan mosquito control district and commission; amending Minnesota Statutes 1992, sections 270.12, subdivision 3; 473.129, subdivision 6; 473.143, subdivision 1; and 473.8011; Minnesota Statutes 1993 Supplement, sections 3.9741, subdivision 1; 16B.122, subdivision 1; 275.065, subdivisions 3 and 5a; and 352.01, subdivision 2a; repealing Minnesota Statutes 1992, sections 473.701; 473.702; 473.703; 473.704, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, and 20; 473.705; 473.706; 473.711, subdivisions 1, 2, 3, and 4; 473.712; 473.714; 473.715; and 473.716; Minnesota Statutes 1993 Supplement, sections 473.704, subdivision 17; and 473.711, subdivision 5.

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

Johnson, A.; McCollum; Kelley; Ozment and Carlson introduced:

H. F. No. 1944, A bill for an act relating to education; repealing the expiration of existing referendum authority; repealing Laws 1993, chapter 224, article 1, section 37.

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

Goodno and Girard introduced:

H. F. No. 1945, A bill for an act relating to taxation; exempting corporations engaged in farming from the minimum fee; amending Minnesota Statutes 1992, section 290.0922, subdivision 1.

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

Goodno introduced:

H. F. No. 1946, A bill for an act relating to health; modifying the state health care program participation requirement; exempting border providers from the MinnesotaCare tax on gross revenues; amending Minnesota Statutes 1993 Supplement, sections 256B.0644; and 295.53, by adding a subdivision.

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

Goodno introduced:

H. F. No. 1947, A bill for an act relating to education; modifying award of grants for faculty exchange and temporary assignment programs; amending Minnesota Statutes 1993 Supplement, section 125.138, subdivisions 6 and 8.

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

Goodno, Van Dellen and Simoneau introduced:

H. F. No. 1948, A bill for an act relating to human services; providing for the restructuring of certain public assistance programs; amending Minnesota Statutes 1992, sections 256.73, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Dawkins, Skoglund, Murphy, Smith and Mariani introduced:

H. F. No. 1949, A bill for an act relating to crime; making the requirement for holding a bias-motivated crimes course permanent; requiring the criminal and juvenile information policy group to make recommendations of race data in criminal justice information systems; appropriating money for establishing a judicial interpreter certification and training program; amending Minnesota Statutes 1992, section 8.34, subdivision 2; Minnesota Statutes 1993 Supplement, section 299C.65, subdivision 1.

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

Kahn, Bishop, Skoglund and Abrams introduced:

H. F. No. 1950, A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article IV; providing that the legislature has the authority to establish rules of evidence.

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

#### Pelowski introduced:

H. F. No. 1951, A bill for an act proposing an amendment to the Minnesota Constitution, article X, by adding a section; empowering the legislature to authorize riverboat gambling.

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

#### Bishop, Skoglund, Vellenga and Osthoff introduced:

H. F. No. 1952, A bill for an act relating to crime; recodifying and revising the crime of contributing to a minor's delinquency or need for protection or services; increasing penalties for certain acts; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1992, section 260.315.

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

Solberg; Anderson, I., and Battaglia introduced:

H. F. No. 1953, A bill for an act relating to education; creating an exemption to the referendum revenue reduction for certain school districts eligible for sparsity revenue; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 3b.

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

Evans; Greiling; Johnson, A.; Garcia and Neary introduced:

H. F. No. 1954, A bill for an act relating to education; increasing and ensuring needed before and after school programs; including school-age child care for children in kindergarten through grade 9; amending Minnesota Statutes 1992, section 126.69, subdivision 3; Minnesota Statutes 1993 Supplement, section 126.70, subdivision 2a.

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

Onnen; Klinzing; Brown, C.; Olson, M., and Ness introduced:

H. F. No. 1955, A bill for an act relating to Wright county; permitting the transfer of a sheltered workshop facility to its operator without bids or consideration.

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

4822

Weaver introduced:

H. F. No. 1956, A bill for an act relating to local government; authorizing the public library systems of the county of Anoka and the city of Anoka to merge and the county to provide library services for the city.

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

#### Bishop introduced:

H. F. No. 1957, A bill for an act relating to housing and redevelopment authorities; providing for the membership in the Olmsted county housing and redevelopment authority and for dissolution of the Rochester housing and redevelopment authority; making conforming changes; allowing certain cities the option to form their own authorities.

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

#### Orenstein introduced:

H. F. No. 1958, A bill for an act relating to firearms; imposing civil liability on persons who transfer firearms in violation of the gun control act if the firearm is later used in a violent crime; broadening the scope of the gun control act to apply to transfers of firearms by persons who are not federally licensed firearms dealers; amending Minnesota Statutes 1993 Supplement, section 624.7132, subdivision 12; proposing coding for new law in Minnesota Statutes, chapter 624.

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

Neary, Garcia and Evans introduced:

H. F. No. 1959, A bill for an act relating to human services; appropriating money for crisis nursery and respite care programs.

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

Neary, Garcia, McCollum, Kelso and Johnson, A., introduced:

H. F. No. 1960, A bill for an act relating to motor carriers; defining youth charter carriers; authorizing the transportation regulation board to issue youth charter carrier permits; amending Minnesota Statutes 1992, sections 221.011, by adding a subdivision; and 221.121, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 221.111.

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

#### Kinkel introduced:

H. F. No. 1961, A bill for an act relating to economic development; removing the prohibition on use of state money for the board of invention; repealing Minnesota Statutes 1993 Supplement, section 116J.990, subdivision 7.

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

Seagren, Carlson, Vellenga, Koppendrayer and Leppik introduced:

H. F. No. 1962, A bill for an act relating to education; modifying the referendum expiration date; amending Laws 1993, chapter 224, article 1, section 37.

### Seagren, Carlson, Vellenga, Koppendrayer and Leppik introduced:

H. F. No. 1963, A bill for an act relating to education; eliminating the permanent fund transfer from the general fund to the community service fund for employer contributions for teacher retirement and FICA; repealing Minnesota Statutes 1992, section 121.912, subdivision 1b.

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

#### Reding introduced:

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

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

#### Bishop introduced:

H. F. No. 1965, A bill for an act relating to counties; Olmsted; allowing the examiner of titles to be compensated as are examiners in counties of fewer than 75,000 population; amending Minnesota Statutes 1992, section 508.12, subdivision 1.

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

Peterson, Girard and Vellenga introduced:

H. F. No. 1966, A bill for an act relating to peace officers; authorizing officers of states adjoining Minnesota to render assistance to peace officers of this state on request; granting these officers arrest authority in this state under certain circumstances; extending the state and local government tort liability laws to the conduct of these officers; proposing coding for new law in Minnesota Statutes, chapter 626.

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

Hasskamp, Van Dellen, Ness, Vellenga and Orenstein introduced:

H. F. No. 1967, A bill for an act relating to taxation; income; changing the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivision 1.

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

Neary and Kelso introduced:

H. F. No. 1968, A bill for an act relating to traffic regulations; requiring loads of aggregate, gravel, and similar material be covered when traveling at 40 miles per hour or greater; amending Minnesota Statutes 1992, section 169.81, subdivision 5b.

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

Greiling, McCollum, Perlt, Asch and Stanius introduced:

H. F. No. 1969, A bill for an act relating to metropolitan mosquito control; requiring the metropolitan mosquito control district to submit to the environmental quality board an addendum report to the final supplemental environmental impact statement.

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

4824

Bishop introduced:

H. F. No. 1970, A bill for an act relating to corrections; appropriating money for grants for an alternative community corrections program for certain offenders in certain counties.

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

### HOUSE ADVISORIES

House Advisory Nos. 30 through 33 were pre-filed with the Speaker during the recess, given a file number and unofficially referred to committee pursuant to House Rule 5.14. The following is the official introduction and committee reference:

Clark, Jefferson, Wejcman, Greenfield and Long introduced:

H. A. No. 30, A proposal to study wet-dry housing for certain inebriated persons in Hennepin county.

The advisory was referred to the Committee on Housing.

Clark, Jefferson, Mariani, Klinzing and Weaver introduced:

H. A. No. 31, A proposal to study the relationship of environmental lead poisoning of children to environmental racism.

The advisory was referred to the Committee on Environment and Natural Resources.

Clark, Jefferson, Wejcman, Greenfield and Sama introduced:

H. A. No. 32, A proposal to study housing for certain categories of low-income and vulnerable adults.

The advisory was referred to the Committee on Housing.

Luther and Carruthers introduced:

H. A. No. 33, A proposal to study realtors steering clients away from certain communities.

The advisory was referred to the Committee on Commerce and Economic Development.

Carruthers moved that when the House adjourns today it adjourn until 12:00 noon, Thursday, February 24, 1994. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of Representative Jerry Bauerly and Representative Phyllis Kahn as Speakers pro tempore for the remainder of the Seventy-eighth session.

#### ADJOURNMENT

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Thursday, February 24, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

4826

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION — 1994

# SIXTY-THIRD DAY

# SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 24, 1994

The House of Representatives convened at 12:00 noon and was called to order by Irv Anderson, 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	Dawkins	Hausman	Koppendrayer	Morrison	Pelowski	Swenson
Anderson, R.	Dehler	Holsten	Krinkie	Mosel	Peterson	Tomassoni
Asch	Delmont	Hugoson	Krueger	Munger	Pugh	Tompkins
Battaglia	Dempsey	Huntley .	Lasley	Murphy	Reding	Trimble
Bauerly	Dorn	Jacobs	Leppik	Neary	Rest	Tunheim
Beard	Erhardt	Jaros	Lieder	Nelson	Rhodes	Van Dellen
Bergson	Evans	Jefferson	Limmer	Ness	Rice	Van Engen
Bertram	Farrell	Jennings	Lindner	Olson, E.	Rodosovich	Vellenga
Bettermann	Finseth	Johnson, A.	Long	Olson, K.	Rukavina	Vickerman
Bishop	Frerichs	Johnson, R.	Lourey	Olson, M.	Sarna	Wagenius
Brown, C.	Garcia	Johnson, V.	Luther	Onnen	Seagren	Waltman
Brown, K.	Girard	Kahn	Lynch	Opatz	Sekhon	Weaver
Carlson	Goodno	Kalis	Macklin	Orenstein	Simoneau	Wejcman
Carruthers	Greenfield	Kelley	Mahon	Orfield	Skoglund	Wenzel
Clark	Greiling	Kelso	Mariani	Osthoff	Smith	Winter
Commers	Gruenes	Kinkel	McCollum	Ostrom	Solberg	Wolf
Cooper	Gutknecht	Klinzing	McGuire	Ozment	Stanius	Worke
Dauner	Hasskamp	Knickerbocker	Milbert	Pauly	Steensma	Workman
Davids	Haukoos	Knight	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.

#### A quorum was present.

Perlt was excused.

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

# **REPORTS OF STANDING COMMITTEES**

Olson, E., from the Committee on Ethics to which was referred:

H. F. No. 1863, A bill for an act relating to ethics in government; providing for the house and senate ethics committees to perform specified duties in ethics leadership; changing various lobbyist and principal reporting requirements; prescribing penalties; amending Minnesota Statutes 1992, section 10A.04, subdivisions 4, 5, and 6; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Page 1, line 21, after "guidebook" insert "after consultation with other government officials and interested citizens"

Page 2, line 24, delete "<u>\$5</u>" and insert "<u>\$20</u>"

Page 2, line 25, after "official" insert "or members of the official's immediate family"

Page 2, line 26, after "lobbyist" insert "on one occasion and not reported under clause (ii) or paragraph (d)"

Page 2, line 29, delete "<u>\$10</u>" and insert "<u>\$40</u>"

Page 2, line 30, after "officials" insert "or members of the officials' immediate families"

Page 2, line 34, after "whom" insert "or to a member of whose immediate family"

Page 3, line 5, after "available" insert "by the lobbyist or any employer or employee of the lobbyist"

Page 3, line 6, after "employees" insert "or their immediate families"

Page 3, line 10, after "employees" insert "or their immediate families"

Page 3, line 18, delete "<u>\$5</u>" and insert "<u>\$20</u>" and after "<u>available</u>" insert "<u>by the lobbyist or any employer or employee</u> of the lobbyist"

Page 3, line 35, strike "receiving this notice" and insert "the report is due"

Page 4, delete lines 15 to 27, and insert:

"(b) Each principal shall report which of the following categories includes the total amount, rounded to the nearest dollar, spent by the principal during the preceding calendar year to influence legislative action, <u>the total amount spent</u> by the principal during the preceding calendar year to influence administrative action, and <u>the total amount spent</u> by the principal during the preceding calendar year to influence the official action of metropolitan governmental units:

(1) \$501 to \$50,000 \$5,000;

(2) <u>\$5,001</u> to <u>\$50,000;</u>

(3) \$50,001 to \$150,000 \$75,000; or

(3) \$150,001 (4) \$75,001 to \$250,000 \$100,000.

(c) Beyond \$250,000 \$100,000, each additional \$250,000 \$50,000 constitutes an additional category, and each principal shall report which of the categories includes the total amount spent by the principal for the purposes provided in this subdivision."

Page 4, lines 28 to 36, reinstate the stricken language and delete the new language

Page 5, after line 9, insert:

"(e) Each principal shall also report the name, business address, and employer, if any, of each lobbyist engaged by the principal to influence legislative action, administrative action, or the official action of metropolitan governmental units in Minnesota."

Page 5, line 10, delete "(d)" and insert "(f)"

Page 5, line 14, delete "receiving this notice" and insert "the report is due"

Page 5, after line 22, insert:

"Sec. 5. [10A.051] [ETHICAL PRACTICES BOARD; DATA PUBLICATION.]

The board shall extract the information in the lobbyist and principal reports submitted under section 10A.04 and so summarize, organize, and publish the information that citizens may conveniently ascertain:

(1) for individual officials and public entities, the aggregate amount of benefit received, the nature of the benefit or benefits, and the amount of benefit provided to the official or entity by each lobbyist or any employer or employee of the lobbyist; and

(2) for individual principals, the information required by section 4."

Amend the title as follows:

Page 1, line 9, delete "chapter 3" and insert "chapters 3; and 10A"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1885, A bill for an act relating to financial institutions; regulating administrative hearings on bank applications, certain bank mergers, certain emergency notices, certain credit union accounts, and motor vehicle sales finance contracts; making technical and clarifying changes; amending Minnesota Statutes 1992, sections 46.041, subdivision 4; 47.0154; 48.47; 48.70; 52.191; 59A.03, subdivision 1; 168.69; Minnesota Statutes 1993 Supplement, section 47.54, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 48; repealing Minnesota Statutes 1992, sections 48.26; and 48.88, subdivision 2.

Reported the same back with the following amendments:

Page 2, after line 9, insert:

"Sec. 2. Minnesota Statutes 1992, section 47.0153, subdivision 1, is amended to read:

Subdivision 1. When the officers of a financial institution are of the opinion that an emergency exists, or is impending, which affects, or may affect, a financial institution's offices, they shall have the authority, in the réasonable exercise of their discretion, to determine not to open any of its offices on any business day or, if having opened, to close an office during the continuation of the emergency, even if the commissioner does not issue a proclamation of emergency. The office closed shall remain closed until the time that the officers determine the emergency has ended, and for the further time reasonably necessary to reopen. No financial institution office shall remain closed for more then 48 consecutive hours, excluding other legal holidays, without the prior approval of the commissioner, or in the case of a national bank, the comptroller of the currency."

Page 4, after line 27, insert:

"Sec. 9. Minnesota Statutes 1992, section 52.24, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATE OF APPROVAL.] No credit union shall be granted a certificate of approval by the commissioner of commerce unless the credit union has obtained a commitment for insurance of its member share and deposit accounts under the provisions of title II of the National Credit Union Act, or from a legally constituted credit union share insurance corporation.

Sec. 10. Minnesota Statutes 1993 Supplement, 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, credit accident and health, and credit involuntary unemployment 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, health, and involuntary unemployment 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, credit accident and health insurance, or credit involuntary unemployment 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, accident and health, and involuntary unemployment insurance coverage sold:

CREDIT LIFE INSURANCE, CREDIT DISABILITY INSURANCE, AND CREDIT INVOLUNTARY UNEMPLOYMENT 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 or involuntary unemployment and shall further disclose the number of days that an insured obligor must be disabled or involuntarily unemployed, 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 eredit accident and health or credit unemployment 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 accident and health or 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."

Page 5, line 19, delete "10" and insert "13"

Amend the title as follows:

Page 1, line 8, after "4;" insert "47.0153, subdivision 1;" and after "52.191;" insert "52.24, subdivision 2;"

Page 1, line 10, delete "section" and insert "sections" and after "4;" insert "and 56.155, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1886, A bill for an act relating to insurance; regulating insurers, investments, rehabilitations and liquidations, policy loans, and alternative coverage mechanisms; amending Minnesota Statutes 1992, sections 60A.052,

subdivision 2; 60A.11, subdivision 13; 60A.111, subdivision 2; 60A.13, subdivision 8; 60B.60, subdivisions 2 and 3; 61A.28, subdivisions 11 and 12; 62F.02, subdivision 1; and 62F.03, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 60A.23, subdivision 4; 60D.20, subdivision 2; and 62B.12; repealing Minnesota Statutes 1992, section 60D.19, subdivision 5.

Reported the same back with the following amendments:

Page 3, line 6, strike "required"

Page 3, line 7, strike "liabilities" and insert "<u>qualified</u> <u>assets</u>" and strike "qualified assets" and insert "<u>required</u> <u>liabilities</u>"

Page 9, line 15, reinstate the stricken language and delete the new language and after "clause" insert "(1) or"

Page 9, line 22, delete the new language and insert "and who derive at least 60 percent of their gross revenues attributable to the provision of professional services, from professional services provided within the state of Minnesota"

Page 9, lines 23 and 24, delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 1863, 1885 and 1886 were read for the second time.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wolf, Perlt, Skoglund, Rhodes and Smith introduced:

H. F. No. 1971, A bill for an act relating to crime; making it murder in the first degree to cause the death of a local correctional officer; amending Minnesota Statutes 1992, section 609.185.

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

Weaver introduced:

H. F. No. 1972, A bill for an act relating to courts; clarifying and changing certain responsibilities of court administrators; amending Minnesota Statutes 1992, sections 485.06; 600.23, subdivision 1; 508.11; repealing Minnesota Statutes 1992, section 629.69.

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

#### Morrison introduced:

H. F. No. 1973, A bill for an act relating to taxation; allowing an exemption from electronic funds transfer of withholding taxes; amending Minnesota Statutes 1993 Supplement, section 289A.60, subdivision 21.

Frerichs, Trimble, Hasskamp and Kinkel introduced:

H. F. No. 1974, A bill for an act relating to highways; adding certain highways that are part of the great river road to the county state-aid highway system; amending Minnesota Statutes 1992, section 162.02, subdivision 6.

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

Morrison and Simoneau introduced:

H. F. No. 1975, A bill for an act relating to health; requiring food handlers to wear gloves; proposing coding for new law in Minnesota Statutes, chapter 157.

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

Winter; Vickerman; Olson, K., and Osthoff introduced:

H. F. No. 1976, A bill for an act relating to highways; designating the Laura Ingalls Wilder historic highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

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

Winter, Rest, Rukavina and Girard introduced:

H. F. No. 1977, A bill for an act relating to taxation; property; clarifying certain homestead eligibility for trust property; amending Minnesota Statutes 1993 Supplement, section 273.124, subdivision 1.

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

Kalis and Sviggum introduced:

H. F. No. 1978, A bill for an act relating to education; allowing school districts to cancel their supplemental revenue; amending Minnesota Statutes 1993 Supplement, section 124A.22, subdivision 8.

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

Asch, Greiling, McCollum, Carlson and Weaver introduced:

H. F. No. 1979, A bill for an act relating to education; reinstating the increase in the number of instructional days through the 2004-2005 school year; amending Laws 1993, chapter 224, article 12, section 32.

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

Gruenes, Bauerly, Smith and Dehler introduced:

H. F. No. 1980, A bill for an act relating to crimes; prescribing penalties for persons who flee peace officers on foot; amending Minnesota Statutes 1992, section 609.487.

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

Gruenes, Skoglund, Orenstein, Bauerly and Smith introduced:

H. F. No. 1981, A bill for an act relating to relating to crime; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms; amending Minnesota Statutes 1993 Supplement, section 609.66, subdivision 1d.

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

4833

Gruenes introduced:

H. F. No. 1982, A bill for an act relating to courts; allowing service of summons by a third party in addition to service by certified mail in certain conciliation court actions; amending Minnesota Statutes 1993 Supplement, section 491A.02, by adding a subdivision.

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

Stanius, Jennings, Workman, Smith and Brown, C., introduced:

H. F. No. 1983, A bill for an act relating to traffic regulations; authorizing flashing blue lights on certain vehicles; amending Minnesota Statutes 1992, section 169.64, subdivision 4.

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

Evans, Luther, Murphy, Lourey and Anderson, I., introduced:

H. F. No. 1984, A bill for an act relating to commerce; requiring a study of the credit needs of women-owned businesses; appropriating money.

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

## Rest and Abrams introduced:

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

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

Opatz, Beard, Asch and Delmont introduced:

H. F. No. 1986, A bill for an act relating to real estate brokers; defining transaction broker; clarifying that transaction brokers may provide real estate service; amending Minnesota Statutes 1992, sections 82.17, by adding a subdivision; and 82.19, by adding a subdivision.

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

Jaros, Munger, Huntley, Dawkins and Jacobs introduced:

H. F. No. 1987, A bill for an act relating to utilities; establishing a board to determine when electric, gas, or water service may be disconnected during cold weather by a municipally owned utility in a city of the first class; amending Minnesota Statutes 1992, section 216B.097, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Johnson, A.; Jefferson; Tomassoni; Evans and Olson, M., introduced:

H. F. No. 1988, A bill for an act relating to game and fish; authorizing disabled hunters to take deer of either sex; amending Minnesota Statutes 1992, section 97B.055, subdivision 3.

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

Seagren, Vellenga, Simoneau, Leppik and Greenfield introduced:

H. F. No. 1989, A bill for an act relating to education; modifying county board and school district responsibilities for special education; modifying the interagency early childhood intervention system; amending Minnesota Statutes 1993 Supplement, section 120.17, subdivisions 11b, 12, and 17; proposing coding for new law in Minnesota Statutes, chapter 120.

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

### Lasley; Anderson, I.; Vellenga and Koppendrayer introduced:

H. F. No. 1990, A bill for an act relating to education; excluding commercial and industrial property and certain farm lands from the tax base referendum levies are spread against; creating a statewide equalization property tax on commercial and industrial property; funding equalization aid; requiring existing referendum levies to be reauthorized; eliminating certain caps on referendum revenue; appropriating money; amending Minnesota Statutes 1992, sections 124A.02, by adding a subdivision; and 124A.03, subdivision 2a, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 124.961; and 124A.03, subdivisions 1c, 1f, 1g, and 2; proposing coding for new law as Minnesota Statutes, chapter 124D.

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

Morrison, Reding, Commers, Klinzing and Waltman introduced:

H. F. No. 1991, A bill for an act relating to taxation; income; changing the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivision 1.

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

Gruenes, Greiling, Dehler, Simoneau and Kinkel introduced:

H. F. No. 1992, A bill for an act relating to administrative rules; repealing obsolete rules of the departments of agriculture, commerce, health, human services, public safety, public service, and revenue and the pollution control agency; removing internal references to repealed rules; amending Minnesota Rules, parts 1540.2140; 4400.4500, subpart 3; 7001.0140, subpart 2; 7001.0180; 7005.0100, subpart 8a; 7007.0100, subpart 7; 7009.0010, subpart 1; 7009.0030; 7009.0080; 7023.9050; 7035.2835, subpart 3; 7035.2835, subpart 6; 7035.2875, subpart 3; 7040.2800, subpart 1; 7045.0460, subpart 2; 8130.3500, subpart 3; and 8130.6500, subpart 5; repealing Minnesota Rules, parts 1540.0010, subparts 12, 18, 21, 22, and 24; 1540.0060; 1540.0070; 1540.0080; 1540.0100; 1540.0110; 1540.0120; 1540.0130; 1540.0140; 1540.0150; 1540.0160; 1540.0170; 1540.0180; 1540.0190; 1540.0200; 1540.0210; 1540.0220; 1540.0230; 1540.0240; 1540.0260; 1540.0320; 1540.0330; 1540.0340; 1540.0350; 1540.0370; 1540.0380; 1540.0390; 1540.0400; 1540.0410; 1540.0420; 1540.0440; 1540.0450; 1540.0460; 1540.0490; 1540.0500; 1540.0510; 1540.0520; 1540.0770; 1540.0780; 1540.0800; 1540.0810; 1540.0830; 1540.0880; 1540.0890; 1540.0900; 1540.0910; 1540.0920; 1540.0930; 1540.0940; 1540.0950; 1540.0960; 1540.0970; 1540.0980; 1540.0990; 1540.1000; 1540.1005; 1540.1010; 1540.1020; 1540.1030; 1540.1040; 1540.1050; 1540.1060; 1540.1070; 1540.1080; 1540.1090; 1540.1100; 1540.1110; 1540.1120; 1540.1130; 1540.1140; 1540.1150; 1540.1160; 1540.1170; 1540.1180; 1540.1190; 1540.1200; 1540.1210; 1540.1220; 1540.1230; 1540.1240; 1540.1250; 1540.1255; 1540.1260; 1540.1280; 1540.1290; 1540.1300; 1540.1310; 1540.1320; 1540.1330; 1540.1340; 1540.1350; 1540.1360; 1540.1380; 1540.1400; 1540.1410; 1540.1420; 1540.1430; 1540.1440; 1540.1450; 1540.1460; 1540.1470; 1540.1490; 1540.1500; 1540.1510; 1540.1520; 1540.1530; 1540.1540; 1540.1550; 1540.1560; 1549.1570; 1540.1580; 1540.1590; 1540.1600; 1540.1610; 1540.1620; 1540.1630; 1540.1640; 1540.1650; 1540.1660; 1540.1670; 1540.1680; 1540.1690; 1540.1700; 1540.1710; 1540.1720; 1540.1730; 1540.1740; 1540.1750; 1540.1760; 1540.1770; 1540.1780; 1540.1790; 1540.1800; 1540.1810; 1540.1820; 1540.1830; 1540.1840; 1540.1850; 1540.1860; 1540.1870; 1540.1880; 1540.1890; 1540.1900; 1540.1905; 1540.1910; 1540.1920; 1540.1930; 1540.1940; 1540.1950; 1540.1960; 1540.1970; 1540.1980; 1540.1990; 1540.2000; 1540.2010; 1540.2015; 1540.2020; 1540.2090; 1540.2100; 1540.2110; 1540.2120; 1540.2180; 1540.2190; 1540.2200; 1540.2210; 1540.2220; 1540.2230; 1540.2240; 1540.2250; 1540.2260; 1540.2270; 1540.2280; 1540.2290; 1540.2300; 1540.2310; 1540.2320; 1540.2325; 1540.2330; 1540.2340; 1540.2350; 1540.2360; 1540.2370; 1540.2380; 1540.2390; 1540.2400; 1540.2410; 1540.2420; 1540.2430; 1540.2440; 1540.2450; 1540.2490; 1540.2500; 1540.2510; 1540.2530; 1540.2540; 1540.2550; 1540.2560; 1540.2570; 1540.2580; 1540.2590; 1540.2610; 1540.2630; 1540.2640; 1540.2650; 1540.2660; 1540.2720; 1540.2730; 1540.2740; 1540.2760; 1540.2770; 1540.2780; 1540.2790; 1540.2800; 1540.2810; 1540.2820; 1540.2830; 1540.2840; 1540.3420; 1540.3430; 1540.3440; 1540.3450; 1540.3460; 1540.3470; 1540.3560; 1540.3600; 1540.3610; 1540.3620; 1540.3630; 1540.3700; 1540.3780; 1540.3960; 1540.3970; 1540.3980; 1540.3990; 1540.4000; 1540.4010; 1540.4020; 1540.4030; 1540.4040; 1540.4080; 1540.4190; 1540.4200; 1540.4210; 1540.4220; 1540.4320; 1540.4330; 1540.4340; 2642.0120, subpart 1; 2650.0100; 2650.0200; 2650.0300; 2650.0400; 2650.0500; 2650.0600; 2650.1100; 2650.1200; 2650.1300; 2650.1400; 2650.1500; 2650.1600; 2650.1700; 2650.1800; 2650.1900; 2650.2000; 2650.2100; 2650.3100; 2650.3200; 2650.3300; 2650.3400; 2650.3500; 2650.3600; 2650.3700; 2650.3800; 2650.3900; 2650.4000; 2650.4100; 2655.1000; 2660.0070; 2770.7400; 4610.2210; 7002.0410; 7002.0420; 7002.0430; 7002.0440; 7002.0450; 7002.0460; 7002.0470; 7002.0480; 7002.0490; 7011.0300; 7011.0305; 7011.0310; 7011.0315; 7011.0320; 7011.0325; 7011.0330; 7011.0400; 7011.0405; 7011.0410; 7011.2220, subpart 4; 7047.0010; 7047.0020; 7047.0030; 7047.0040; 7047.0050; 7047.0060; 7047.0070; 7100.0300; 7100.0310; 7100.0320; 7100.0330; 7100.0335; 7100.0340; 7100.0350; 7100.0360; 7510.6100; 7510.6200; 7510.6300; 7510.6350; 7510.6400; 7510.6500; 7510.6600; 7510.6700; 7510.6800; 7510.6900; 7510.6910; 7600.0100; 7600.0200; 7600.0300; 7600.0400; 7600.0500; 7600.0600; 7600.0700; 7600.0800; 7600.0900; 7600.1000; 7600.1100; 7600.1200; 7600.1300; 7600.1400; 7600.1500; 7600.1600; 7600.1700; 7600.1800; 7600.1900; 7600.2000; 7600.2100; 7600.2200; 7600.2300; 7600.2400; 7600.2500; 7600.2600; 7600.2700; 7600.2800; 7600.2900; 7600.3000; 7600.3100; 7600.3200; 7600.3300; 7600.3400; 7600.3500; 7600.3600; 7600.3700; 7600.3800; 7600.3900; 7600.4000; 7600.4100; 7600.4200; 7600.4300; 7600.4400; 7600.4500; 7600.4600; 7600.4700; 7600.4800; 7600.4900; 7600.5000; 7600.5100; 7600.5200; 7600.5300; 7600.5400; 7600.5500; 7600.5600; 7600.5700; 7600.5800; 7600.5900; 7600.6000; 7600.6100; 7600.6200; 7600.6300; 7600.6400; 7600.6500; 7600.6600; 7600.6700; 7600.6800; 7600.6900; 7600.7000; 7600.7100; 7600.7200; 7600.7210; 7600.7300; 7600.7400; 7600.7500; 7600.7600; 7600.7700; 7600.7750; 7600.7800; 7600.7900; 7600.8100; 7600.8200; 7600.8300; 7600.8400; 7600.8500; 7600.8600; 7600.8700; 7600.8800; 7600.8900; 7600.9000; 7600.9100; 7600.9200; 7600.9300; 7600.9400; 7600.9500; 7600.9600; 7600.9700; 7600.9800; 7600.9900; 7605.0100; 7605.0110; 7605.0120; 7605.0130; 7605.0140; 7605.0150; 7605.0160; 7625.0100; 7625.0110; 7625.0120; 7625.0200; 7625.0210; 7625.0220; 7625.0230; 8120.1100, subpart 3; 8121.0500, subpart 2; 8130.9500, subpart 6; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; 8130.9996; 9540.0100; 9540.0200; 9540.0300; 9540.0400; 9540.0500; 9540.1000; 9540.1100; 9540.1200; 9540.1300; 9540.1400; 9540.1500; 9540.2000; 9540.2100; 9540.2200; 9540.2300; 9540.2400; 9540.2500; 9540.2600; and 9540.2700.

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

### Onnen, Greiling, McGuire and Sviggum introduced:

H. F. No. 1993, A bill for an act proposing an amendment to the Minnesota Constitution to provide for a unicameral legislature; changing article IV; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by law for a unicameral legislature of 135 members; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1.

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

### Asch, Evans, Rukavina, McGuire and Greiling introduced:

H. F. No. 1994, A bill for an act relating to environmental education; providing an appropriation from the bond proceeds fund for a grant for capital improvements at the Laurentian Environmental Learning Center; appropriating money.

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

## Wagenius, Munger, Ozment and Pauly introduced:

H. F. No. 1995, A bill for an act relating to waste management; applying government waste reduction requirements to compilations of game and fish laws; clarifying the state's waste management goals; adding heat pumps to the definition of major appliances; authorizing larger capital assistance grants to resource recovery projects under certain circumstances; establishing enforcement of the authority of certain counties to inspect records of certain facilities; clarifying management of waste motor oil filters; establishing a process for resolution of disputes related to toxics in packaging and requiring a report; requiring and authorizing training and certification of appliance recyclers and services respectively; removing the federal government from the definition of commercial transporter of medical waste; requiring medical waste management plans to contain information regarding mailing of sharps; banning sale of apparel containing mercury switches; expanding the restriction on disposal of unprocessed waste from the metropolitan area; requiring a report on management of waste electronic appliances; requiring a report on products that contain mercury; requiring a report on recycling facilities; amending Minnesota Statutes 1992, sections 97A.051,

# JOURNAL OF THE HOUSE

subdivision 1; 115A.02; 115A.03, subdivision 17a; 115A.554; 115A.557, subdivisions 3 and 4; 115A.87; 115A.882, by adding a subdivision; 115A.918, subdivision 1, and by adding a subdivision; 115A.95; 115A.9561, subdivision 2; 115A.965, subdivision 6, and by adding a subdivision; 116.07, subdivision 4h; 116.76, subdivision 4; 116.92, subdivision 8; 473.843, subdivision 1; 473.844, subdivision 1a; 473.845, subdivision 3; and 473.848, subdivision 1; Minnesota Statutes 1993 Supplement, sections 115A.54, subdivision 2a; 115A.916; 115A.929; 115A.981, subdivision 3; 116.79, subdivision 1; 473.149, subdivision 6; and 473.846; proposing coding for new law in Minnesota Statutes, chapter 116; repealing Minnesota Statutes 1993 Supplement, section 115A.542.

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

Kelley; Kahn; Krueger; Johnson, V., and Holsten introduced:

H. F. No. 1996, A bill for an act relating to metropolitan government; extending reporting and effective dates for radio systems planning by the metropolitan council; extending the moratorium on applications for 800 megahertz channels.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Simoneau, Greenfield and Anderson, I., introduced:

H. F. No. 1997, A bill for an act relating to health; modifying efficiency incentives for nursing facilities; amending Minnesota Statutes 1993 Supplement, section 256B.431, subdivision 24.

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

Tunheim introduced:

H. F. No. 1998, A bill for an act relating to snowmobiles; providing for the registration of collector snowmobiles; amending Minnesota Statutes 1992, section 84.82, by adding a subdivision.

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

Pugh, Carruthers, Reding, Swenson and Davids introduced:

H. F. No. 1999, A bill for an act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Krinkie, Leppik and Wolf introduced:

H. F. No. 2000, A bill for an act relating to the environment; providing for an exemption to the prohibition on certain toxics used in products; amending Minnesota Statutes 1993 Supplement, section 115A.9651.

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

Neary introduced:

H. F. No. 2001, A bill for an act relating to capital improvements; appropriating money for the state's commitment to scenic easement acquisition under the federal Lower St. Croix River Act of 1972; authorizing the issuance of state bonds.

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

4837

Pugh introduced:

H. F. No. 2002, A bill for an act relating to education; modifying the abatement levy; amending Minnesota Statutes 1992, section 124.912, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 275.48.

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

Ness; Cooper; Onnen; Brown, C., and Lieder introduced:

H. F. No. 2003, A bill for an act relating to game and fish; providing a small game hunting license exemption for disabled veterans; amending Minnesota Statutes 1992, sections 97A.441, subdivision 6; and 97B.601, subdivision 4.

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

Olson, M.; Bauerly; Kelso; Lieder and Koppendrayer introduced:

H. F. No. 2004, A bill for an act relating to education; maximum effort school loan program; approving a capital loan for independent school district No. 727, Big Lake; appropriating money; authorizing the sale of bonds.

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

Greenfield, Garcia, Morrison, Neary and Brown, C., introduced:

H. F. No. 2005, A bill for an act relating to traffic regulations; authorizing peace officers to stop drivers and issue citations for seat belt violations without first observing a moving violation; amending Minnesota Statutes 1993 Supplement, section 169.686, subdivision 1.

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

Davids and Reding introduced:

H. F. No. 2006, A bill for an act relating to outdoor recreation; making additions to the state trail system; amending Minnesota Statutes 1992, section 85.015, subdivision 7, and by adding a subdivision.

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

Delmont; Brown, C.; Opatz; Greiling and Weaver introduced:

H. F. No. 2007, A bill for an act relating to employment; making clear that employee includes "at will" and "at pleasure" employees under the whistleblower law; amending Minnesota Statutes 1992, section 181.931, subdivision 2.

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

Greenfield introduced:

H. F. No. 2008, A bill for an act relating to human services; protection of vulnerable adults; requiring a report to the legislature; appropriating money; amending Minnesota Statutes 1992, section 626.557, subdivisions 2, 10a, and 12.

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

Greenfield introduced:

H. F. No. 2009, A bill for an act relating to health; removing the religious exemption for infant inborn metabolic tests; establishing a children's health care mediator; providing for reporting by parents relying on religious or philosophical healing practices and investigation and intervention in cases involving a serious health condition; amending Minnesota Statutes 1992, section 144.125; Minnesota Statutes 1993 Supplement, section 626.556, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 145A.

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

## Ozment, Wagenius, Pauly, Munger and Anderson, R., introduced:

H. F. No. 2010, A bill for an act relating to the environment; requiring a person who arranges for management of solid waste in an environmentally inferior manner to indemnify generators of the waste and, for a landfill, set aside a fund to pay for contamination from the landfill; proposing coding for new law in Minnesota Statutes, chapter 115A.

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

Johnson, R.; Simoneau; Garcia; Mahon and Davids introduced:

H. F. No. 2011, A bill for an act relating to retirement; limiting the salary that can be used in calculating a public employee's annuity; declaring legislative intent; excluding future employees or officers of labor and professional organizations from participation in certain public pension plans; amending Minnesota Statutes 1992, sections 352.75, subdivision 1; and 422A.09, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1992, sections 352.029; and 354.41, subdivisions 4, 5, 7, and 9; Minnesota Statutes 1993 Supplement, section 353.017; Laws 1992, chapter 598, article 3, section 2.

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

Pelowski and Bishop introduced:

H. F. No. 2012, A bill for an act relating to education; post-secondary education; authorizing bonds and appropriating money for capital improvements at Winona state university.

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

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

H. F. No. 2013, A bill for an act relating to public employment; correcting unintended omissions from previous early retirement legislation; ratifying certain prior payments.

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

Asch, McCollum and Greiling introduced:

H. F. No. 2014, A bill for an act relating to the legislature; prescribing compensation for members; prohibiting per diem; allowing reimbursement of vouchered expenses only; proposing an amendment to the Minnesota Constitution, article IV, section 9; amending Minnesota Statutes 1992, sections 3.099, subdivisions 1, 3, and by adding subdivisions; 3.101; 3.103; 3A.01, subdivision 6a; 15A.082, subdivisions 1, 3, and 4; Laws 1993, chapter 192, section 2, subdivision 6.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

4838

Asch; Anderson, R.; Anderson, I.; Rukavina and Rest introduced:

H. F. No. 2015, A bill for an act relating to taxes; MinnesotaCare; requiring itemization of the MinnesotaCare provider tax on patients' bills; amending Minnesota Statutes 1993 Supplement, section 295.53, subdivision 3.

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

#### Asch, Winter, Girard, McCollum and Evans introduced:

H. F. No. 2016, A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332.

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

### Johnson, R.; Simoneau; Reding and Kahn introduced:

H. F. No. 2017, A bill for an act relating to state government; revising certain provisions summarizing the state employee deferred compensation plan; amending Minnesota Statutes 1992, section 352.96, subdivision 2, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 352.96, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapter 352.

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

#### Stanius, Workman, Ozment and McCollum introduced:

H. F. No. 2018, A bill for an act relating to the state fire marshal; concerning fire protection; authorizing local units of government to adopt ordinances more stringent than the requirements of the uniform building code for the installation of fire protection sprinkler systems; amending Minnesota Statutes 1992, sections 299F.011, subdivision 4; and 299F.391, subdivision 3.

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

Cooper, Kelso, Bauerly, Ness and Kalis introduced:

H. F. No. 2019, A bill for an act relating to education; providing for the award of a cooperative secondary facilities grant to independent school district Nos. 341, Atwater; 461, Cosmos; and 464, Grove City; providing for the issuance of bonds; appropriating money.

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

Trimble and Munger introduced:

H. F. No. 2020, A bill for an act relating to the environment; requiring a person that generates electricity for distribution and use in the state and that sells air pollution credits to use the proceeds of the sale for reducing air emissions or providing better control of air emissions; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

#### Nelson and Anderson, R., introduced:

H. F. No. 2021, A bill for an act relating to nursing home reimbursement; modifying special provisions for moratorium exceptions; amending Minnesota Statutes 1992, section 256B.431, subdivision 17.

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

Johnson, A.; Tomassoni; Ozment; Olson, K., and Koppendrayer introduced:

H. F. No. 2022, A bill for an act relating to education; delaying implementation of the high school graduation rule; emphasizing the importance of valid and reliable assessment instruments for granting or denying a high school diploma; establishing minimum competencies for the high school graduation rule; requiring the education commissioner to report on assessments and standards; increasing the funding for advanced placement and international baccalaureate programs; appropriating money; amending Minnesota Statutes 1993 Supplement, section 121.11, subdivision 7c; Laws 1992, chapter 499, article 8, section 33, as amended; Laws 1993, chapter 224, article 7, section 28, subdivision 3.

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

#### Macklin introduced:

H. F. No. 2023, A bill for an act relating to family law; adding a relevant factor in determination of a child's best interests; amending Minnesota Statutes 1992, section 518.17, subdivision 1.

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

### Jennings, Cooper, Pugh, Simoneau and Stanius introduced:

H. F. No. 2024, A bill for an act relating to data practices; classifying data relating to calls to an emergency telephone service; amending Minnesota Statutes 1992, section 13.82, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Asch, Evans, McCollum and Rhodes introduced:

H. F. No. 2025, A bill for an act relating to traffic regulation; authorizing use of blue lights on law enforcement vehicles; amending Minnesota Statutes 1992, section 169.64, subdivision 4.

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

Johnson, R., introduced:

H. F. No. 2026, A bill for an act relating to motor carriers; reinstating laws governing personal service transportation; prohibiting providers of personal service transportation from picking up passengers within the seven-county metropolitan area; amending Minnesota Statutes 1992, sections 168.1281, by adding a subdivision; and 221.85, subdivision 1; repealing Minnesota Statutes 1993 Supplement, section 168.1281, subdivision 4; and Laws 1993, chapter 323, sections 3 and 4.

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

Johnson, R.; Cooper; Simoneau; Bishop and Gruenes introduced:

H. F. No. 2027, A bill for an act relating to health; modifying the rural physician loan forgiveness program to provide an award to a qualified psychiatrist; amending Minnesota Statutes 1993 Supplement, section 136A.1355, subdivision 3.

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

McGuire, Skoglund, Pugh, Macklin and Swenson introduced:

H. F. No. 2028, A bill for an act relating to the collection and dissemination of data; proposing classifications of data as private, nonpublic and protected nonpublic; amending Minnesota Statutes 1992, sections 13.38, by adding a

4840

subdivision; and 13.71, by adding a subdivision; amending Minnesota Statutes 1993 Supplement, section 13.643, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13.

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

### Wenzel; Anderson, I.; Lieder; Anderson, R., and Koppendrayer introduced:

H. F. No. 2029, A bill for an act relating to veterans; establishing a veterans' cemetery; providing for funding; appropriating money; amending Minnesota Statutes 1992, sections 349.212, subdivision 1; 349.213, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.12, subdivision 25; and 349.212, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 197; repealing Minnesota Statutes 1992, section 197.235.

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

Trimble, Osthoff and Kahn introduced:

H. F. No. 2030, A bill for an act relating to lotteries; authorizing the city of St. Paul to conduct lottery games for certain educational and recreational purposes; amending Minnesota Statutes 1993 Supplement, section 349A.10, subdivisions 3 and 5; proposing coding for new law in Minnesota Statutes, chapter 349A.

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

Ness, Cooper, Onnen, Finseth and Johnson, R., introduced:

H. F. No. 2031, A bill for an act relating to crime; increasing penalties for intentionally mutilating a flag; clarifying the purpose of the law; amending Minnesota Statutes 1992, section 609.40, subdivision 2, and by adding a subdivision.

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

Onnen, Frerichs and Macklin introduced:

H. F. No. 2032, A bill for an act relating to health; establishing and permitting appointments to an advisory commission; requiring a plan for the localization of long-term care services; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Dawkins and Luther introduced:

H. F. No. 2033, A bill for an act relating to landlords and tenants; granting tenants the right to organize and assemble; requiring 24 hour written notice by landlord before entry; providing penalties; amending Minnesota Statutes 1992, sections 566.03, subdivision 2; and 566.28; proposing coding for new law in Minnesota Statutes, chapter 504.

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

Lieder; Dauner; Johnson, V.; Lasley and Hugoson introduced:

H. F. No. 2034, A bill for an act relating to transportation; changing eligibility requirements for distribution of funds from the town road account; amending Minnesota Statutes 1993 Supplement, section 162.081, subdivision 4.

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

McCollum, Goodno, Wolf, Neary and Evans introduced:

H. F. No. 2035, A bill for an act relating to commerce; residential building contractors and remodelers; clarifying legislative intent to require maintenance of bonds until license renewal.

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

### Kalis introduced:

H. F. No. 2036, A bill for an act relating to appropriations; appropriating money to the city of Eagle Lake for an interceptor sewer connection with the city of Mankato.

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

### Davids introduced:

H. F. No. 2037, A bill for an act relating to unemployment compensation; excluding certain corporate profits from the definition of wages; amending Minnesota Statutes 1992, section 268.04, subdivision 25.

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

### Solberg and Tomassoni introduced:

H. F. No. 2038, A bill for an act relating to transportation; providing for the construction of one and phase out of another highway rest area; providing for the operation and maintenance by the city of Floodwood; appropriating money; authorizing the issuance of state bonds.

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

Hasskamp; Battaglia; Munger; Johnson, V., and Wenzel introduced:

H. F. No. 2039, A bill for an act relating to appropriations; appropriating money for lake monitoring.

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

Olson, M.; Kinkel; Ozment; Koppendrayer and Molnau introduced:

H. F. No. 2040, A bill for an act relating to game and fish; authorizing disabled hunters taking deer from a vehicle to take deer of either sex; amending Minnesota Statutes 1992, section 97B.055, subdivision 3.

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

Girard, Sviggum, Jennings, Bettermann and Koppendrayer introduced:

H. F. No. 2041, A bill for an act relating to workers' compensation law and insurance; permitting the commissioner of the department of labor and industry to certify a certain plan of workers' compensation law; alternatively providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; proposing penalties; amending Minnesota Statutes 1992, sections 175.007, subdivision 2; 175.17; proposing coding for new law as Minnesota Statutes, chapters 176; 176C; 176D; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.531; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27;

176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.101; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.131; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.351; 176.305; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.322; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.501; 176.603; 176.611; 176.641; 176.645; 176.651; 176.651; 176.669; 176.82; 176.83; 176.631; 176.561; 176.651; 176.669; 176.699; 176.82; 176.83; 176.641; 176.645; 176.651; 176.651; 176.669; 176.82; 176.83; 176.603; 176.611; 176.641; 176.645; 176.651; 176.651; 176.669; 176.82; 176.83; 176.603; 176.611; 176.641; 176.645; 176.651; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; and 176.5401.

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

Anderson, R.; Simoneau; Goodno; Rodosovich and Van Dellen introduced:

H. F. No. 2042, A bill for an act relating to welfare reform; requiring pregnant and parenting minors to live with their parents in order to receive aid to families with dependent children (AFDC); providing an exception to the AFDC overpayment statute; allowing start work grants to AFDC in the first month of work; broadening the scope of the employment and training statute by requiring more AFDC recipients to participate in job search; limiting post-secondary education while on AFDC to two years; allowing vendor emergency assistance payments for delinquent rent and damage deposit; providing required workers' compensation insurance for community work experience program workers; expanding cost-neutral fraud prevention programs; allowing emergency assistance damage deposit be returned to the county; allowing the county to pay monthly general assistance differently; making general assistance and work readiness lump-sum criteria the same as the AFDC lump-sum criteria; making the emergency general assistance criteria the same as the aid to families with dependent children-emergency assistance criteria; requiring a study to expand the parent's fair share pilot project statewide; requiring the departments of human services and revenue to design and implement a plan which supports working families; directing the commissioner of human services to seek several waivers from the federal government which support and promote moving off welfare and becoming self-sufficient; expanding the parent's fair share pilot project into Ramsey county; expanding state support for basic sliding fee day care program; appropriating money; amending Minnesota Statutes 1992, sections 256.73, by adding subdivisions; 256.736, subdivision 3; 256.737, by adding a subdivision; 256.81; 256.983, subdivision 1; 256D.05, subdivision 6; and 256D.09, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 256.73, subdivisions 5 and 8; and 256.736, subdivisions 10 and 14; proposing coding for new law in Minnesota Statutes, chapter 256D; repealing Minnesota Statutes 1993 Supplement, section 256.734.

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

### Trimble, Munger and Farrell introduced:

H. F. No. 2043, A bill for an act relating to recreation green space; requiring a certain public utility to relocate overhead power lines in Indian Mounds Park in Saint Paul.

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

Cooper; Olson, E.; Kalis; Mosel and Ness introduced:

H. F. No. 2044, A bill for an act relating to taxation; property; extending the agricultural homestead provisions of a relative to the father or mother; amending Minnesota Statutes 1993 Supplement, section 273.124, subdivision 1.

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

Brown, C.; Kahn; Asch; Osthoff and Abrams introduced:

H. F. No. 2045, 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; and article XI, sections 7 and 8; eliminating the office of state treasurer; authorizing the legislature to reassign the statutory duties of the state treasurer.

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

Wagenius introduced:

H. F. No. 2046, A bill for an act relating to wild animals; restricting the killing of dogs wounding, killing, or pursuing big game within the metropolitan area; amending Minnesota Statutes 1992, section 97B.011.

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

Jefferson, Simoneau, Stanius, Trimble and Osthoff introduced:

H. F. No. 2047, A bill for an act relating to metropolitan government; authorizing state funding for acquisition and betterment of regional recreation open space lands by the metropolitan council and metropolitan area local government units; authorizing the issuance of state bonds; appropriating money.

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

Rukavina, Huntley, Neary, Simoneau and Anderson, I., introduced:

H. F. No. 2048, A bill for an act relating to health; requiring the legislative auditor to study the administrative costs of providing health care services.

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

Johnson, R.; Kinkel; Solberg and Anderson, I., introduced:

H. F. No. 2049, A bill for an act relating to capital improvements; appropriating money to remodel and expand the A. C. Clark Library at Bemidji State University; authorizing the sale of state bonds.

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

Johnson, R.; Kinkel; Solberg and Anderson, I., introduced:

H. F. No. 2050, A bill for an act relating to capital improvements; appropriating money to remodel and construct an addition to Bridgeman Hall at Bemidji state university; authorizing the sale of state bonds.

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

Johnson, R.; Kinkel; Solberg and Anderson, I., introduced:

H. F. No. 2051, A bill for an act relating to capital improvements; appropriating money to the state board of technical colleges to plan for construction at the Northwest technical college at Bemidji; authorizing the sale of state bonds.

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

### Beard, by request, introduced:

H. F. No. 2052, A bill for an act relating to child support guidelines; providing for including the income of the obligor's spouse in cases of joint physical custody; amending Minnesota Statutes 1993 Supplement, section 518.551, subdivision 5.

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

#### Hasskamp introduced:

H. F. No. 2053, A bill for an act relating to real property; provided for registration by title in cases of termination of a land contract; amending Minnesota Statutes 1992, section 508.58.

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

### Bishop, Frerichs, Battaglia and Munger introduced:

H. F. No. 2054, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands in the Gordy Yaeger wildlife management area in Olmsted county; appropriating money.

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

Farrell, Skoglund and Swenson introduced:

H. F. No. 2055, A bill for an act relating to human services; modifying provisions dealing with the administration and enforcement of child support; amending Minnesota Statutes 1993 Supplement, section 518.551, subdivision 10.

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

Bishop; Anderson, R.; Lourey; Macklin and Simoneau introduced:

H. F. No. 2056, A bill for an act relating to occupations and professions; board of dentistry; expanding the size of the board; providing for exchange of information with other states; providing for board immunity; establishing grounds for discipline; requiring reporting by employers; providing for temporary and limited licenses; providing for appeal of denial of license; amending Minnesota Statutes 1992, sections 150A.02; 150A.03, by adding a subdivision; and 150A.06, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 150A.06, subdivision 4a; and 150A.08, subdivisions 1 and 8; proposing coding for new law in Minnesota Statutes, chapter 150A.

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

Steensma, Cooper, Girard, Molnau and Bertram introduced:

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

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

Seagren, Greiling, Krinkie, Onnen and Klinzing introduced:

H. F. No. 2058, A bill for an act relating to human services; removing the expiration date for the ombudsman committee for mental health and retardation; amending Minnesota Statutes 1993 Supplement, section 245.97, subdivision 6.

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

Greiling, Bauerly, Krinkie, Kelso and Vellenga introduced:

H. F. No. 2059, A bill for an act relating to education; modifying provisions governing guaranteed energy savings contracts; amending Minnesota Statutes 1992, section 124.85, as amended.

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

Pugh, Skoglund and Reding introduced:

H. F. No. 2060, A bill for an act relating to insurance; health; requiring coverage for equipment and supplies for the management and treatment of diabetes; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

Cooper, Simoneau, Gruenes, Greenfield and Lourey introduced:

H. F. No. 2061, A bill for an act relating to insurance; accident and health; permitting short term coverage; amending Minnesota Statutes 1993 Supplement, section 62A.65, by adding a subdivision.

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

Murphy and Reding introduced:

H. F. No. 2062, A bill for an act relating to insurance; health plans; requiring coverage for treatment of Lyme disease; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

Gruenes and Goodno introduced:

H. F. No. 2063, A bill for an act relating to health; changing a definition relating to small employer insurance; amending Minnesota Statutes 1992, section 62L.02, subdivision 13.

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

Brown, K.; Clark; Evans; Smith and Workman introduced:

H. F. No. 2064, A bill for an act relating to housing; modifying accessibility loan program provisions; authorizing tribal Indian housing rehabilitation loans; authorizing the payment of housing program costs and expenses; amending Minnesota Statutes 1992, sections 462A.05, subdivision 14d; and 462A.21, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 462A.07, subdivision 14.

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

Trimble and Munger introduced:

H. F. No. 2065, A bill for an act relating to watershed districts; providing for election of district managers; amending Minnesota Statutes 1992, sections 103D.225, subdivisions 3 and 4; 103D.301; 103D.305, subdivision 5; 103D.311, subdivisions 1 and 4; and 103D.315, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 103D; repealing Minnesota Statutes 1992, sections 103D.311, subdivisions 2 and 3; and 103D.315, subdivision 7.

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

4846

Cooper; Brown, C.; Johnson, V.; Jennings and Anderson, I., introduced:

H. F. No. 2066, A bill for an act relating to towns; providing for financial audits in certain circumstances; amending Minnesota Statutes 1992, section 367.36, subdivision 1.

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

Sekhon, Simoneau, Jacobs and Delmont introduced:

H. F. No. 2067, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water or natural wetlands in Anoka county.

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

Jennings and Farrell introduced:

H. F. No. 2068, A bill for an act relating to state government; requiring reimbursement of certain persons for legal expenses incurred.

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

Johnson, R.; Kinkel; Solberg and Anderson, I., introduced:

H. F. No. 2069, A bill for an act relating to capital improvements; appropriating money to design and construct the Northwestern Minnesota Juvenile Training Center in Beltrami county; authorizing the sale of state bonds.

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

Knight, Frerichs, Wolf, Workman and Bettermann introduced:

H. F. No. 2070, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 1; providing limits on the rate of growth in appropriations; requiring full funding of state mandates on local governments.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Smith, Clark, Workman and Brown, K., introduced:

H. F. No. 2071, A bill for an act relating to crimes; controlled substance definitions; expanding public housing zones to include federally assisted housing programs administered by the Minnesota housing finance agency; amending Minnesota Statutes 1992, section 152.01, subdivision 19.

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

Neary introduced:

H. F. No. 2072, A bill for an act relating to nursing; allowing certified clinical specialists in psychiatric or mental health nursing to prescribe and administer drugs; appropriating money; amending Minnesota Statutes 1992, section 148.235, by adding subdivisions; Minnesota Statutes 1993 Supplement, section 148.235, subdivision 2.

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

Battaglia; Anderson, I.; Rukavina; Tomassoni and Solberg introduced:

H. F. No. 2073, A bill for an act relating to appropriations; providing for a grant for regional land use planning in the northern counties.

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

### Skoglund introduced:

H. F. No. 2074, Å bill for an act relating to crime prevention; juvenile justice; providing for presumptive certification to adult court for juveniles alleged to have committed prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23 for serious youthful offenders; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home placement is proposed; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 242.31, subdivision 1; 242.32; 260.115, subdivision 1; 260.125; 260.131, by adding a subdivision; 260.155, subdivision 2; 260.161, subdivision 2; 260.181, subdivision 4; 260.185, subdivision 3; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; and 611A.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 260.155, subdivision 1; 299C.65, subdivision 1; and 401.065, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapter 260; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

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

Anderson, I.; Battaglia; Solberg and Lourey introduced:

H. F. No. 2075, A bill for an act relating to education; increasing the maximum isolation index for school districts that receive sparsity revenue; appropriating money; amending Minnesota Statutes 1993, section 124A.22, subdivision 6.

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

Simoneau; Greenfield; Anderson, R.; Gruenes and Goodno introduced:

H. F. No. 2076, A bill for an act relating to human services; requiring the commissioner of human services to seek reform waivers in the program of aid to families with dependent children; authorizing vendor payments under certain circumstances; amending Minnesota Statutes 1992, sections 256.736, by adding a subdivision; 256.81; 256.979, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Hausman, Wagenius, Ozment and Munger introduced:

H. F. No. 2077, A bill for an act relating to energy; reestablishing electric energy policy; establishing a hierarchy of preferred electric energy sources; establishing a legislative task force to oversee implementation of energy policy; establishing intervenor compensation account with revenues from utility assessments; clarifying the availability of intervenor compensation in proceedings before the public utilities commission; authorizing the public utilities commission to set discounted rates for low-income customers; establishing specific guidelines for payment to small power producers and cogenerators under certain circumstances; requiring compliance by a utility with a conservation improvement and resource planning requirements prior to the utility seeking a certificate of need for new or expanded facilities and rate increases; amending various statutes to conform with the reestablished energy policy; providing funding for the building energy research center and the energy center at the Red Wing/Winona technical college;

providing demonstration grants for wind energy conversion facilities at public postsecondary institutions; providing for state bonding; appropriating money; amending Minnesota Statutes 1992, sections 216A.07, subdivision 3; 216A.085, subdivision 1; 216B.01; 216B.02, by adding subdivisions; 216B.03; 216B.11; 216B.16, subdivision 6, and by adding a subdivision; 216B.162, subdivisions 2, 4, and 8; 216B.164, subdivisions 1, 3, 6, and 7; 216B.17, subdivisions 1, 6, and 6a; 216B.243, subdivisions 3, 3a, and 4; 216C.01, subdivision 1; 216C.05; 216C.09; 216C.10; 216C.14, subdivision 2; 216C.17, subdivision 5; 216C.18, subdivisions 1 and 1a; 216C.315; 216C.38, by adding a subdivision; and 216C.381, subdivision 1; Minnesota Statutes 1993 Supplement, sections 216B.16, subdivision; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C; repealing Minnesota Statutes 1992, sections 216B.16, subdivision 10; Minnesota Statutes 1993 Supplement, section 216B.242.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Evans; Carruthers; Anderson, I.; McGuire and Bishop introduced:

H. F. No. 2078, A bill for an act relating to the human rights act; protecting independent contractors from unfair discriminatory actions in employment; amending Minnesota Statutes 1992, section 363.01, subdivision 16.

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

# **MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

Senate Concurrent Resolution No. 5, A senate concurrent resolution providing session deadline dates for the legislature pursuant to Joint Rule 2.03.

PATRICK E. FLAHAVEN, Secretary of the Senate

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

Mr. Speaker:

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

S. F. No. 1524.

PATRICK E. FLAHAVEN, Secretary of the Senate

# FIRST READING OF SENATE BILLS

S. F. No. 1524, A bill for an act relating to traffic regulations; increasing fine for speeding violation; appropriating money for highway work zone safety enforcement and public education efforts; appropriating money; amending Minnesota Statutes 1992, section 169.14, subdivision 5d.

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

# MOTIONS AND RESOLUTIONS

Nelson moved that his name be stricken as an author on H. F. No. 228. The motion prevailed.

Luther moved that the name of Welle be stricken as an author on H. F. No. 908. The motion prevailed.

Rodosovich moved that his name be stricken and the name of Lourey be added as chief author on H. F. No. 1316. The motion prevailed.

Goodno moved that his name be stricken as an author on H. F. No. 1765. The motion prevailed.

Winter moved that his name be stricken as an author on H. F. No. 1765. The motion prevailed.

Lieder moved that the names of Kalis, McCollum and Johnson, V., be added as authors on H. F. No. 1816. The motion prevailed.

Skoglund moved that the name of Bishop be added as an author on H. F. No. 1821. The motion prevailed.

Lasley moved that the name of Jennings be added as an author on H. F. No. 1825. The motion prevailed.

Brown, K., moved that the name of Greiling be added as an author on H. F. No. 1829. The motion prevailed.

Brown, K., moved that the name of Greiling be added as an author on H. F. No. 1832. The motion prevailed.

Tunheim moved that the name of Holsten be added as an author on H. F. No. 1835. The motion prevailed.

Rhodes moved that the name of Seagren be added as an author on H. F. No. 1845. The motion prevailed.

Molnau moved that the names of Macklin and Kelso be added as authors on H. F. No. 1852. The motion prevailed.

Brown, K., moved that the name of Peterson be added as an author on H. F. No. 1916. The motion prevailed.

Opatz moved that the name of Rest be added as an author on H. F. No. 1926. The motion prevailed.

# TAKEN FROM THE TABLE

Stanius moved that H. F. No. 1094 be taken from the table, 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.

## ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, February 28, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, February 28, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

Dawkins

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION --- 1994

# SIXTY-FOURTH DAY

# SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 28, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Monsignor James D. Habiger, Minnesota Catholic Conference, St. Paul, Minnesota. The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

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

Koppendrayer

Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Stanius Steensma Sviggum Swenson

Perlt

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

A quorum was present.

Clark and Solberg were excused.

Hausman

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.

Pelowski

# **REPORTS OF STANDING COMMITTEES**

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

Morrison

H. F. No. 228, A bill for an act relating to local government; providing for annexation elections; changing conditions permitting annexation by ordinance; amending Minnesota Statutes 1992, sections 414.031, by adding a subdivision; and 414.033, subdivision 2; repealing Minnesota Statutes 1992, section 414.033, subdivision 2a.

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

The report was adopted.

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

H. F. No. 494, A bill for an act relating to human services; prohibiting restrictions on the right to provide licensed day care; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

The report was adopted.

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

H. F. No. 1496, A bill for an act relating to health; clarifying the scope of confidentiality of records of review organizations; including preferred provider organizations in definition of review organizations; amending Minnesota Statutes 1992, sections 145.61, subdivision 5, and by adding a subdivision; and 145.64, subdivision 1.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1809, A bill for an act proposing an amendment to the Minnesota Constitution, adding a section to article XIII; providing for the admission of certain DNA evidence in judicial proceedings.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [PROPOSED AMENDMENT.]

An amendment to the Minnesota Constitution is proposed to the people. If the amendment is adopted a section shall be added to article IV reading:

Sec. 27. The legislature may provide by law for the admissibility of evidence in civil and criminal trials and hearings, including the results of DNA, deoxyribonucleic acid, analysis and of statistical population frequency evidence based on genetic or blood test results.

Sec. 2. [QUESTION.]

The proposed amendment shall be submitted to the people at the 1994 general election. The question submitted shall be:

<u>"Shall the Minnesota Constitution be amended to provide that the admissibility of evidence, including DNA evidence and statistical population frequency evidence, in civil and criminal trials and hearings may be governed by statute?</u>

### Delete the title and insert:

"A bill for an act proposing an amendment to the Minnesota Constitution by adding a section to article IV; authorizing the legislature to provide by law for the admissibility of evidence, including DNA evidence and statistical population frequency evidence, in civil and criminal trials and hearings."

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

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1816, A bill for an act relating to motor vehicles; requiring motor vehicles sold in Minnesota on and after January 1, 2000, to be equipped with an automatic mileage recorder meeting certain specifications; requiring a study and report by the commissioner of transportation on replacing the present highway user tax system with a system based on charges per mile traveled; proposing coding for new law in Minnesota Statutes, chapter 169.

Reported the same back with the following amendments:

Page 2, line 9, delete everything after the comma, and insert "tax fairness,"

Page 2, line 10, delete everything before "reduction"

Page 2, line 21, delete "and"

Page 2, after line 21, insert:

"(5) an analysis of the impact on commercial vehicle users, including those operating in interstate commerce;

(6) an analysis of such a system from the standpoint of the motorist, including a discussion of ease of payment, freedom of travel, tax fairness, and issues of privacy and data confidentiality; and

Page 2, line 22, delete "(5)" and insert "(7)"

Page 2, line 28, delete "(5)" and insert "(7)"

Page 2, after line 33, insert:

"Sec. 3. [APPROPRIATION.]

\$...... is appropriated from the highway user tax distribution fund to the commissioner of transportation for the purposes of section 2. This appropriation is available until spent."

Page 2, line 35, delete "Section 2 is" and insert "Sections 2 and 3 are"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 1859, A bill for an act relating to housing; establishing penalties for failure to provide a written lease; amending Minnesota Statutes 1993 Supplement, section 504.12.

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

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 228, 494, 1496 and 1859 were read for the second time.

[64TH DAY

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Johnson, A.; Lynch; Vellenga; Ozment and Finseth introduced:

H. F. No. 2079, A bill for an act relating to education; establishing educational and licensure requirements for school interpreters; proposing coding for new law in Minnesota Statutes, chapter 125.

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

Dehler, Winter, Peterson, Girard and Koppendrayer introduced:

H. F. No. 2080, A bill for an act relating to agriculture; providing for uniformity of certain food laws with federal regulations; amending Minnesota Statutes 1992, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104.

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

### Wejcman introduced:

H. F. No. 2081, A bill for an act relating to data privacy; allowing probation and parole agencies and child support enforcement agencies access to vehicle registration information; amending Minnesota Statutes 1993 Supplement, section 168.346.

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

Wejcman introduced:

H. F. No. 2082, A bill for an act relating to the city of Minneapolis; clarifying the procedures that may be used in assessing special assessments.

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

Cooper, Dauner, Krueger and Gruenes introduced:

H. F. No. 2083, A bill for an act relating to human services; establishing a rural dentist education loan program; authorizing, under the medical assistance plan, a dental service pilot program in certain areas; modifying reimbursement provisions for medical assistance dental service; appropriating money; amending Minnesota Statutes 1992, sections 256B.04, by adding a subdivision; and 256B.76, as amended; proposing coding for new law in Minnesota Statutes, chapter 136A.

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

Cooper introduced:

H. F. No. 2084, A bill for an act relating to economic development; establishing a regional technology pilot project in southwest Minnesota through Minnesota Technology, Inc.; providing for the sale of bonds for improvements to state parks; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116O.

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

Lourey, Greenfield, Simoneau, Klinzing and Vickerman introduced:

H. F. No. 2085, A bill for an act relating to human services; clarifying the standards for payment rates for developmental achievement centers; authorizing appeals by vendors; amending Minnesota Statutes 1993 Supplement, section 252.46, subdivision 6, and by adding a subdivision.

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

Girard and Vickerman introduced:

H. F. No. 2086, A bill for an act relating to local government; abandoning judicial ditch number 37 in Redwood and Lyon counties.

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

Davids introduced:

H. F. No. 2087, A bill for an act relating to fishing; permitting fences to be erected across trout streams in certain instances; proposing coding for new law in Minnesota Statutes, chapter 97C.

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

Dawkins and Simoneau introduced:

H. F. No. 2088, A bill for an act relating to civil commitment; modifying procedures relating to administering intrusive mental health treatment to persons committed as mentally ill and dangerous under the civil commitment act; amending Minnesota Statutes 1992, sections 13.42, subdivision 3; 253B.02, by adding a subdivision; 253B.03, subdivision 6c; and 253B.12, subdivision 1.

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

Olson, K.; Johnson, A.; Lourey; Pauly and Sviggum introduced:

H. F. No. 2089, A bill for an act relating to state government; adopting the square dance as the American folk dance of Minnesota; proposing coding for new law in Minnesota Statutes, chapter 1.

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

Lieder, Cooper, Molnau, Frerichs and Brown, C., introduced:

H. F. No. 2090, A bill for an act relating to local government; providing that the statutory procedure for tree removal does not apply to trees removed from town roads dedicated by plat; amending Minnesota Statutes 1992, section 160.22, subdivision 7a, and by adding a subdivision.

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

Bauerly, Lasley, Kelso, Vellenga and Carlson introduced:

H. F. No. 2091, A bill for an act relating to education; modifying the referendum revenue allowance reduction; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 3b.

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

Bauerly, Tunheim, Kelso, Vellenga and Carlson introduced:

H. F. No. 2092, A bill for an act relating to education; creating a separate general education component for staff development; appropriating money; amending Minnesota Statutes 1992, section 124A.22, subdivision 1, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 124A.29, subdivision 1.

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

Lourey, Garcia, Vickerman, Jennings and Anderson, I., introduced:

H. F. No. 2093, A bill for an act relating to human services; authorizing an increase in provider reimbursement for day training services.

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

Bauerly, Opatz, Bertram, Gruenes and Dehler introduced:

H. F. No. 2094, A bill for an act relating to highways; designating bridge as Missing Children's Bridge of Hope; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

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

Bauerly; Kelso; Vellenga; Olson, K., and Morrison introduced:

H. F. No. 2095, A bill for an act relating to education; modifying the referendum expiration date; amending Laws 1993, chapter 224, article 1, section 37.

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

Olson, K., and Winter introduced:

H. F. No. 2096, A bill for an act relating to the city of Lakefield; allowing the city of Lakefield to expand its public utilities commission to five members.

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

Dehler, Bauerly, Wenzel and Gruenes introduced:

H. F. No. 2097, A bill for an act relating to education; allowing independent school district No. 738, Holdingford, to transfer money from its debt redemption fund to its general fund.

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

Peterson, Kalis and Mosel introduced:

H. F. No. 2098, A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desecration of the flag of the United States.

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

Pugh introduced:

H. F. No. 2099, A bill for an act relating to change of name; altering procedural requirements for a change of name application; amending Minnesota Statutes 1992, section 259.10.

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

Bauerly; Tunheim; Carlson; Olson, K., and Weaver introduced:

H. F. No. 2100, A bill for an act relating to education; increasing the kindergarten pupil unit weighting; appropriating money; amending Minnesota Statutes 1993 Supplement, section 124.17, subdivision 1.

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

Olson, M.; Ozment; Seagren; Olson, K., and Vellenga introduced:

H. F. No. 2101, A bill for an act relating to education; authorizing a fund transfer for independent school district No. 882, Monticello.

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

Greenfield, Murphy, Skoglund, Lourey and Gruenes introduced:

H. F. No. 2102, A bill for an act relating to mental health; requesting the supreme court to conduct a study and make recommendations on commitment laws and procedures; establishing a task force and requiring appointments; appropriating money.

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

### Lasley; Anderson, I.; Morrison and Pauly introduced:

H. F. No. 2103, A bill for an act relating to motor vehicles; requiring motor vehicles sold in Minnesota on and after January 1, 2000, to be equipped with an automatic mileage recorder meeting certain specifications; requiring a study and report by the commissioner of transportation on replacing the present highway user tax system with a system based on charges per mile traveled; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Commers and Pawlenty introduced:

H. F. No. 2104, A bill for an act relating to the city of Eagan; providing for the establishment of a special service district.

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

Trimble and Mariani introduced:

H. F. No. 2105, A bill for an act relating to veterans; extending eligibility for special veterans' license plates to allied veterans; amending Minnesota Statutes 1992, section 168.123, subdivisions 1 and 2.

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

Dawkins and Jacobs introduced:

H. F. No. 2106, A bill for an act relating to liquor; making rules of the commissioner of public safety on advertising of alcoholic beverages applicable to brand labels; authorizing the commissioner of public safety to refuse to register certain brand labels; amending Minnesota Statutes 1992, sections 340A.311; and 340A.507, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Sviggum, Hugoson, Girard, Finseth and Wenzel introduced:

H. F. No. 2107, A bill for an act relating to agriculture; authorizing increased participation by the rural finance authority in certain restructured loans; amending Minnesota Statutes 1992, section 41B.04, subdivision 8.

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

Cooper, Sviggum and Bauerly introduced:

H. F. No. 2108, A bill for an act relating to education; modifying the referendum revenue reduction for combining districts; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 3b.

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

Limmer, Swenson, Weaver, Lynch and Holsten introduced:

H. F. No. 2109, A bill for an act relating to crime and crime prevention; imposing a mandatory minimum sentence on persons convicted of a third violent crime; imposing felony penalties on convicted felons who possess a firearm; creating a presumption in favor of certifying to adult court older juveniles who are alleged to have committed a violent or firearm-related crime; requiring parents to accompany their minor children to delinquency hearings; increasing penalties for and requiring consecutive sentencing of repeat DWI offenders; imposing penalties on motor vehicle owners who knowingly lend the vehicle to an intoxicated or unlicensed driver; requiring the commissioner of public safety to study the feasibility of a DWI offender tracking system; requiring certain sentencing guidelines modifications; providing for changes in the education and criminal laws to enhance safety in the schools; increasing protections for crime victims; requiring the establishment of a summer service camp pilot project for high-risk youth; regulating explosives, blasting agents, explosive devices, and incendiary devices; proposing an amendment to the Minnesota Constitution by adding a section to article IV that requires the legislature to provide by law for admissibility as evidence in trials of the results of DNA analysis; requiring all convicted violent offenders to provide a DNA specimen; changing the order of final argument in criminal cases; establishing pilot programs to improve supervision of probationers, parolees, and supervised releasees in the community; requiring a study of restorative justice sanctions; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; prescribing penalties; appropriating money for the Head Start program and for a variety of crime prevention and correctional programs; amending Minnesota Statutes 1992, sections 13.82, by adding a subdivision; 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 169.797, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 260.145; 260.155, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; 299A.34, subdivision 1; 299F.71; 299F.72, subdivision 2, and by adding subdivisions; 299F.73; 299F.74; 299F.75; 299F.77; 299F.78, subdivision 1; 299F.79; 299F.80; 299F.82; 299F.83; 357.22; 357.241; 357.242; 609.02, subdivision 2, and by adding a subdivision; 609.055, subdivision 2; 609.066, subdivision 2; 609.105; 609.15, subdivision 1; 609.152, by adding a subdivision; 609.165, subdivision 1a; 609.168; 609.245; 611A.036; 611A.19; 611A.53, subdivision 2; 611A.73, subdivision 3; 624.731, subdivision 8; 626.76, subdivisions 1 and 2; 631.07; and 634.20; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 13.82, subdivision 10; 120.101, subdivision 5; 121.831, subdivision 9; 169.121, subdivision 3; 169.129; 171.24; 260.161, subdivision 3; 299A.35, subdivision 1; 357.24; 540.18, subdivision 1; 609.035; 609.15, subdivision 2; 609.3461; 609.66, subdivision 1d; 609.902, subdivision 4; 611A.04, subdivisions 1 and 3; 611A.52, subdivision 8; 624.713; and 638.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 169; 299A; 299C; 299F; and 609; repealing Minnesota Statutes 1992, sections 299F.72, subdivisions 3 and 4; 299F.78, subdivision 2; and 299F.815, as amended; Minnesota Statutes 1993 Supplement, section 299F.811.

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

### Orfield introduced:

H. F. No. 2110, A bill for an act relating to elections; proposing an amendment to the Minnesota Constitution, article VI, sections 7 and 8; providing for appointment of judges; proposing amendments to the Minnesota Constitution, article V, sections 1 and 3; providing for appointment of secretary of state, state treasurer, state auditor, and attorney

general; amending Minnesota Statutes 1992, sections 2.722, subdivision 4, and by adding a subdivision; 10A.31, subdivisions 3a and 5; 204B.11; 204D.10, subdivision 2; 209.01, subdivision 2; 209.02, subdivision 1; 211A.01, subdivision 3; 211B.01, subdivision 3; 480A.02, subdivisions 2, 3, and 5; 480B.01, subdivision 1; and 488A.19, subdivision 3; Minnesota Statutes 1993 Supplement, sections 10A.25, subdivision 2; 10A.27, subdivision 1; 10A.323; and 204B.06, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 5; 6; 7; and 8; repealing Minnesota Statutes 1993 Supplement, section 204B.06, subdivision 6.

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

#### Swenson, Stanius and Beard introduced:

H. F. No. 2111, A bill for an act relating to criminal procedure; changing the order of final argument in criminal cases; providing that evidence of similar prior conduct is presumptively admissible in violent crime prosecutions; repealing the law requiring defendants to be given a written transcript of their statement or confession as soon as possible after the statement or confession is made; amending Minnesota Statutes 1992, sections 631.07; and 634.20; repealing Minnesota Statutes 1992, section 611.033.

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

### Swenson, Skoglund, Limmer, Wolf and Wejcman introduced:

H. F. No. 2112, A bill for an act relating to crime; driving while intoxicated; permitting and, under certain circumstances, requiring consecutive sentences for multiple crimes committed by repeat DWI offenders and DWI offenders who drive without insurance or without a valid driver's license; increasing the bail limit for certain persons charged with driving after license revocation or cancellation; requiring a sentencing guideline modification; authorizing grants to local governments for costs incurred in increasing their efforts to enforce traffic laws and to apprehend and prosecute DWI offenders; requiring the commissioner of public safety to study the cost and feasibility of establishing a DWI offender tracking system; appropriating money; amending Minnesota Statutes 1992, sections 169.797, subdivision 4; 171.043; and 629.471, subdivision 2; Minnesota Statutes 1993 Supplement, sections 169.121, subdivision 3; 169.129; 171.24; and 609.035.

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

Swenson, Delmont, McGuire, Skoglund and Wejcman introduced:

H. F. No. 2113, A bill for an act relating to alcoholic beverages; imposing restrictions on certain sales practices during certain hours; proposing coding for new law in Minnesota Statutes, chapter 340A.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Swenson, Beard, Holsten and Stanius introduced:

H. F. No. 2114, A bill for an act relating to crime; increasing mandatory minimum sentences for persons who commit certain felonies while possessing a firearm; amending Minnesota Statutes 1993 Supplement, section 609.11, subdivisions 4 and 5.

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

Ostrom; Olson, K.; Kalis; Pauly and Mosel introduced:

H. F. No. 2115, A bill for an act relating to highway safety; requiring persons age 55 or over to complete a refresher course in accident prevention in order to remain eligible for a reduction in private passenger vehicle insurance rates; amending Minnesota Statutes 1992, section 65B.28.

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

Orfield introduced:

H. F. No. 2116, A bill for an act relating to local government; providing for the appointment of certain metropolitan area special boards and all metropolitan county officials except board members; amending Minnesota Statutes 1992, sections 103C.201, subdivision 8; 103C.301, by adding a subdivision; 103C.305, by adding a subdivision; 103C.311; 103C.315, subdivisions 1 and 2; 382.20; 382.37; 383B.68, subdivisions 1 and 3; 398.03; and 398.04; Minnesota Statutes 1993 Supplement, section 383B.68, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 103C; and 382; repealing Minnesota Statutes 1992, section 383B.69.

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

Neary, Greiling, Lasley, Jennings and Johnson, A., introduced:

H. F. No. 2117, A bill for an act relating to the legislature; requiring rotation of committee and division chairs; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Workman; Gutknecht; Lynch; Brown, K., and Garcia introduced:

H. F. No. 2118, A bill for an act relating to taxation; income; changing the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivision 1.

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

### Hausman introduced:

H. F. No. 2119, A bill for an act relating to ethics in government; providing that an advisory opinion of the ethical practices board is a defense in a criminal proceeding and is binding on the board in enforcement proceedings; creating a code of ethical conduct for local officials and public officials and employees; providing for enforcement of the code of conduct by the ethical practices board; amending Minnesota Statutes 1992, section 10A.02, subdivision 12; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1992, section 10A.02, subdivisions 11 and 11a.

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

Kelley, Asch, Cooper, Onnen and Kalis introduced:

H. F. No. 2120, A bill for an act relating to occupations and professions; providing that health-related licensing boards may establish a program to protect the public from impaired regulated persons; providing for appointments; providing for rulemaking; appropriating money; amending Minnesota Statutes 1993 Supplement, section 214.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 214.

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

Kahn, Huntley, Greiling and Anderson, I., introduced:

H. F. No. 2121, A bill for an act proposing an amendment to the Minnesota Constitution to provide for a parliamentary system of government in which the legislature would select the governor; changing article III; article IV; article V, article VIII, sections 1 and 2; article IX, sections 1 and 2; and article XI, sections 5 and 8; providing by law for a unicameral legislature of 135 members; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Sekhon, Lourey, Kelley, Kahn and Trimble introduced:

H. F. No. 2122, A bill for an act relating to energy; reestablishing electric energy policy; establishing a hierarchy of preferred electric energy sources: establishing a legislative task force to oversee implementation of energy policy; establishing intervenor compensation account with revenues from utility assessments; clarifying the availability of intervenor compensation in proceedings before the public utilities commission; authorizing the public utilities commission to set discounted rates for low-income customers; establishing specific guidelines for payment to small power producers and cogenerators under certain circumstances; requiring compliance by a utility with a conservation improvement and resource planning requirements prior to the utility seeking a certificate of need for new or expanded facilities and rate increases; amending various statutes to conform with the reestablished energy policy; providing funding for the building energy research center and the energy center at the Red Wing/Winona technical college; providing demonstration grants for wind energy conversion facilities at public postsecondary institutions; providing for state bonding; appropriating money; amending Minnesota Statutes 1992, sections 216A.07, subdivision 3; 216A.085, subdivision 1; 216B.01; 216B.02, by adding subdivisions; 216B.03; 216B.11; 216B.16, subdivision 6, and by adding a subdivision; 216B.162, subdivisions 2, 4, and 8; 216B.164, subdivisions 1, 3, 6, and 7; 216B.17, subdivisions 1, 6, and 6a: 216B.243, subdivisions 3, 3a, and 4: 216C.01, subdivision 1: 216C.05: 216C.09: 216C.10: 216C.14, subdivision 2: 216C.17, subdivision 5; 216C.18, subdivisions 1 and 1a; 216C.315; 216C.38, by adding a subdivision; and 216C.381, subdivision 1; Minnesota Statutes 1993 Supplement, sections 216B.16, subdivision 1; 216B.162, subdivision 7; 216B.164, subdivision 4; and 216B.2422, subdivisions 1, 2, 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C; repealing Minnesota Statutes 1992, sections 216B.16, subdivision 10; Minnesota Statutes 1993 Supplement, section 216B.242.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

### Sviggum, Waltman and Bauerly introduced:

H. F. No. 2123, A bill for an act relating to education; excluding cooperation and combination revenue from a fund balance determination for purposes of the referendum reduction; amending Minnesota Statutes 1992, section 124.2725, subdivision 16.

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

Kahn and Reding introduced:

H. F. No. 2124, A bill for an act relating to retirement; state university and state community college individual retirement account plans; clarifying various plan provisions; providing for plan coverage for technical college teachers; providing for an optional election of plan coverage for certain state university and community college teachers; mandating the preparation of plan recodification legislation; amending Minnesota Statutes 1992, sections 354.05, subdivision 2a; 354A.011, subdivision 15, and by adding a subdivision; 354B.01, by adding a subdivision; 354B.01; and 354B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 352.04, subdivision 9; and 354B.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 354B.

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

Steensma; Winter; Olson, K., and Girard introduced:

H. F. No. 2125, A bill for an act relating to water resources; authorizing planning, design, and engineering work on the proposed Lewis and Clark rural water system; designating a lead state agency to negotiate with federal authorities; appropriating money.

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

### Orfield; Brown, C., and Neary introduced:

H. F. No. 2126, A bill for an act relating to statewide comprehensive land use planning coordination; appropriating money; amending Minnesota Statutes 1992, sections 116C.04, by adding a subdivision; 462.357, subdivision 2; and

473.858, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 4A; proposing coding for new law as Minnesota Statutes, chapter 462D.

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

Neary, Huntley, Greiling, Delmont and Seagren introduced:

H. F. No. 2127, A bill for an act relating to crime victims; requiring the court at sentencing to inform victims how to implement their right to notice of offender release from correctional facilities; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

Neary, Huntley, Evans, Delmont and Nelson introduced:

H. F. No. 2128, A bill for an act relating to juveniles; authorizing the juvenile court to require the presence of a minor's parent or guardian at hearings held during the delinquency proceedings; amending Minnesota Statutes 1992, section 260.155, by adding a subdivision.

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

Jefferson, Greenfield and Garcia introduced:

H. F. No. 2129, A bill for an act relating to human services; appropriating money for cultural dynamic training of child care providers; amending Minnesota Statutes 1992, section 245A.14, subdivision 7.

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

Tomassoni, Rukavina and Battaglia introduced:

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

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

Sviggum, Molnau, Workman, Lynch and Morrison introduced:

H. F. No. 2131, A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV, section 4, and article V, section 2, and adding a new section to article XIII; placing limits on the terms of office of governor, legislators, and United States senators and representatives.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Trimble and Sarna introduced:

H. F. No. 2132, A bill for an act relating to commerce; adding labeling requirements for salvaged food; adding licensing requirements for salvaged food distributors; adding record keeping requirements; requiring salvaged food served for compensation to be identified; amending Minnesota Statutes 1992, section 31.495, subdivisions 1, 2, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 31.

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

Carlson, Vellenga, Rodosovich, Hausman and Garcia introduced:

H. F. No. 2133, A bill for an act relating to libraries; establishing a librarians of color program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 134.

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

Olson, K.; Winter; Hugoson; Brown, K., and Rodosovich introduced:

H. F. No. 2134, A bill for an act relating to education; appropriating money to the state board of technical colleges for the farm business management program.

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

Jefferson; Clark; Olson, M., and Smith introduced:

H. F. No. 2135, A bill for an act relating to manufactured home parks; prohibiting manufactured home parks from prohibiting senior citizens from keeping pet dogs, cats, and birds on the park premises; amending Minnesota Statutes 1992, section 327.27, by adding a subdivision.

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

# Erhardt and Seagren introduced:

H. F. No. 2136, A bill for an act relating to education; restoring intermediate school districts; modifying staff development earmark; modifying class size reduction requirements; repealing limits on referendum revenue; amending Minnesota Statutes 1993 Supplement, sections 124.2727, subdivision 6; 124A.225, subdivisions 1, 2, 4, and 5; 124A.29, subdivision 1; and 298.28, subdivision 4; Laws 1992, chapter 499, article 6, section 39, subdivision 3; repealing Minnesota Statutes 1992, section 124.19, subdivision 1b; Minnesota Statutes 1993 Supplement, sections 120.101, subdivision 5b; and 124A.03, subdivisions 1c and 3b; Laws 1993, chapter 224, article 1, section 37.

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

Johnson, A.; Carlson; Ozment; Bauerly and Vellenga introduced:

H. F. No. 2137, A bill for an act relating to education; establishing a pilot program to provide free breakfasts to all children in participating elementary schools; appropriating money.

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

Evans, Opatz and Asch introduced:

H. F. No. 2138, A bill for an act relating to consumer protection; regulating electronic fund transfers from the accounts of consumers; requiring written authorization; providing penalties and remedies; amending Minnesota Statutes 1992, section 336.4A-108; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

### Knickerbocker introduced:

H. F. No. 2139, A bill for an act relating to real estate; regulating trust accounts; clarifying a definition for purposes of licensing real estate appraisers; amending Minnesota Statutes 1992, section 82B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 82.24, subdivision 1.

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

Osthoff, Klinzing, Dempsey and Nelson introduced:

H. F. No. 2140, A bill for an act relating to public utilities; providing legislative authorization of the construction of a facility for the temporary dry cask storage of spent nuclear fuel at Prairie Island nuclear generating plant; providing conditions for any future expansion of storage capacity; approving the continued operation of pool storage at Monticello and Prairie Island nuclear generating plants; requiring development of wind power; regulating nuclear power plants; requiring increased conservation investments; providing low-income discounted electric rates; appropriating money; amending Minnesota Statutes 1992, sections 216B.16, by adding a subdivision; 216B.241, subdivision 1a; and 216B.243, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Olson, K., introduced:

H. F. No. 2141, A bill for an act relating to education; requiring school districts having certain residential facilities to provide summer programs; amending Minnesota Statutes 1992, section 120.17, subdivision 5a.

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

#### Luther and Carruthers introduced:

H. F. No. 2142, A bill for an act relating to the city of Brooklyn Park; authorizing the city's economic development authority to make certain small business loans.

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

Jacobs, Tunheim and Dempsey introduced:

H. F. No. 2143, A bill for an act relating to telecommunications; regulating competitive telephone services and incentive plans; extending expiration dates and making technical changes for certain regulatory provisions; amending Minnesota Statutes 1992, sections 237.161, by adding a subdivision; 237.57, subdivision 4; 237.58, subdivision 1; 237.59, subdivisions 1, 2, 3, 5, and by adding a subdivision; 237.60, subdivision 2; 237.62, subdivision 1; and 237.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Laws 1987, chapter 340, section 26; Laws 1989, chapter 74, sections 25 and 27; Laws 1990, chapter 513, section 3; Laws 1993, chapter 41, section 1.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

### Jennings introduced:

H. F. No. 2144, A bill for an act relating to human services; mandating certain actions relating to competitive bidding and delivery of services; requiring disclosure of certain information; establishing an advisory committee.

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

Cooper, Garcia and Gutknecht introduced:

H. F. No. 2145, A bill for an act relating to human services; modifying provisions concerning annual inflation adjustments in certain programs; amending Minnesota Statutes 1992, section 252.275, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 252.46, by adding a subdivision; and 256B.49, subdivision 4.

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

4864

Lourey, Garcia and Gutknecht introduced:

H. F. No. 2146, A bill for an act relating to human services; authorizing projects which provide residential services in homes owned by persons with developmental disabilities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

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

### Gruenes introduced:

H. F. No. 2147, A bill for an act relating to human services; authorizing exceptions from vendor limitations in day training and habilitation service programs; amending Minnesota Statutes 1992, section 252.41, subdivision 9.

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

#### Brown, K., introduced:

H. F. No. 2148, A bill for an act relating to human services; providing monitoring and evaluation of emergency health services on a pilot project basis; authorizing an advisory committee; amending Minnesota Statutes 1992, section 245.469, by adding a subdivision.

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

Bettermann, Goodno, Commers, Molnau and Worke introduced:

H. F. No. 2149, A bill for an act relating to education; safe schools; requiring students who transfer and school officials to transmit students' education records; allowing peace officers to disseminate certain information to schools and social service agencies; expanding the definition of directory information to include published photographs; expanding antiviolence programs in schools; establishing grant programs to develop curricula on ethics and parenting skills; precluding disruptive students from participating in the open enrollment program; making possession of a firearm or engaging in dangerous, disruptive, or violent behavior in a school zone grounds for immediate dismissal from school; providing for criminal prosecution of juveniles alleged to have possessed a firearm in a school zone; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms and the possession of weapons within 300 feet of school property; extending the juvenile court's continuing jurisdiction to a minor's 23rd birthday; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable supervision or control over their minor children; establishing a school-related crime hotline; increasing the limit on parental liability for personal injury torts committed by a minor; encouraging school districts to create alternative programs for disruptive students; appropriating money; amending Minnesota Statutes 1992, sections 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260,315; and 609.055, subdivision 2; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 120.101, subdivision 5; 121.831, subdivision 9; 260.161, subdivision 3; 540.18, subdivision 1; and 609.66, subdivision 1d; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

Gruenes, Bauerly, Opatz, Bertram and Dehler introduced:

H. F. No. 2150, A bill for an act relating to telecommunications; appropriating money to facilitate public sector regional telecommunications systems statewide; including matching funds for pilot project development in the central Minnesota region.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Hausman, Wagenius and Jacobs introduced:

H. F. No. 2151, A bill for an act relating to state departments and agencies; providing for election of public utilities commissioners; requiring commissioners to select commission chair; requiring proceedings of public utilities commission to be recorded; amending Minnesota Statutes 1992, sections 204B.11, subdivision 1; 204D.02, subdivision 1; 216A.03, subdivisions 1, 3, and by adding a subdivision; and 216A.035; Minnesota Statutes 1993 Supplement, section 204B.06, subdivision 4; repealing Minnesota Statutes 1992, section 216A.03, subdivision 1a.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

## Orfield, Carruthers, Bergson and Greenfield introduced:

H. F. No. 2152, A bill for an act relating to human services; replacing the work readiness programs in Hennepin and Ramsey counties with a public works training program; amending Minnesota Statutes 1992, section 256D.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 256D.

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

### Morrison introduced:

H. F. No. 2153, A bill for an act relating to capital improvements; appropriating money to the state board of technical colleges to construct the Dakota county technical college decision driving course; authorizing the sale of state bonds.

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

Orenstein introduced:

H. F. No. 2154, A bill for an act relating to crime; requiring prosecutors to report sentencing practices under the mandatory minimum sentencing law relating to certain weapon-related offenses; prohibiting waiver of the mandatory minimum sentence for a repeat offender; increasing felony penalties for furnishing a minor with a firearm, ammunition, or explosives or recklessly furnishing another with a dangerous weapon; imposing penalties on persons who transfer firearms in violation of the gun control act when the firearm is used later in a violent crime; broadening the scope of the gun control act to apply to transfers of firearms by persons who are not federally licensed dealers; amending Minnesota Statutes 1992, sections 244.09, by adding a subdivision; 609.66, subdivisions 1b, 1c, and by adding a subdivision; and Minnesota Statutes 1993 Supplement, sections 609.11, subdivision 8, and by adding a subdivision; and 624.7132, subdivision 12.

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

### Pugh and Bishop introduced:

H. F. No. 2155, A bill for an act relating to real property; providing an exemption from the state deed tax; amending Minnesota Statutes 1993 Supplement, section 287.22.

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

### Farrell introduced:

H. F. No. 2156, A bill for an act relating to public employment; requiring selection in interest arbitration between the final offer in its entirety of one or the other party; amending Minnesota Statutes 1992, section 179A.16, subdivisions 1 and 7.

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

H. F. No. 2157, A bill for an act relating to motor vehicles; environment; providing for biennial inspections for motor vehicle emissions; amending Minnesota Statutes 1992, sections 116.61, subdivision 1; 116.62, subdivision 4; and 116.64, subdivision 1.

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

### Bishop, Munger, Trimble, Kalis and Sekhon introduced:

H. F. No. 2158, A bill for an act relating to pollution; requiring that cities and counties adopt ordinances complying with pollution control agency rules regarding individual sewage treatment systems; requiring the agency to license sewage treatment professionals; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 115.

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

### Rest introduced:

H. F. No. 2159, A bill for an act relating to limited liability companies; providing for the application of workers' compensation and unemployment compensation laws; amending Minnesota Statutes 1992, sections 176.041, subdivision 1; and 268.04, subdivision 7, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 176.041, subdivision 1a; and 268.04, subdivision 12.

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

Kelso; Mosel; Olson, K.; Klinzing and Cooper introduced:

H. F. No. 2160, A bill for an act relating to workers' compensation; providing for insurance regulation; regulating benefits; appropriating money; amending Minnesota Statutes 1992, sections 79.50; 79.51, subdivisions 1 and 3; 79.53, subdivision 1; 79.55, subdivisions 2, 5, and by adding subdivisions; 79.56, subdivisions 1 and 3; 176.021, subdivisions 3 and 3a; 176.101, subdivisions 1, 3g, 3l, 3m, 3o, 3q, 4, and 5; 176.645, subdivision 1; and 176.66, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 79; repealing Minnesota Statutes 1992, sections 79.53, subdivision 2; 79.54; 79.56, subdivision 2; 79.57; 79.58; and 176.132, subdivisions 1 and 2.

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

Kelso and Vellenga introduced:

H. F. No. 2161, A bill for an act relating to education; increasing number of school districts that may apply for ITV revenue; amending Minnesota Statutes 1993 Supplement, section 124.91, subdivision 5.

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

Kelso, Vellenga, Bauerly and Seagren introduced:

H. F. No. 2162, A bill for an act relating to education; increasing the formula allowance for the capital expenditure equipment revenue program; appropriating money; amending Minnesota Statutes 1993 Supplement, section 124.244, subdivision 1; Laws 1993, chapter 224, article 5, section 46, subdivision 3.

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

Kelso, Bauerly, Seagren, Hausman and Vellenga introduced:

H. F. No. 2163, A bill for an act relating to education; increasing the general education formula allowance; increasing the funding for the learning and development program; establishing a staff development revenue

component; modifying the levy for retiree health insurance benefits; amending Minnesota Statutes 1992, section 124A.22, subdivision 1, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 124.17, subdivision 1; 124.916, subdivision 2; 124A.22, subdivisions 2 and 9; 124A.225, subdivision 1; and 124A.29, subdivision 1.

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

Gutknecht, Jennings, Solberg, Steensma and Stanius introduced:

H. F. No. 2164, A bill for an act relating to marriage dissolution; providing procedures and standards for allowing a custodial parent to move a child's residence to another state; amending Minnesota Statutes 1992, sections 518.175, subdivision 3; and 518.176, subdivision 1.

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

Gutknecht, Jennings and Stanius introduced:

H. F. No. 2165, A bill for an act relating to marriage dissolution; providing for compensatory visitation; amending Minnesota Statutes 1992, section 518.175, by adding subdivisions.

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

Smith, Stanius, Lynch, Gutknecht and Macklin introduced:

H. F. No. 2166, A bill for an act relating to marriage dissolution; providing that interference with or denial of visitation is grounds for modification of a custody order; amending Minnesota Statutes 1992, section 518.18.

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

Smith, Solberg, Steensma, Stanius and Gutknecht introduced:

H. F. No. 2167, A bill for an act relating to marriage dissolution; requiring accounting for child support or assistance; amending Minnesota Statutes 1992, section 518.57, by adding a subdivision.

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

Orenstein introduced:

H. F. No. 2168, A bill for an act relating to creditors' remedies; increasing the value of the homestead exemption; amending Minnesota Statutes 1993 Supplement, section 510.02.

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

Clark, Simoneau and Greenfield introduced:

H. F. No. 2169, A bill for an act relating to group residential housing; authorizing a moratorium exception for Hennepin county; amending Minnesota Statutes 1993 Supplement, section 2561.04, subdivision 3.

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

Farrell, Solberg, Perlt and Anderson, I., introduced:

H. F. No. 2170, A bill for an act relating to elevators; regulating persons who construct and repair elevators; requiring inspections; creating an advisory committee; setting minimum code standards; amending Minnesota Statutes

1992, sections 183.355, subdivision 3; 183.357; and 183.358; proposing coding for new law in Minnesota Statutes, chapter 183.

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

Orfield, Clark, Garcia and Rest introduced:

H. F. No. 2171, 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 efforts of cities and towns to comply with the allocation; establishing penalties for noncompliance; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

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

Orfield, Carruthers and Lieder introduced:

H. F. No. 2172, A bill for an act relating to transportation; including in state transportation plan and development guide certain transportation 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, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 174.

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

Orfield, Bergson, Carruthers and Anderson, I., introduced:

H. F. No. 2173, A bill for an act relating to transportation; defining highways and highway purposes; authorizing use of highway user tax distribution funds for general transportation purposes; imposing requirements for the state transportation plan; prescribing transportation projects and planning; increasing tax on gasoline and special fuel; making gasoline and special fuel subject to sales taxes and depositing revenue in the transit assistance fund; proposing a constitutional amendment to repeal dedication of motor fuel tax revenue exclusively for highway purposes in article XIV, section 10; amending Minnesota Statutes 1992, sections 160.02, subdivision 7; 174.01, subdivision 2; 174.03, subdivision 1a; 296.02, subdivision 1b; 297A.01, subdivision 8; 297A.44, subdivisions 1 and 4; 473.146, subdivision 3; and 473.371, subdivision 2; Minnesota Statutes 1993 Supplement, section 297A.25, subdivision 7; proposing coding for new law in Minnesota Statutes, chapters 161; and 473.

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

Orfield; Rest; Anderson, I., and Carruthers introduced:

H. F. No. 2174, A bill for an act relating to housing; creating a metropolitan reinvestment account; establishing uses; subjecting certain portions of homestead properties to the areawide tax rate; amending Minnesota Statutes 1992, sections 473F.02, by adding a subdivision; and 473F.08, subdivisions 2, 8a, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 462A.

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

Hausman introduced:

H. F. No. 2175, A bill for an act relating to the city of Saint Paul; authorizing a program for the replacement of lead pipes and the charging or assessment of costs for the program and the issuance of general or special obligations to pay the costs of the program.

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

4869

Wejcman introduced:

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

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

Wejcman, Mariani and Rhodes introduced:

H. F. No. 2177, A bill for an act relating to corrections; requiring certain correctional facility personnel to participate in educational programs relating to mental health of inmates; prescribing powers and duties of the commissioners of corrections and human services; amending Minnesota Statutes 1992, section 241.69, subdivision 1.

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

Cooper and Ness introduced:

H. F. No. 2178, A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Meeker county.

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

Osthoff introduced:

H. F. No. 2179, A bill for an act relating to cities; Saint Paul; appropriating money for unpaid special assessments to property owned by the state, the Minnesota state agricultural society, and other public and quasi-public entities.

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

Leppik, Skoglund, McGuire, Macklin and Mariani introduced:

H. F. No. 2180, A bill for an act relating to children; providing for guardians ad litem and attorneys for children; establishing a state board of child advocacy; providing for a state child advocate and district child advocates; appropriating money; amending Minnesota Statutes 1992, sections 257.071, subdivision 4; 260.155, subdivision 4; 518.165; and 518.17, subdivision 1; Minnesota Statutes 1993 Supplement, section 257.071, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 495.

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

Van Dellen, Garcia and Vickerman introduced:

H. F. No. 2181, A bill for an act relating to human services; modifying provisions relating to paternity determination and the administration and enforcement of child support; providing penalties; amending Minnesota Statutes 1992, sections 62A.046; 62A.048; 62A.27; 257.62, subdivisions 1, 5, and 6; 257.64, subdivision 3; 257.69, subdivisions 1 and 2; 518.171, subdivision 5; and 518.613, subdivision 7; Minnesota Statutes 1993 Supplement, sections 62A.045; 257.55, subdivision 1; 257.57, subdivision 2; 518.171, subdivisions 1, 3, 4, 7, and 8; 518.611, subdivisions 2 and 4; 518.613, subdivision 2; and 518.615, subdivision 3; repealing Minnesota Statutes 1992, sections 62C.141; 62C.143; 62D.106; and 62E.04 subdivisions 9 and 10.

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

Hugoson, Sviggum, Girard, Workman and Ness introduced:

H. F. No. 2182, A bill for an act relating to agriculture; establishing and providing for the administration of an agricultural property tax deferral program in counties declared to be disaster areas and certain other counties;

authorizing the issuance of revenue bonds to finance the program; authorizing participating counties to enter into agreements granting tax deferrals; providing for the collection of deferred and delinquent taxes; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 41D.

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

Ozment, McCollum, Lasley and Brown, K:, introduced:

H. F. No. 2183, A bill for an act relating to transportation; regulating the transportation of hazardous material and hazardous waste; making technical changes; specifying that certain federal regulations do not apply to cargo tanks under 3,000 gallons used in the intrastate transportation of gasoline; establishing a uniform registration and permitting program for transporters of hazardous material and hazardous waste; defining terms; establishing requirements for applications; describing methods for calculating fees; specifying treatment of application data; establishing enforcement authority and administrative penalties; providing for suspension or revocation of registration and permits; providing for base state agreements; preempting and suspending conflicting programs; providing for the deposit and use of fees and grants; establishing exemptions; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; and 221.033, subdivision 1 and 2b; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1992, section 221.033, subdivision 4.

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

#### Clark, Garcia, Mariani and Winter introduced:

H. F. No. 2184, A bill for an act relating to health; including pesticide poisoning treatment as an emergency service for purposes of general assistance medical care eligibility; requiring reporting of pesticide poisoning; requiring pesticide poisoning education; appropriating money; amending Minnesota Statutes 1992, section 144.34; Minnesota Statutes 1993 Supplement, section 256D.03, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Orfield, Greiling, Luther, Rodosovich and Skoglund introduced:

H. F. No. 2185, A bill for an act relating to energy; reestablishing electric energy policy; establishing a hierarchy of preferred electric energy sources; establishing a legislative task force to oversee implementation of energy policy; establishing intervenor compensation account with revenues from utility assessments; clarifying the availability of intervenor compensation in proceedings before the public utilities commission; authorizing the public utilities commission to set discounted rates for low-income customers; establishing specific guidelines for payment to small power producers and cogenerators under certain circumstances; requiring compliance by a utility with a conservation improvement and resource planning requirements prior to the utility seeking a certificate of need for new or expanded facilities and rate increases; amending various statutes to conform with the reestablished energy policy; providing funding for the building energy research center and the energy center at the Red Wing/Winona technical college; providing demonstration grants for wind energy conversion facilities at public postsecondary institutions; providing for state bonding; appropriating money; amending Minnesota Statutes 1992, sections 216A.07, subdivision 3; 216A.085, subdivision 1; 216B.01; 216B.02, by adding subdivisions; 216B.03; 216B.11; 216B.16, subdivision 6, and by adding a subdivision; 216B.162, subdivisions 2, 4, and 8; 216B.164, subdivisions 1, 3, 6, and 7; 216B.17, subdivisions 1, 6, and 6a; 216B.243, subdivisions 3, 3a, and 4; 216C.01, subdivision 1; 216C.05; 216C.09; 216C.10; 216C.14, subdivision 2; 216C.17, subdivision 5; 216C.18, subdivisions 1 and 1a; 216C.315; 216C.38, by adding a subdivision; and 216C.381, subdivision 1; Minnesota Statutes 1993 Supplement, sections 216B.16, subdivision 1; 216B.162, subdivision 7; 216B.164, subdivision 4; and 216B.2422, subdivisions 1, 2, 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C; repealing Minnesota Statutes 1992, sections 216B.16, subdivision 10; Minnesota Statutes 1993 Supplement, section 216B.242.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

## Anderson, I., introduced:

H. F. No. 2186, A bill for an act relating to capital improvements; natural resources; authorizing a grant to the city of Deer River for the White Oak Fur Post tourism and education facility; authorizing the issuance of bonds; appropriating money.

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

### Koppendrayer introduced:

H. F. No. 2187, A bill for an act relating to state lands; authorizing the sale of certain lands in Mille Lacs county to resolve a trespass situation.

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

#### Holsten, Ozment, Knight and Krinkie introduced:

H. F. No. 2188, A bill for an act relating to education; safe schools; requiring students who transfer and school officials to transmit students' education records; allowing peace officers to disseminate certain information to schools and social service agencies; expanding the definition of directory information to include published photographs; expanding antiviolence programs in schools; establishing grant programs to develop curricula on ethics and parenting skills; precluding disruptive students from participating in the open enrollment program; making possession of a firearm or engaging in dangerous, disruptive, or violent behavior in a school zone grounds for immediate dismissal from school; providing for criminal prosecution of juveniles alleged to have possessed a firearm in a school zone; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms and the possession of weapons within 300 feet of school property; extending the juvenile court's continuing jurisdiction to a minor's 23rd birthday; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable supervision or control over their minor children; establishing a school-related crime hotline; increasing the limit on parental liability for personal injury torts committed by a minor; encouraging school districts to create alternative programs for disruptive students; appropriating money; amending Minnesota Statutes 1992, sections 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; and 609.055, subdivision 2; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 120.101, subdivision 5; 121.831, subdivision 9; 260.161, subdivision 3; 540.18, subdivision 1; and 609.66, subdivision 1d; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

Vellenga, Carlson, Koppendrayer, Bauerly and Kelso introduced:

H. F. No. 2189, A bill for an act relating to education; making technical changes in education programs and policies; amending Minnesota Statutes 1992, sections 124.26, subdivision 1b; 124.95, subdivision 4; and 272.02, subdivision 8; Minnesota Statutes 1993 Supplement, sections 124.155, subdivision 2; 124.26, subdivision 3a; 124.26, subdivision 1c; 124.2714; 124.573, subdivision 2b; 124.91, subdivision 5; 124.95, subdivision 1; 124A.03, subdivision 1c; and 124A.292, subdivision 3.

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

#### Morrison, Workman, Van Engen, Erhardt and Seagren introduced:

H. F. No. 2190, A bill for an act relating to education; safe schools; requiring students who transfer and school officials to transmit students' education records; allowing peace officers to disseminate certain information to schools and social service agencies; expanding the definition of directory information to include published photographs; expanding antiviolence programs in schools; establishing grant programs to develop curricula on ethics and parenting

skills; precluding disruptive students from participating in the open enrollment program; making possession of a firearm or engaging in dangerous, disruptive, or violent behavior in a school zone grounds for immediate dismissal from school: providing for criminal prosecution of juveniles alleged to have possessed a firearm in a school zone; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms and the possession of weapons within 300 feet of school property; extending the juvenile court's continuing jurisdiction to a minor's 23rd birthday; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable supervision or control over their minor children; establishing a school-related crime hotline; increasing the limit on parental liability for personal injury torts committed by a minor; encouraging school districts to create alternative programs for disruptive students; appropriating money; amending Minnesota Statutes 1992, sections 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision: 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; and 609.055, subdivision 2; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 120.101, subdivision 5: 121.831, subdivision 9: 260.161, subdivision 3: 540.18, subdivision 1; and 609.66, subdivision 1d; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

#### Girard, Kalis, Peterson, Hugoson and Vickerman introduced:

H. F. No. 2191, A bill for an act relating to water; creating programs to provide financial assistance to address nonpoint source water pollution in the departments of agriculture and trade and economic development and the pollution control agency; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; requiring rulemaking; providing for certain exemptions from rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, 10, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 17; 116; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

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

Johnson, R.; Kahn; Greiling and Knickerbocker introduced:

H. F. No. 2192, A bill for an act relating to retirement; correctional employees retirement plan of the Minnesota state retirement system; transferring various employment positions in the departments of corrections and human services from coverage by the general state employees retirement plan or the teachers retirement association to the correctional employees retirement plan; amending Minnesota Statutes 1992, sections 352.91, by adding subdivisions; and 352.92, subdivision 2.

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

Anderson, R., and Nelson introduced:

H. F. No. 2193, A bill for an act relating to bonding; providing funding for the establishment of the North American prairie wetlands learning center; authorizing the issuance of state bonds; appropriating money.

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

Anderson, R.; Rodosovich and Nelson introduced:

H. F. No. 2194, A bill for an act relating to public administration; appropriating money to the commissioner of administration for community college construction; authorizing the issuance of state bonds.

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

Erhardt and Seagren introduced:

H. F. No. 2195, A bill for an act relating to insurance; accident and health; permitting short-term coverage; amending Minnesota Statutes 1993 Supplement, section 62A.65, by adding a subdivision.

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

Simoneau, Jefferson, Huntley, Greenfield and Garcia introduced:

H. F. No. 2196, A bill for an act relating to human services; appropriating money for the child care fund.

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

Weicman introduced:

H. F. No. 2197, A bill for an act relating to crimes; defining escaping while held in lawful custody to include absconding from electronic monitoring devices; amending Minnesota Statutes 1992, section 609.485, subdivision 2.

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

Clark, Mariani, Weaver, Dawkins and Rhodes introduced:

H. F. No. 2198, A bill for an act relating to housing projects; providing for a housing bond credit enhancement program administered by the metropolitan council; authorizing the metropolitan council to provide additional security for bonds issued for qualifying housing projects; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Kelso; Tomassoni; Vellenga; Anderson, I., and Bauerly introduced:

H. F. No. 2199, A bill for an act relating to libraries; creating a capital bonding program for library accessibility projects; authorizing the issuance and sale of state bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 134.

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

Evans; Johnson, A., and Rukavina introduced:

H. F. No. 2200, A bill for an act relating to game and fish; preference to certain aged or disabled hunters in issuance of game refuge deer permits; amending Minnesota Statutes 1993 Supplement, section 97A.091, subdivision 2.

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

Evans introduced:

H. F. No. 2201, A bill for an act relating to commerce; expanding the scope of department enforcement authority to include additional areas over which they have responsibility; eliminating provisions governing the access to and disclosure of certain data; amending Minnesota Statutes 1992, section 45.027, subdivision 7; and Minnesota Statutes 1993 Supplement, section 45.011, subdivisions 1 and 4.

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

4874

Dempsey, Davids, Wolf, Dehler and Ness introduced:

H. F. No. 2202, A bill for an act relating to education; safe schools; requiring students who transfer and school officials to transmit students' education records; allowing peace officers to disseminate certain information to schools and social service agencies; expanding the definition of directory information to include published photographs; expanding antiviolence programs in schools; establishing grant programs to develop curricula on ethics and parenting skills; precluding disruptive students from participating in the open enrollment program; making possession of a firearm or engaging in dangerous, disruptive, or violent behavior in a school zone grounds for immediate dismissal from school; providing for criminal prosecution of juveniles alleged to have possessed a firearm in a school zone; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms and the possession of weapons within 300 feet of school property; extending the juvenile court's continuing jurisdiction to a minor's 23rd birthday; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable supervision or control over their minor children; establishing a school-related crime hotline; increasing the limit on parental liability for personal injury torts committed by a minor; encouraging school districts to create alternative programs for disruptive students; appropriating money; amending Minnesota Statutes 1992, sections 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; and 609.055, subdivision 2; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 120.101, subdivision 5; 121.831, subdivision 9; 260.161, subdivision 3; 540.18, subdivision 1; and 609.66, subdivision 1d; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

#### Wejcman introduced:

H. F. No. 2203, A bill for an act relating to consumer protection; providing for a list of independent professional examiners; providing for independent medical examinations requested by third-party payors; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 146.

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

Johnson, A.; Workman; Neary; Frerichs and Johnson, R., introduced:

H. F. No. 2204, A bill for an act relating to motor carriers; amending and eliminating the repeal of regulations related to personal transportation service providers; defining terms and setting requirements related to personal transportation service; increasing a fee; amending Minnesota Statutes 1992, sections 168.1281, subdivision; 1, 2, and by adding a subdivision; 221.011, subdivision 34; and 221.85, subdivision 3, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 168.011, subdivision 36; Laws 1993, chapter 323, section 5; repealing Minnesota Statutes 1993 Supplement, section 168.1281, subdivision 4; Laws 1992, chapter 578, section 56; Laws 1993, chapter 323, sections 3 and 4.

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

#### Jefferson introduced:

H. F. No. 2205, A bill for an act relating to economic development; modifying requirements for the neighborhood revitalization program; establishing a resident advisory council; amending Minnesota Statutes 1992, section 469.1831, subdivision 6.

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

#### Kalis introduced:

H. F. No. 2206, A bill for an act relating to utilities; changing interest rate paid on utility customer deposits; amending Minnesota Statutes 1992, section 325E.02.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Bauerly and Opatz introduced:

H. F. No. 2207, A bill for an act relating to local government; authorizing the board of county commissioners of Benton county to establish an economic development authority.

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

Koppendrayer and Bauerly introduced:

H. F. No. 2208, A bill for an act relating to education; expanding the fund transfer required for the payment of retirement and FICA costs for community service fund employees; amending Minnesota Statutes 1992, section 121.912, subdivision 1b.

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

Pugh and McGuire introduced:

H. F. No. 2209, A bill for an act relating to data practices; classifying data relating to emergency telephone service calls; amending Minnesota Statutes 1992, section 13.82, subdivision 3.

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

Asch and Luther introduced:

H. F. No. 2210, A bill for an act relating to data practices; regulating the classification and release of certain department of commerce data; amending Minnesota Statutes 1992, section 13.71, by adding subdivisions.

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

Pugh and Bishop introduced:

H. F. No. 2211, A bill for an act relating to real property; excepting the modification of certain fees from the authority of the commissioner of health; amending Minnesota Statutes 1992, section 103I.101, subdivision 5.

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

Kahn, Tunheim, Huntley, Koppendrayer and Girard introduced:

H. F. No. 2212, A bill for an act relating to the environment; genetically engineered organisms; authorizing the department of agriculture to exempt certain federally monitored releases; authorizing the environmental quality board to adopt rules relating to certain releases; providing for certain exemptions; amending Minnesota Statutes 1992, sections 18F.01; 18F.02, subdivisions 1, 5, and by adding a subdivision; 18F.04; 18F.07; 18F.12; 116C.91, subdivision 1; 116C.94; and 116C.96; proposing coding for new law in Minnesota Statutes, chapters 18F; and 116C; repealing Minnesota Statutes 1992, section 18F.02, subdivision 7.

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

Opatz, Gruenes, Bauerly, Bertram and Anderson, I., introduced:

H. F. No. 2213, A bill for an act relating to the city of St. Cloud; exempting a tax increment financing district from certain restrictions; providing expanded eminent domain authority.

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

64TH DAY]

# MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

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.

PATRICK E. FLAHAVEN, Secretary of the Senate

Vickerman moved that the House refuse to concur in the Senate amendments to H. F. No. 936, 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.

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

# MOTIONS AND RESOLUTIONS

Erhardt moved that the name of Van Engen be added as an author on H. F. No. 1672. The motion prevailed.

Delmont moved that the name of Bishop be added as an author on H. F. No. 1820. The motion prevailed.

Skoglund moved that the name of Greiling be added as an author on H. F. No. 1822. The motion prevailed.

Skoglund moved that the name of Rhodes be added as an author on H. F. No. 1824. The motion prevailed.

Koppendrayer moved that the names of Ness, Dehler and Knight be added as authors on H. F. No. 1931. The motion prevailed.

Morrison moved that the name of Rest be added as an author on H. F. No. 1973. The motion prevailed.

Lasley moved that the name of Bauerly be added as an author on H. F. No. 1990. The motion prevailed.

Tunheim moved that the name of Solberg be added as an author on H. F. No. 1998. The motion prevailed.

Skoglund moved that the names of Carruthers, Macklin, Rest and Murphy be added as authors on H. F. No. 2074. The motion prevailed.

Kahn moved that H. F. No. 1779 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Ethics. The motion prevailed.

Knight, Seagren, Frerichs and Van Engen introduced:

House Resolution No. 8, A house resolution relating to desecration of the American flag; expressing the House of Representatives' condemnation of the practice.

The resolution was referred to the Committee on General Legislation, Veterans Affairs and Elections.

# JOURNAL OF THE HOUSE

# ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 984:

Krueger, Kahn, Knickerbocker, Opatz and Krinkie.

# ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 4:30 p.m., Thursday, March 3, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 4:30 p.m., Thursday, March 3, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

65TH DAY]

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION - 1994

# SIXTY-FIFTH DAY

# SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 2, 1994

The Senate met on Wednesday, March 2, 1994, which was the Sixty-fifth Legislative Day of the Seventy-eighth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.

[65TH DAY

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION — 1994

# SIXTY-SIXTH DAY

# SAINT PAUL, MINNESOTA, THURSDAY, MARCH 3, 1994

The House of Representatives convened at 4:30 p.m. and was called to order by Irv Anderson, Speaker of the House.

Prayer was offered by the Reverend Larry Petersen, Administrator, Maranatha Baptist Care Center, Brooklyn Center, Minnesota.

The roll was called and the following members were present:

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

A quorum was present.

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

# **REPORTS OF STANDING COMMITTEES**

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1788, A bill for an act relating to marriage; providing for postnuptial contracts; amending Minnesota Statutes 1992, section 519.11.

Reported the same back with the following amendments:

Page 4, line 3, delete "1993" and insert "1994"

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. 1858, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

Reported the same back with the following amendments:

Page 2, line 14, before "On" insert "(d)"

Page 2, after line 28, insert:

"(e) Upon request, the appropriate county official shall make available the names and addresses of the property taxpayers who may be eligible for the additional property tax refund under this section. The information shall be provided on a magnetic computer disk. The county may recover its costs by charging the person requesting the information the reasonable cost for preparing the data. The information may not be used for any purpose other than for notifying the homeowner of potential eligibility and assisting the homeowner, without charge, in preparing a refund claim.

(f) By April 30 of each year, each county must provide a list to the commissioner containing the name and mailing address of every taxpayer: (1) who owns a parcel of homestead property in the county, and (2) whose gross property taxes on that property have increased by 12 percent or more for the current taxes payable year over the prior taxes payable year. In compiling the list, each county shall disregard relative-homestead parcels. The list must be on the type of electronic data storage media designated by the commissioner and must be provided in the sequence, form, and format designated by the commissioner, whose designations in this regard are not rules subject to chapter 14."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "requiring that certain information be made available; requiring counties to provide the commissioner of revenue with certain data;"

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

The report was adopted.

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

H. F. No. 1880, A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desceration of the flag of the United States.

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

The report was adopted.

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

H. F. No. 1895, A bill for an act relating to capital improvements; appropriating money to the department of administration for a grant to the Minnesota humanities commission to rehabilitate and retrofit the west wing of the former Gillette Children's Hospital; authorizing the sale of state bonds.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2055, A bill for an act relating to human services; modifying provisions dealing with the administration and enforcement of child support; amending Minnesota Statutes 1993 Supplement, section 518.551, subdivision 10.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1992, section 214.101, as amended by Laws 1993, chapters 322, sections 1 and 2, and 340, section 2, is amended to read:

### 214.101 [CHILD SUPPORT; SUSPENSION OF LICENSE.]

Subdivision 1. [COURT ORDER; HEARING ON SUSPENSION.] (a) For purposes of this section, "licensing board" means a licensing board or other state agency that issues an occupational license.

(b) If a licensing board receives an order from a court <u>or a notice from a public child support enforcement agency</u> under section 518.551, subdivision 12, dealing with suspension of a license of a person found by the court <u>or the</u> <u>public agency</u> to be in arrears in child support or maintenance payments, or both, the board shall, within 30 days of receipt of the court order <u>or public agency notice</u>, provide notice to the licensee and hold a hearing. If the board finds that the person is licensed by the board and evidence of full payment of arrearages found to be due by the court <u>or</u> <u>the public agency</u> is not presented at the hearing, the board shall suspend the license unless it determines that probation is appropriate under subdivision 2. The only issues to be determined by the board are whether the person named in the court order <u>or public agency notice</u> is a licensee, whether the arrearages have been paid, and whether suspension or probation is appropriate. The board may not consider evidence with respect to the appropriateness of the <del>court <u>underlying child support</u> order or the ability of the person to comply with the order. The board may not lift the suspension until the licensee files with the board proof showing that the licensee is current in child support payments and maintenance.</del>

Subd. 2. [PROBATION.] If the board determines that the suspension of the license would create an extreme hardship to either the licensee or to persons whom the licensee serves, the board may, in lieu of suspension, allow the licensee to continue to practice the occupation on probation. Probation must be conditioned upon full compliance with the court order or <u>public agency notice</u> that referred the matter to the board. The probation period may not exceed two years, and the terms of probation must provide for automatic suspension of the license if the licensee does not provide monthly proof to the board of full compliance with the court order or <u>public agency notice</u> that referred the matter to the board or a further court order or <u>public agency notice</u> if the original order is modified by the court or the <u>public agency</u>.

Subd. 3. [REVOCATION OR REINSTATEMENT OF PROBATION.] If the licensee has a modification petition pending before the court <u>or the public agency</u>, the board may, without a hearing, defer a revocation of probation and institution of suspension until receipt of the court's ruling on the modification order. A licensee who was placed on probation and then automatically suspended may be automatically reinstated upon providing proof to the board that the licensee is currently in compliance with the court order <u>or public agency notice</u>.

Subd. 4. [VERIFICATION OF PAYMENTS.] Before a board may terminate probation, remove a suspension, issue, or renew a license of a person who has been suspended or placed on probation under this section, it shall contact the court <u>or public agency</u> that referred the matter to the board to determine that the applicant is not in arrears for child support or maintenance or both. The board may not issue or renew a license until the applicant proves to the board's satisfaction that the applicant is current in support payments and maintenance.

Subd. 5. [APPLICATION.] This section applies to support obligations ordered by any state, territory, or district of the United States."

Page 1, line 15, after "section" insert "in accordance with a statewide implementation plan to be set forth by the commissioner of human services"

Page 1, line 16, strike the third "and"

Page 1, line 17, strike "adjudicating uncontested parentage proceedings,"

Page 1, line 25, after "actions" insert "contested administrative"

Page 2, line 5, after "declaration" insert "or recognition"

Page 3, line 22, after "The" insert "contested"

Page 3, line 29, after the period, insert "Pursuant to a contested administrative hearing,"

Page 4, line 9, delete ", except"

Page 4, delete line 10

Page 4, line 11, delete "parentage,"

Page 4, line 12, delete "in all counties,"

Page 4, line 13, before the period, insert "and in accordance with the statewide implementation plan set forth by the commissioner of human services under paragraph (a). At county option, the administrative process established by this subdivision may include contempt motions or actions to establish parentage"

Page 4, line 14, delete "To initiate the administrative process,"

Page 4, line 17, after the period, insert "The written notice shall be sent by first class mail to the parties' last known addresses."

Page 4, line 34, after the period, insert "Service of the notice and proposed order commence the administrative process."

Page 5, line 3, delete "(2)" and insert "(3)"

Page 5, line 14, delete "will" and insert "may"

Page 5, line 16, delete "personally or"

Page 5, line 17, delete "method of"

Page 6, line 2, after "a" insert "contested"

Page 6, line 3, after the period, insert "For the purposes of the contested hearing, and notwithstanding any rule to the contrary, the service of the proposed order pursuant to paragraph (i)(3) shall be deemed to have commenced a civil action and the judge, including an administrative law judge or referee, shall have jurisdiction over a contested hearing that is scheduled in accordance with this subdivision."

Page 6, line 5, after the comma, insert "contested"

Page 6, line 9, after the comma, insert "contested"

Page 6, line 10, delete "scheduled" and insert "conducted"

Page 6, after line 18, insert:

"Sec. 3. Minnesota Statutes 1993 Supplement, section 518.551, subdivision 12, is amended to read:

Subd. 12. [OCCUPATIONAL LICENSE SUSPENSION.] (a) Upon petition of an obligee or public agency responsible for child support enforcement, if the court finds that the obligor is or may be licensed by a licensing board listed in section 214.01 or other state agency or board that issues an occupational license and the obligor is in arrears in court-ordered child support or maintenance payments or both, the court may direct the licensing board or other licensing agency to conduct a hearing under section 214.01 concerning suspension of the obligor's license. If the obligor is a licensed attorney, the court may report the matter to the lawyers professional responsibility board for appropriate action in accordance with the rules of professional conduct. The remedy under this subdivision is in addition to any other enforcement remedy available to the court.

## THURSDAY, MARCH 3, 1994

(b) If a public agency responsible for child support enforcement finds that the obligor is or may be licensed by a licensing board listed in section 214.01 or other state agency or board that issues an occupational license and the obligor is in arrears in court-ordered child support or maintenance payments or both, the public agency may direct the licensing board or other licensing agency to conduct a hearing under section 214.01 concerning suspension of the obligor's license. If the obligor is a licensed attorney, the public agency may report the matter to the lawyers professional responsibility board for appropriate action in accordance with the rules of professional conduct. The remedy under this subdivision is in addition to any other enforcement remedy available to the public agency.

Sec. 4. Minnesota Statutes 1993 Supplement, section 609.375, subdivision 2, is amended to read:

Subd. 2. If the violation of subdivision 1 continues for a period in excess of 90 days <u>but not more than 180 days</u>, the person is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Sec. 5. Minnesota Statutes 1992, section 609.375, is amended by adding a subdivision to read:

Subd. 2a. If the violation of subdivision 1 continues for a period in excess of 180 days, the person is guilty of a felony and upon conviction may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$5,000, or both.

Sec. 6. Minnesota Statutes 1992, section 609.375, is amended by adding a subdivision to read:

Subd. 5. [VENUE.] A person who violates this section may be prosecuted and tried in the county in which the support obligor resides or in the county in which the obligee or the child resides.

Sec. 7. Minnesota Statutes 1992, section 609.375, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [DISMISSAL OF CHARGE.] <u>A felony charge brought under subdivision 2a of this section shall be dismissed if:</u>

(1) the support obligor provides the county child support enforcement agency with an affidavit attesting the obligor's present address, occupation, employer, and current income, and consents to service of an order for automatic income withholding; or

(2) the support obligor makes satisfactory arrangements for payment with the county child support enforcement agency of all accumulated arrearages and any ongoing support obligations. For purposes of this section, satisfactory arrangements shall be reasonably consistent with the obligor's ability to pay.

In any case for which dismissal is sought under this subdivision, the felony charge shall be continued for dismissal for a period of six months. If the obligor meets all requirements of the payment plan within that six-month period, the felony charge shall be dismissed."

Page 6, line 20, delete "<u>1</u>" and insert "<u>2</u>" and after the period, insert "<u>Sections 4 to 7 are effective the day following final enactment and apply to crimes committed on and after that date."</u>

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 4, after "amending" insert "Minnesota Statutes 1992, sections 214.101, as amended; and 609.375, by adding subdivisions;"

Page 1, line 5, delete "section" and insert "sections" and delete "subdivision 10" and insert "subdivisions 10 and 12; and 609.375, subdivision 2"

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

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2064, A bill for an act relating to housing; modifying accessibility loan program provisions; authorizing tribal Indian housing rehabilitation loans; authorizing the payment of housing program costs and expenses; amending Minnesota Statutes 1992, sections 462A.05, subdivision 14d; and 462A.21, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 462A.07, subdivision 14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 462A.05, subdivision 14d, is amended to read:

Subd. 14d. [ACCESSIBILITY LOAN PROGRAM.] Rehabilitation loans authorized under subdivision 14 may be made to eligible persons and families whose income does not exceed the maximum income limits allowable under section 143(f) of the Internal Revenue Code of 1986, as amended through June 30, 1991 without limitations relating to the maximum incomes of the borrowers.

A person or family is eligible to receive an accessibility loan under the following conditions:

(1) the borrower or a member of the borrower's family requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility for persons with mental retardation or related conditions;

(2) home care is appropriate; and

(3) the improvement will enable the borrower or a member of the borrower's family to reside in the housing.

Sec. 2. Minnesota Statutes 1992, section 462A.05, is amended by adding a subdivision to read:

Subd. 14e. [PURCHASE-REHABILITATION LOANS.] The agency may agree and enter into commitments to purchase, make, or otherwise participate in making loans to persons or families, without limitations relating to the maximum incomes of the borrowers, for the purchase and rehabilitation of existing owner-occupied residential housing, as provided under subdivision 14.

Sec. 3. Minnesota Statutes 1992, section 462A.05, is amended by adding a subdivision to read:

<u>Subd. 39.</u> [EQUITY TAKE-OUT LOANS.] <u>The agency may make equity take-out loans to owners of section 8</u> project-based rental property upon which the agency holds a first mortgage. The owner must agree to participate in the section 8 program and extend the low-income affordability restrictions on the housing for the maximum term of the section 8 contract. The equity take-out loan must be secured by a subordinate loan on the property and may include additional appropriate security determined necessary by the agency.

Sec. 4. Minnesota Statutes 1993 Supplement, section 462A.07, subdivision 14, is amended to read:

Subd. 14. [AMERICAN INDIANS.] (a) It may engage in housing programs for low- and moderate-income American Indians developed and administered separately or in combination by the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities as determined by such tribe, band, or communities. In furtherance of the policy of economic integration stated in section 462A.02, subdivision 6, it may engage in housing programs for American Indians who intend to reside on reservations and who are not persons of low and moderate income, provided that the aggregate dollar amount of the loans for each lender's fiscal year shall not exceed an amount equal to 25 percent of the total dollar amount of all loans made by that lender during the lender's fiscal year at the time of loan application. In developing such housing programs, the tribe, band, or communities shall take into account the housing needs of all American Indians residing both on and off reservations within the state. A plan for each such program, which specifically describes the program content, utilization of funds, administration, operation, implementation and other matter, as determined by the agency, must be submitted to the agency for its review and approval prior to the making of eligible loans pursuant to section 462A.21. All such programs must conform to rules promulgated by the agency concerning program administration, including but not limited to rules concerning costs of administration; the quality of housing; interest rates, fees, and charges in connection with making eligible loans; and other matters determined by the agency to be necessary in order to effectuate the purposes of this subdivision

4886

and section 462A.21, subdivisions 4b and 4c. All such programs must provide for a reasonable balance in the distribution of funds appropriated for the purpose of this section between American Indians residing on and off reservations within the state. Nothing in this section shall preclude such tribe, band, or communities from requesting and receiving cooperation, advice, and assistance from the agency as regards program development, operation, delivery, financing, or administration. As a condition to the making of such eligible loans, the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities shall:

(1) enter into a loan agreement and other contractual arrangements with the agency for the purpose of transferring the allocated portion of loan funds as set forth in section 462A.26 and to insure compliance with the provisions of this section and this chapter; and

(2) agree that all of their official books and records related to such housing programs shall be subjected to audit by the legislative auditor in the manner prescribed for agencies of state government.

The agency shall submit a biennial report concerning the various housing programs for American Indians, and related receipts and expenditures as provided in section 462A.22, subdivision 9, and such tribe, band, or communities to the extent that they administer such programs, shall be responsible for any costs and expenses related to such administration provided, however, they shall be eligible for payment for costs, expenses, and services pursuant to subdivision 12 and section 462A.21. The agency may provide or cause to be provided essential general technical services as set forth in subdivision 2, and general consultative project assistance services, including, but not limited to, management training, and home ownership counseling as set forth in subdivision 3. Members of boards, committees, or other governing bodies of the tribe, band, and communities administering the programs authorized by this subdivision must be compensated for those services as provided in section 15.0575. Rules promulgated under this subdivision may be promulgated as emergency rules under chapter 14.

(b) The agency may engage in demonstration projects to encourage the participation of financial institutions or other leveraging sources in providing housing opportunities for American Indians. The agency shall consult with the Minnesota Chippewa tribe, the Red Lake band of Chippewa Indians, and the Sioux communities in developing the demonstration projects. The income limits specified in paragraph (a) do not apply to the demonstration projects.

(c) The agency may make home improvement loans under this subdivision without regard to household income.

\*Sec. 5. Minnesota Statutes 1992, section 462A.10, is amended by adding a subdivision to read:

Subd. 10. [DEFERRAL OF ISSUANCE AND DELIVERY.] It may provide that the agency may defer the issuance and delivery of the bonds to the underwriters to a designated future date when the proceeds of the bonds are required for one or more of the purposes specified in section 462A.08.

Sec. 6. Minnesota Statutes 1992, section 462A.201, is amended by adding a subdivision to read:

Subd. 7. [CAPACITY BUILDING GRANT SET-ASIDE.] Five percent of the money credited to the housing trust fund account under section 82.24, subdivision 8, may be used to make capacity building grants as provided under section 462A.21, subdivision 3b.

Sec. 7. Minnesota Statutes 1993 Supplement, section 462A.202, subdivision 7, is amended to read:

Subd. 7. [RESTRICTIONS.] (a) Except as provided in paragraphs (b), (c), (d), and (e), and (f), the city must own the property financed with a loan under this section and use the property for the purposes specified in this section:

(1) the city may sell the property at its fair market value provided it repays the lesser of the net proceeds of the sale or the amount of the loan balance to the agency for deposit in the local government unit housing account; or

(2) the city may use the property for a different purpose provided that the city repays the amount of the original loan.

If the city owns and uses the property for the purposes specified in this section for a 20-year period, the agency shall forgive the loan.

(b) In cases where the property consists of land only, including land on which buildings acquired with a loan under this section are demolished by the city, the city may lease the property for a term not to exceed 99 years to a nonprofit eorporation organization to use for the purposes specified in this section.

(c) In cases where the property consists of land and buildings, the city may do the following:

(1) demolish the buildings in whole or in part and use or lease the property under paragraph (b);

(2) sell the buildings to a nonprofit corporation <u>organization</u> to use for the purposes specified in this section. If sold, the city must sell the buildings for fair market value and repay the proceeds of the sale to the agency for deposit in the local government unit housing account;

(3) lease the buildings to a nonprofit corporation <u>organization</u> to use for the purposes specified in this section. If leased, except as provided in paragraph (d), the annual rental must equal the amount of the loan attributable to the cost of the buildings, divided by the number of years of useful life of the buildings as determined in accordance with generally accepted accounting principles. For purposes of determining the required rental, the purchase price of land and buildings must be allocated between them based on standard valuation procedures; or

(4) contract with a nonprofit organization to manage the property.

(d) A city may lease a building to a nonprofit organization for a nominal amount under the following conditions:

(1) the lease does not exceed ten years;

(2) the city must have the option to cancel the lease with or without cause at the end of any three-year period; and

(3) the city must determine annually that the property is being used for the purposes specified in this section and that the terms of the lease, including any income limits for residents, are being met.

(e) A city may sell single-family residential housing directly to persons and families of low and moderate income.

(f) A city may lease the buildings to a partnership consisting of a nonprofit organization and a limited partner if the nonprofit organization is the general partner and the financing for the land trust project includes low-income housing tax credits. All conditions for leasing buildings to a nonprofit organization as provided under this subdivision apply to the lease authorized under this paragraph.

Sec. 8. Minnesota Statutes 1992, section 462A.21, is amended by adding a subdivision to read:

Subd. 21. [COMMUNITY REHABILITATION PROGRAM.] The agency may spend money for the purposes of the community rehabilitation program authorized under section 462A.206 and may pay the costs and expenses necessary and incidental to the development and operation of the program.

Sec. 9. Minnesota Statutes 1993 Supplement, section 462A.222, subdivision 3, is amended to read:

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

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

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

(1) in the metropolitan area:

(i) new construction or substantial rehabilitation of projects in which at least 75 percent of the total units are single-room occupancy projects, efficiency, or one bedroom units and which are affordable by households whose income does not exceed 30 percent of the median income;

(ii) new construction or substantial rehabilitation family housing projects <u>that are not restricted to persons who are</u> <u>55 years of age or older and</u> in which at least 75 percent of the units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms; or

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 10. Minnesota Statutes 1992, section 462A.30, subdivision 9, is amended to read:

Subd. 9. [PERSONS AND FAMILIES OF LOW AND MODERATE INCOME.] "Persons and families of low and moderate income" means persons or families whose income does not exceed; (1) 80 percent of the greater of (1) state median income, or (2) area or county median income as determined by the department of housing and urban development, or (2) the amount that qualifies the organization for tax exempt status under United States Code, title 26, section 501(c)(3), whichever is less.

Sec. 11. Minnesota Statutes 1992, section 462A.31, subdivision 4, is amended to read:

Subd. 4. [MORTGAGES.] (a) A ground lease with a neighborhood land trust must prohibit the lessee from mortgaging the lessee's interest in the lease or in buildings or other improvements without the consent of the neighborhood land trust. A ground lease may obligate a neighborhood land trust as lessor and fee title holder to consent to, join in, or subordinate its interest to, a mortgage entered into by a lessee as mortgagor for the purpose of obtaining financing for <u>acquisition</u>, construction, or renovation of housing on the land. A lease provision so obligating a neighborhood land trust must specify that the mortgage must provide to the neighborhood land trust the right to receive from the mortgagee prompt notice of default in the mortgage and the right to cure the default or to purchase the mortgagee's interest in the mortgage. The limited equity price and provisions in subdivision 3 do not apply if the lessee or the neighborhood land trust fails to cure the default or purchase the mortgagee's interest in the mortgage.

(b) A ground lease with a neighborhood land trust must provide that the neighborhood land trust will not, during the term of the lease, mortgage or otherwise encumber its interest in the property or permit any liens on its interest

[66TH DAY

in the property to exist. This prohibition does not apply to mortgages that require the mortgage to subordinate the lien of its mortgage to a mortgage entered into by a lessee as mortgagor for the purpose of obtaining financing for acquisition, construction, or renovation of housing on the land.

Sec. 12. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to housing; modifying programs of the housing finance agency for low-income and tribal housing and for accessibility loans; amending Minnesota Statutes 1992, sections 462A.05, subdivision 14d, and by adding subdivisions; 462A.10, by adding a subdivision; 462A.201, by adding a subdivision; 462A.21, by adding a subdivision; 462A.30, subdivision 9; and 462A.31, subdivision 4; Minnesota Statutes 1993 Supplement, sections 462A.07, subdivision 14; 462A.202, subdivision 7; and 462A.222, subdivision 3."

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

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2071, A bill for an act relating to crimes; controlled substance definitions; expanding public housing zones to include federally assisted housing programs administered by the Minnesota housing finance agency; amending Minnesota Statutes 1992, section 152.01, subdivision 19.

Reported the same back with the following amendments:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1992, section 626.8451, is amended by adding a subdivision to read:

<u>Subd. 5.</u> [PEACE OFFICER TRAINING ON DRUG- AND WEAPON-FREE ZONES.] <u>By September 1, 1994, the</u> board shall prepare training materials to assist peace officers in understanding the increased criminal penalties provided under Minnesota law for controlled substance crimes and dangerous weapon crimes that are committed in school zones, park zones, and public housing zones, as defined in section 152.01. The board must provide these training materials to chief law enforcement officers throughout the state and must update the materials periodically as appropriate. Each chief law enforcement officer shall encourage all peace officers within the officer's agency to review the materials.

Sec. 3. [PROSECUTOR TRAINING ON DRUG- AND WEAPON-FREE ZONES.]

By September 1, 1994, the county attorneys association, in conjunction with the attorney general's office, shall prepare training materials to assist county attorneys and city attorneys in understanding the increased criminal penalties provided under current law for controlled substance crimes and dangerous weapon crimes that are committed in school zones, park zones, and public housing zones, as defined in Minnesota Statutes, section 152.01. The materials may be combined with other training conducted by the county attorneys association or other groups."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring peace officer and prosecutor training on drug-free and weapon-free zones;"

Page 1, line 6, delete "section" and insert "sections" and before the period insert "; and 626.8451, by adding a subdivision"

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

The report was adopted.

. 4891

Rest from the Committee on Taxes to which was referred:

H. F. No. 2213, A bill for an act relating to the city of St. Cloud; exempting a tax increment financing district from certain restrictions; providing expanded eminent domain authority.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ECONOMIC DEVELOPMENT.]

<u>Subdivision 1.</u> [AUTHORIZATION.] The St. Cloud housing and redevelopment authority may establish an economic development tax increment financing district under Minnesota Statutes, sections 469.174 to 469.178, for a major distribution facility for a national mail order sales retailer. For purposes of this section, a mail order sales retailer means a firm whose business consists primarily of the selling of tangible personal property and services in response to orders received by United States mail or telephone.

Subd. 2. [SPECIAL RULES.] (a) The district established under the authority of subdivision 1 is subject to Minnesota Statutes, sections 469.174 to 469.178, except as provided in this subdivision.

(b) Minnesota Statutes, section 273.1399, does not apply.

(c) Notwithstanding Minnesota Statutes, section 469.176, subdivision 1, tax increments from the district may be paid to the authority for up to 25 years from the date of the receipt of the first increment.

(d) Notwithstanding Minnesota Statutes, section 469.176, subdivision 4, the housing and redevelopment authority may agree to pay revenues derived from tax increments from the district to the owner of the distribution facility to be used for any costs related to the facility including the costs of acquiring, constructing, and equipping the facility and financing costs and interest expenses, as reasonably determined by the authority.

(e) Minnesota Statutes, section 469.176, subdivisions 4c and 7, do not apply.

(f) A development agreement entered into for the facility under paragraph (c) is not a contract for construction or purchase of equipment, supplies, or materials under Minnesota Statutes, section 469.015 or 471.345.

(g) The adjustment to original net tax capacity under Minnesota Statutes, section 469.177, subdivision 1, paragraph (f), does not apply.

(h) The tax rate used to determine the amount of revenues from tax increments is the sum of the local tax rates for the taxes payable year, notwithstanding contrary provisions of Minnesota Statutes, section 469.177, subdivisions 1a and 3, limiting increments to the original tax capacity rate.

<u>Subd. 3.</u> [JOB GUARANTEE.] The authority may not establish a tax increment financing district under subdivision 1 unless the authority has entered into a job guarantee agreement with the owner of the facility. This agreement shall utilize procedures under the economic recovery grant program established by the department of trade and economic development. The housing and redevelopment authority shall monitor whether the owner has complied with this requirement, at least annually, for a period not to exceed five years.

<u>Subd.</u> <u>4.</u> [EMINENT DOMAIN.] <u>The authority may exercise the power of eminent domain under Minnesota</u> <u>Statutes, chapter 117, with respect to property located adjacent to the district, whether inside or outside of the city</u> <u>or the project area, if the authority determines the property to be necessary to provide access to the facility.</u>

# Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective upon compliance by the governing body of the city of St. Cloud with Minnesota Statutes, section 645.021, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

4892

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

S. F. No. 1512, A bill for an act relating to elections; providing uniform local election procedures; requiring regular city elections to be held in the fall; permitting town elections to be held in November; making uniform certain local government procedures; providing for the identification of judicial offices; authorizing special elections to be conducted by mail ballot; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 204B.14, subdivision 8; 204B.36, subdivision 4; 205.02, subdivision 2; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 206.90, subdivision 6; 365.51, subdivisions 1 and 3; and 367.03; proposing coding for new law in Minnesota Statutes, chapter 204D; repealing Minnesota Statutes 1992, sections 205.065, subdivision 3; 205.18; 205.20; and 410.21.

## Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 103C.305, subdivision 2, is amended to read:

Subd. 2. [NOMINATING PETITION <u>FILING FOR</u> <u>OFFICE;</u> <u>AFFIDAVIT</u> OF <u>CANDIDACY</u>.] (a) The district secretary shall immediately submit the names of the candidates and the terms for which each candidate is nominated to the county auditor.

(b) Nominating petitions conforming to section 103C.301, subdivision 1, shall be filed with the secretary of the district at least 60 days before the general election. A candidate for the office of supervisor shall file an affidavit of candidacy with the county auditor of the county in which the district office is located during the period provided for filing affidavits of candidacy for county offices in section 204B.09, subdivision 1. The county auditor accepting affidavits of candidacy shall forward copies of all affidavits filed by candidates for supervisor to the auditor of any other county in which the office is voted on.

Sec. 2. Minnesota Statutes 1992, section 123.33, subdivision 1, is amended to read:

Subdivision 1. The care, management, and control of independent districts shall be vested in a board of directors, to be known as the school board. The term of office of a member shall be three years and until a successor qualifies. If a school district changes to the November election schedule as provided in section 205A.04, the terms of office of a member shall be four years. The membership of the school board shall consist of six elected directors together with such ex officio member as may be provided by law. But the board of a district conducting elections in November as provided by section 205A.04 may submit to the electors at any school election the question whether the board shall consist of seven members and if a majority of those voting on the proposition favor a seven-member board, a seventh member shall be elected at the next election of directors for a three-year four-year term and thereafter the board shall consist of seven members.

Those districts with a seven-member board may submit to the electors at any school election at least 150 days before the next election of three members of the board the question whether the board shall consist of six members. If a majority of those voting on the proposition favor a six-member board instead of a seven-member board, two members instead of three members shall be elected at the next election of the board of directors and thereafter the board shall consist of six members.

Sec. 3. Minnesota Statutes 1992, section 204B.14, subdivision 8, is amended to read:

Subd. 8. [COMBINED PRECINCT.] (a) Up to four contiguous municipalities located entirely outside the metropolitan area as defined in section 473.121, subdivision 2, that are contained in the same legislative district, congressional district, and county commissioner district may enter into a combination agreement to form one precinct for state and county election purposes, upon the approval of the county auditor. The governing body of each municipality proposing to enter into a combination agreement must provide the inhabitants of the municipality with published and posted notice of the proposed agreement three weeks before the second Tuesday in March May. A combination agreement must be approved by resolutions of all of the governing bodies of the combining municipalities on or before the second Tuesday in March June 1 of an election year. A copy of the combination agreement must be submitted to the county auditor for approval, on or before May 1 June 10 of an election year.

#### THURSDAY, MARCH 3, 1994

(b) One or more of the municipalities in the combined precinct may withdraw from the combination by a resolution of the governing body of the withdrawing municipality, passed on or before the second Tuesday in <u>March May</u> of an election year. The withdrawing municipality shall file the resolution with the county auditor no later than <u>May 1</u> <u>June 10</u> of an election year. The decision of any one municipality to withdraw from the combination agreement automatically dissolves the combination unless all the remaining municipalities continue to meet all the requirements of this subdivision.

(c) The combination agreement must specify the designated polling place and the municipal election officials or governing bodies responsible for appointing election judges and the chair of the election board, posting notices, preparing precinct maps, and carrying out other election duties required by law.

(d) In combining or separating, the municipalities must meet the time requirements specified in this section for changing precinct boundaries and in section 204B.16, subdivision 3, for designating a different polling place.

Sec. 4. Minnesota Statutes 1992, section 205.02, subdivision 2, is amended to read:

Subd. 2. [CITY ELECTIONS.] In all statutory and home rule charter cities, the primary, general and special elections held for choosing city officials and deciding public questions relating to the city shall be held as provided in this chapter, except that this section and sections 205.065, subdivisions  $2 \frac{4}{2}$  to 7; 205.07 to, subdivision 3; 205.10; 205.121; and 205.175 and 205.185 205.17, subdivisions 2 and 3, do not apply to a city whose charter provides the manner of holding its primary, general or special elections.

Sec. 5. Minnesota Statutes 1992, section 205.065, subdivision 1, is amended to read:

Subdivision 1. [CITIES OF FIRST CLASS ESTABLISHING PRIMARY.] A municipal primary for the purpose of nominating elective officers may be held in any city of the first class on the second or third first Tuesday after the second Monday in March September of any year in which a municipal general election is to be held for the purpose of electing officers.

If the majority of the governing body of a city of the first class adopted a resolution after June 24, 1957, establishing the second or third Tuesday in March for holding its municipal primary in any year in which its municipal general election is held, and if the city clerk or other officer of the city charged with keeping the minutes and records of the governing body filed a certified copy of the resolution with the secretary of state and another certified copy of the resolution with the county recorder of the county in which the city is located, the time established by the resolution for holding the municipal primary is fixed, and the governing body of the city may not change the time unless the authority to make the change is conferred on the governing body by the legislature, or by an amendment to the charter of the city duly ratified and accepted by the eligible voters of the city, in accordance with the constitution of the state of Minnesota and other applicable law.

Sec. 6. Minnesota Statutes 1992, section 205.065, subdivision 2, is amended to read:

Subd. 2. [RESOLUTION OR ORDINANCE.] The governing body of a city of the second, third, or fourth class or a town containing a statutory city may, by ordinance or resolution adopted at least three months before the next municipal general election, elect to choose nominees for municipal offices by a primary as provided in subdivisions 2 to 7 this section. The resolution or ordinance, when adopted, is effective for all ensuing municipal elections until it is revoked. Subdivisions 2 to 7 do not apply to a city the charter of which specifically prohibits or provides for a municipal primary. The municipal clerk shall notify the secretary of state and the county auditor within 30 days after the adoption of the resolution or ordinance.

Sec. 7. Minnesota Statutes 1992, section 205.07, subdivision 1, is amended to read:

Subdivision 1. [DATE <u>CITY</u> <u>ELECTIONS.</u>] The municipal general election in each statutory city shall be held on the first Tuesday after the first Monday in November in every even-numbered year. Notwithstanding any provision of law to the contrary and subject to the provisions of this section, the governing body of a statutory city may, by ordinance passed at a regular meeting held before <u>September June</u> 1 of any year, elect to hold the election on the first Tuesday after the first Monday in November in each odd-numbered year. A city which was a village on January 1, 1974 and before that date provided for a system of biennial elections in the odd numbered year shall continue to hold its elections in that year until changed in accordance with this section. When a city changes its elections from one year to another, and does not provide for the expiration of terms by ordinance, the term of an incumbent expiring at a time when no municipal election is held in the months immediately prior to expiration is extended until the date

for taking office following the next scheduled municipal election. If the change results in having three council members to be elected at a succeeding election, the two individuals receiving the highest vote shall serve for terms of four years and the individual receiving the third highest number of votes shall serve for a term of two years. To provide an orderly transition to the odd or even year election plan, the governing body of the city may adopt supplementary ordinances regulating initial elections and officers to be chosen at the elections and shortening or lengthening the terms of incumbents and those elected at the initial election so as to conform as soon as possible to the regular schedule provided in section 412.02, subdivision 1. Whenever the time of the municipal election is changed, the city clerk immediately shall notify in writing the county auditor and secretary of state of the change of date. Thereafter the municipal general election shall be held on the first Tuesday after the first Monday in November in each odd-numbered or even-numbered year until the ordinance is revoked and notification of the change is made.

Sec. 8. [205.075] [TOWN GENERAL ELECTION.]

<u>Subdivision 1.</u> [DATE OF ELECTION.] <u>The general election in a town must be held on the second Tuesday in</u> <u>March, except as provided in subdivision 2.</u>

<u>Subd. 2.</u> [ALTERNATE DATE; METROPOLITAN TOWNS.] <u>The governing body of a town located in the</u> metropolitan area as defined by section 473.121 may, by resolution or ordinance, designate the first Tuesday after the first Monday in November of either the even-numbered or the odd-numbered year as the date of the town general election. Town supervisors elected at a November town general election shall serve four-year terms.

The ordinance or resolution changing the date of the town general election must include a plan to shorten or lengthen the terms of office to provide an orderly transition to the November election schedule.

The ordinance or resolution changing the date of the town general election is effective upon an affirmative vote of the voters of the town at the next town general election.

Sec. 9. Minnesota Statutes 1992, section 205.10, subdivision 1, is amended to read:

Subdivision 1. [QUESTIONS.] Special elections may be held in a statutory or home rule charter city or town on a question on which the voters are authorized by law or charter to pass judgment. Special elections for ballot questions may only be held on the first Tuesday after the second Monday in September or the first Tuesday after the first Monday in November in either the odd-numbered or even-numbered year. A special election may be ordered by the governing body of the eity municipality on its own motion or, on a question that has not been submitted to the voters in an election within the previous six months, upon a petition signed by a number of voters equal to 20 percent of the votes cast at the last municipal general election. A question is carried only with the majority in its favor required by law or charter. The election officials for a special election shall be the same as for the most recent municipal general election unless changed according to law. Otherwise special elections shall be conducted and the returns made in the manner provided for the municipal general election.

Sec. 10. Minnesota Statutes 1992, section 205.10, is amended by adding a subdivision to read:

<u>Subd. 1a.</u> [BALLOT QUESTIONS; MAIL ELECTIONS.] <u>A special election on a question on which the voters of the</u> <u>municipality are authorized by law or charter to pass judgment may be held at a time other than the dates specified</u> <u>in subdivision 1 if it is conducted by mail in the manner provided by section 204B.46.</u>

Sec. 11. Minnesota Statutes 1992, section 205.10, is amended by adding a subdivision to read:

Subd. 4. [VACANCIES IN TOWN OFFICES.] Special elections must be held with the town general election to fill yacancies in town offices as provided in section 367.03, subdivision 2.

Sec. 12. Minnesota Statutes 1992, section 205.13, subdivision 1, is amended to read:

Subdivision 1. [AFFIDAVIT OF CANDIDACY.] Not more than

(1) eight nor less than six weeks in the case of a town, or

(2) not more than ten nor less than eight weeks, in the case of a city,

before the municipal primary, or before the municipal general election if there is no municipal primary, An individual

who is eligible and desires to become a candidate for an office to be voted for at the <u>municipal general</u> election shall file an affidavit of candidacy with the municipal clerk. The affidavit shall be in substantially the same form as that in section 204B.06, subdivision 1. The municipal clerk shall also accept an application signed by not less than five voters and filed on behalf of an eligible voter in the municipality whom they desire to be a candidate, if service of a copy of the application has been made on the candidate and proof of service is endorsed on the application being filed. Upon receipt of the proper filing fee, the clerk shall place the name of the candidate on the official ballot without partisan designation. The filing dates contained in this subdivision do not apply to any home rule charter eity where charter provides for carlier filing dates.

Sec. 13. Minnesota Statutes 1992, section 205.13, is amended by adding a subdivision to read:

Subd. 1a. [FILING PERIOD.] An affidavit of candidacy for a town office to be elected in March must be filed not more than eight weeks nor less than six weeks before the town election. In municipalities nominating candidates at a municipal primary, an affidavit of candidacy for a city office or town office voted on in November must be filed not more than 70 days nor less than 56 days before the first Tuesday after the second Monday in September preceding the municipal general election. In all other municipalities, an affidavit of candidacy must be filed not more than 70 days and not less than 56 days before the municipal general election.

Sec. 14. Minnesota Statutes 1992, section 205.16, subdivision 1, is amended to read:

Subdivision 1. [PUBLICATION AND POSTING.] In every statutory eity and home rule charter eity, the charter of which does not provide the manner of giving notice of a municipal election <u>municipality</u>, the eity <u>municipal</u> clerk shall, except as otherwise provided in this section, give two weeks' published notice, and may also give ten days' posted notice, of the election, stating the time of the election, the location of each polling place, the offices to be filled, and all propositions or questions to be voted upon at the election. In a city of the fourth class <u>or a town not located</u> within a metropolitan county as defined in section <u>473.121</u>, the governing body may dispense with publication of the notice of the municipal general election, in which case ten days' posted notice shall be given. The eity <u>municipal</u> clerk shall also post a copy of the notice in the clerk's office for public inspection.

Sec. 15. Minnesota Statutes 1992, section 205.16, subdivision 2, is amended to read:

Subd. 2. [SAMPLE BALLOT, PUBLICATION.] In all statutory and home rule charter citics, For every municipal election, the city <u>municipal</u> clerk shall, at least one week before the election, publish a sample ballot in the official newspaper of the city <u>municipality</u>, except that the governing body of a fourth class city <u>or a town not located within a metropolitan county as defined in section 473.121</u> may dispense with publication.

Sec. 16. Minnesota Statutes 1992, section 205.17, subdivision 4, is amended to read:

Subd. 4. [BLUE BALLOTS; QUESTIONS.] All questions relating to the adoption of a city charter or charter amendments  $\Theta_{z}$  a proposition for the issuance of bonds, and all other questions relating to city or town affairs submitted at an election to the voters of the municipality, shall be printed on one separate blue ballot and shall be prepared, printed and distributed under the direction of the eity <u>municipal</u> clerk at the same time and in the same manner as other municipal ballots. The ballots, when voted, shall be deposited in a separate blue ballot box provided by the local authorities for each voting precinct. The ballots shall be canvassed, counted, and returned in the same manner as other municipal ballots. The returns shall provide appropriate blank spaces for the counting, canvassing and returning of the results of the questions submitted on the blue ballot.

Sec. 17. Minnesota Statutes 1992, section 205.175, is amended to read:

205.175 [VOTING HOURS.]

Subdivision 1. [CTTIES <u>MINIMUM VOTING HOURS.</u>] In all statutory and home rule charter-city <u>municipal</u> elections, the governing body of the city, by resolution adopted prior to giving notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all subsequent municipal elections, until the resolution is revoked. Cities covered by this subdivision shall certify their election hours to the county auditor upon adoption of the resolution giving notice of the election from 5:00 p.m. to 8:00 p.m.

Subd. 2. [METROPOLITAN AREA TOWNS <u>MUNICIPALITIES.</u>] At any election of town officers, in a town <u>The</u> governing body of a municipality which is located within a metropolitan county as defined by section 473.121<del>, th</del>e town board, by resolution adopted prior to giving notice of the election, may designate the time during which the polling places will remain open for voting at the next succeeding and all subsequent town <u>municipal</u> elections, provided that the polling places shall open no later than 10:00 a.m. and shall close no earlier than 8:00 p.m. The resolution shall remain in force until it is revoked by the town board <u>municipal</u> governing body.

Subd. 3. [OTHER TOWNS <u>MUNICIPALITIES.</u>] In any election of town officers in a town The governing body of a <u>municipality</u> other than a town <u>municipality</u> described in subdivision 2, the town board, <u>may</u> by resolution adopted prior to giving notice of the election, <u>may</u> designate the time, in <u>no event less than three hours addition to the minimum voting hours provided in subdivision 1</u>, during which the polling places will remain open for voting at the next succeeding and all subsequent town <u>municipal</u> elections. The resolution shall remain in force until it is revoked by the town board <u>municipal governing body</u> or changed because of request by voters as provided in this subdivision. If a petition requesting longer voting hours, signed by a number of voters equal to 20 percent of the votes cast at the last town <u>municipal</u> election, is presented to the town <u>municipal</u> clerk no later than 30 days prior to the town <u>municipal</u> election, then the polling places for that election shall open at 10:00 a.m. and close at 8:00 p.m. The town <u>municipal</u> clerk shall give ten days notice of the changed voting hours and notify the county auditor of the change. Towns <u>Municipalities</u> covered by this subdivision shall certify their election hours to the county auditor in January of each year.

Sec. 18. Minnesota Statutes 1992, section 205A.03, subdivision 1, is amended to read:

Subdivision 1. [RESOLUTION.] The school board of a school district may, by resolution adopted at least 12 weeks before the next school district general election by June 1 of any year, decide to choose nominees for school district elective offices by a primary as provided in subdivisions 1 to 6. The resolution, when adopted, is effective for all ensuing elections of board members in that school district until it is revoked.

Sec. 19. Minnesota Statutes 1992, section 205A.03, subdivision 2, is amended to read:

Subd. 2. [DATE.] The school district primary must be held at a time designated by the school board in the resolution adopting the primary system, but no later than six weeks before on the first Tuesday after the second Monday in September in the year when the school district general election is held. The clerk shall give notice of the primary in the manner provided in section 205A.07.

Sec. 20. Minnesota Statutes 1992, section 205A.04, is amended to read:

205A.04 [GENERAL ELECTION.]

Subdivision 1. [SCHOOL DISTRICT GENERAL ELECTION.] Except as may be provided in a special law or charter provision to the contrary, The general election in each school district must be held on the third Tuesday in May, unless the school board provides by resolution for holding the school district general election on the first Tuesday after the first Monday in November.

<u>Subd. 1a.</u> [TRANSITION SCHEDULE.] When the time of a school district's general election is changed from May to November, the terms of all board members shall be lengthened to expire on January 1; when the time of a school district's general election is changed from November to May, the terms of all board members shall be shortened to expire on July 1. Whenever the time of a school district election is changed, the school district clerk shall immediately notify in writing the county auditor or auditors of the counties in which the school district is located and the secretary of state of the change of date.

Subd. 2. [EXPERIMENTAL ELECTION; AUTHORIZATION.] The school board in independent school district No. 271 may, by resolution, designate the first Tuesday after the first Monday in November of either the odd-numbered or the even-numbered year as the date for its general election, and may reduce the existing terms of school board members to provide for staggered four-year terms thereafter. The resolution shall provide that, to the extent mathematically possible, the same number of board members is chosen at each election, exclusive of those chosen to fill vacancies for unexpired terms. Whenever the year of a school district election is changed, the school district clerk shall immediately notify in writing the county auditors of Hennepin and Scott counties and the secretary of state of the change of date. The secretary of state shall report to the legislature by January 15, 1993, on the implementation of this subdivision.

Sec. 21. Minnesota Statutes 1993 Supplement, 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. All special elections must be held on either the first Tuesday after the second Monday in September or the first Tuesday after the first Monday in November. 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. 22. Minnesota Statutes 1992, section 205A.05, is amended by adding a subdivision to read:

Subd. 1a. [BALLOT QUESTIONS; MAIL ELECTIONS.] A special election on a question on which the voters of the school district are authorized by law to pass judgment may be held at a time other than the dates specified in subdivision 1 if it is conducted by mail in the manner provided by section 204B.46.

Sec. 23. Minnesota Statutes 1992, section 205A.06, subdivision 1, is amended to read:

Subdivision 1. [AFFIDAVIT OF CANDIDACY.] Not more than ten nor less than eight weeks before a school district primary, or before the school district general election if there is no school district primary. An individual who is eligible and desires to become a candidate for an office to be voted on at the election must file an affidavit of candidacy with the school district clerk. The affidavit must be in substantially the same form as that in section 2048.06, subdivision 1. The school district clerk shall also accept an application signed by at least five voters and filed on behalf of an eligible voter in the school district whom they desire to be a candidate, if service of a copy of the application has been made on the candidate and proof of service is endorsed on the application being filed. No individual shall be nominated by nominating petition for a school district elective office except in the event of a vacancy in nomination as provided in section 205A.03, subdivision 6. Upon receipt of the proper filing fee, the clerk shall place the name of the candidate on the official ballot without partisan designation.

Sec. 24. Minnesota Statutes 1992, section 205A.06, is amended by adding a subdivision to read:

Subd. 1a. [FILING PERIOD.] In school districts nominating candidates at a school district primary, affidavits of candidacy may be filed with the school district clerk no earlier than the 70th day and no later than the 56th day before the first Tuesday after the second Monday in September in the year when the school district general election is held. In all other school districts, affidavits of candidacy must be filed not more than 70 days and not less than 56 days before the school district general election.

Sec. 25. Minnesota Statutes 1992, section 205A.09, subdivision 2, is amended to read:

Subd. 2. [OTHER SCHOOL DISTRICTS.] At a school district election in a school district other than one described in subdivision 1, the school board, by resolution adopted before giving notice of the election, may designate the time, in no event less than three hours, during which the polling places will remain open for voting at the next succeeding and all later school district elections. <u>All polling places must be open between the hours of 5:00 p.m.</u> and 8:00 p.m. The resolution must remain in force until it is revoked by the school board or changed because of request by voters as provided in this subdivision. If a petition requesting longer voting hours, signed by a number of voters equal to 20 percent of the votes cast at the last school district election, is presented to the school district clerk no later than 30 days before a school district election, then the polling places for that election must open at 10:00 a.m. and close at 8:00 p.m. The school district clerk must give ten days' published notice and posted notice of the changed voting hours and notify appropriate county auditors of the change.

Sec. 26. Minnesota Statutes 1993 Supplement, section 206.90, subdivision 6, is amended to read:

Subd. 6. [BALLOTS.] In precincts using optical scan voting systems, a single ballot card on which all ballot information is included must be printed in black ink on white or buff colored material except that marks not to be read by the automatic tabulating equipment may be printed in another color ink. If more than one ballot card is required, the cards must, so far as practicable, be of the same color as is required for paper ballots.

When optical scan ballots are used, the offices to be elected must appear in the following order: federal offices; state legislative offices; constitutional offices; proposed constitutional amendments; county offices and questions; municipal offices and questions; school district offices and questions; special district offices and questions; and judicial offices.

Sec. 27. Minnesota Statutes 1992, section 365.51, subdivision 1, is amended to read:

Subdivision 1. [WHEN; BAD WEATHER.] A town's annual town meeting must be held on the second Tuesday of March at the place named by the last annual town meeting. If no place was named then, the meeting must be held at the place named by the town board. The place may be outside the town if the place is within five miles of a town boundary. If there is bad weather on the day of the meeting and election in <u>March</u>, the town board shall set the meeting and election for the third Tuesday in March. If there is bad weather on the third Tuesday in March. If there is bad weather on the third Tuesday in March. If the meeting and election are postponed, the notice requirements in subdivision 2 shall apply to the postponed meeting and election.

The balloting of the town election must be concluded on the same day the election is commenced.

Sec. 28. Minnesota Statutes 1992, section 365.51, subdivision 3, is amended to read:

Subd. 3. [OFFICERS; OTHER BUSINESS.] An annual town election shall be held on the same day as the annual town meeting to elect all town officers required by law to be elected, except as provided in section 205.075, subdivision 2. Other town business shall be conducted at the town meeting as provided by law.

Sec. 29. Minnesota Statutes 1992, section 367.03, as amended by Laws 1993, chapter 24, section 1, is amended to read:

### 367.03 [OFFICERS ELECTED AT ANNUAL ELECTION; VACANCIES.]

Subdivision 1. [OFFICERS <u>SUPERVISORS</u>, TERMS.] Except in towns operating under option A <u>or in towns</u> <u>operating as provided in subdivision 4</u>, three supervisors shall be elected in each town <u>at the town general election</u> as provided in this section. <u>Each supervisor shall be elected for a term of three years</u>.

<u>Subd. 2.</u> [NEW TOWNS.] When a new town is organized and supervisors are elected at a town meeting prior to the annual town election, they shall serve only until the next annual town election. At that election three supervisors shall be elected, one for three years, one for two years, and one for one year, so that the term of one shall expire each year. The number of years for which each is elected shall be indicated on the ballot.

<u>Subd. 3.</u> [SUPERVISORS; TOWNS UNDER OPTION A.] When two supervisors are to be elected for three-year terms under option A, a candidate shall indicate on the affidavit of candidacy which of the two offices the candidate is filing for. At following annual town elections one supervisor shall be elected for three years to succeed the one whose term expires at that time <u>and shall serve until a successor is elected and gualified</u>.

Subd. 4. [OFFICERS; METROPOLITAN TOWNS.] Supervisors and other town officers in towns located in the metropolitan area as defined in section 473.121 that hold the town general election in November shall be elected for terms of four years and until their successors are elected and qualified. The clerk and treasurer shall be elected in alternate years.

<u>Subd. 5.</u> [ELECTION OF CLERK, TREASURER.] Except in towns operating under option B or option D, or both, <u>or in towns operating as provided in subdivision 4</u>, at the annual town election in even-numbered years one town clerk and at the annual town election in odd-numbered years one town treasurer shall be elected. The clerk and treasurer each shall serve for two years and until their successors are elected and qualified.

Subd. 2 <u>6</u>. [VACANCIES.] When a vacancy occurs in a town office, the town board shall fill the vacancy by appointment. The person appointed shall hold office until the next annual town election, when a successor shall be elected for the unexpired term. A vacancy in the office of supervisor shall be filled by the remaining supervisors and the town clerk until the next annual town election, when a successor shall be elected for the unexpired term. When, because of a vacancy, more than one supervisor is to be chosen at the same election, candidates for the offices of supervisor shall file for one of the specific terms being filled. Law enforcement vacancies shall be filled by appointment by the town board.

# THURSDAY, MARCH 3, 1994

# Sec. 30. [TRANSITION SCHEDULE.]

(a) Sections 5 to 7 are effective on January 1, 1995, for all cities which conduct the municipal general election in November as of June 1, 1994, and are effective for all other cities on January 1 of the year after a resolution or ordinance is adopted by the city council changing the date of the municipal general election to November. No general election of any city may be held on a date other than the first Tuesday after the first Monday in November after January 1, 1997.

(b) Sections 18 to 20 are effective on January 1, 1995, for all school districts which conduct the school district general election in November as of June 1, 1994, and are effective for all other school districts on January 1 of the year after a resolution is adopted by the school board changing the date of the school district general election to November. No general election of any school district may be held on a date other than the first Tuesday after the first Monday in November after January 1, 1997.

## Sec. 31. [REPEALER.]

Minnesota Statutes 1992, sections 205.065, subdivision 3; 205.18; 205.20; and 205A.04, subdivision 2, are repealed."

### Delete the title and insert:

"A bill for an act relating to elections; providing uniform local election procedures; requiring regular city elections to be held in the fall; permitting certain town elections to be held in November; authorizing mail elections on certain ballot questions; making uniform certain local government procedures; changing school district election requirements; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 204B.14, subdivision 8; 205.02, subdivision 2; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, subdivision 1, and by adding subdivisions; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205A.04; 205A.05, by adding a subdivision; 205A.06, subdivision 1, and by adding a subdivision; 205A.06, subdivision 2; 365.51, subdivisions 1 and 3; and 367.03, as amended; Minnesota Statutes 1993 Supplement, sections 205A.05, subdivision 1; and 206.90, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 205; repealing Minnesota Statutes 1992, sections 205.065, subdivision 3; 205.18; 205.20; and 205A.04, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

S. F. No. 1524, A bill for an act relating to traffic regulations; increasing fine for speeding violation; appropriating money for highway work zone safety enforcement and public education efforts; appropriating money; amending Minnesota Statutes 1992, section 169.14, subdivision 5d.

Reported the same back with the following amendments:

Page 1, line 11, delete "interstate and"

Page 2, line 9, after "violates" insert "a speed limit established under"

Page 2, line 10, delete "an interstate or" and insert "a" and after "highway" insert ", or who violates any other provision of this section while in a highway work zone on a trunk highway."

Page 2, line 15, after "1995" insert "from the general fund"

With the recommendation that when so amended the bill pass.

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 1788, 1880 and 2213 were read for the second time.

# SECOND READING OF SENATE BILLS

S. F. Nos. 1512 and 1524 were read for the second time.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Worke, Lindner, Dempsey, Jennings and Steensma introduced:

H. F. No. 2214, A bill for an act relating to marriage dissolution; providing that both parents are child support obligors; establishing formulas for determining child support; amending Minnesota Statutes 1993 Supplement, section 518.551, subdivision 5.

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

Worke, Pugh, Dempsey, Macklin and McGuire introduced:

H. F. No. 2215, A bill for an act relating to marriage dissolution; providing for cooperative parenting and mandatory mediation; amending Minnesota Statutes 1992, sections 518.17, subdivision 2; and 518.619, by adding a subdivision.

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

Wejcman, McCollum, Mariani, Carruthers and Neary introduced:

H. F. No. 2216, A bill for an act relating to energy; reestablishing electric energy policy; establishing a hierarchy of preferred electric energy sources; establishing a legislative task force to oversee implementation of energy policy; establishing intervenor compensation account with revenues from utility assessments; clarifying the availability of intervenor compensation in proceedings before the public utilities commission; authorizing the public utilities commission to set discounted rates for low-income customers; establishing specific guidelines for payment to small power producers and cogenerators under certain circumstances; requiring compliance by a utility with a conservation improvement and resource planning requirements prior to the utility seeking a certificate of need for new or expanded facilities and rate increases; amending various statutes to conform with the reestablished energy policy; providing funding for the building energy research center and the energy center at the Red Wing/Winona technical college; providing demonstration grants for wind energy conversion facilities at public postsecondary institutions; providing for state bonding; appropriating money; amending Minnesota Statutes 1992, sections 216A.07, subdivision 3; 216A.085, subdivision 1; 216B.01; 216B.02, by adding subdivisions; 216B.03; 216B.11; 216B.16, subdivision 6, and by adding a subdivision; 216B.162, subdivisions 2, 4, and 8; 216B.164, subdivisions 1, 3, 6, and 7; 216B.17, subdivisions 1, 6, and 6a; 216B.243, subdivisions 3, 3a, and 4; 216C.01, subdivision 1; 216C.05; 216C.09; 216C.10; 216C.14, subdivision 2; 216C.17, subdivision 5; 216C.18, subdivisions 1 and 1a; 216C.315; 216C.38, by adding a subdivision; and 216C.381, subdivision 1; Minnesota Statutes 1993 Supplement, sections 216B.16, subdivision 1; 216B.162, subdivision 7; 216B.164, subdivision 4; and 216B.2422, subdivisions 1, 2, 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C; repealing Minnesota Statutes 1992, sections 216B.16, subdivision 10; Minnesota Statutes 1993 Supplement, section 216B.242.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Jacobs, Ozment, Workman, Hugoson and Dauner introduced:

H. F. No. 2217, A bill for an act relating to taxation; sales and use; providing an exemption for firefighting personal protective equipment; amending Minnesota Statutes 1992, section 297A.25, by adding a subdivision.

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

Lourey, Jaros, Huntley, Rice and Bishop introduced:

H. F. No. 2218, A bill for an act relating to economic development; establishing a micro business loan pilot program; appropriating money.

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

Finseth and Van Engen introduced:

H. F. No. 2219, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; and article V, section 2; providing limits on service as a legislator or as an executive officer.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Battaglia and Rukavina introduced:

H. F. No. 2220, A bill for an act relating to the city of Two Harbors; permitting the use of the lodging tax for additional purposes.

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

Anderson, R., and Nelson introduced:

H. F. No. 2221, A resolution memorializing Congress to propose an amendment to the United States Constitution to authorize Congress and the states to prohibit physical damage to the flag of the United States.

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

Ostrom and Dorn introduced:

H. F. No. 2222, A bill for an act relating to elections; allowing a single polling place for two precincts in certain cases; amending Minnesota Statutes 1992, section 204B.16, subdivision 2.

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

Krueger, Bergson and Opatz introduced:

H. F. No. 2223, A bill for an act relating to human services; modifying the compliance system for public assistance programs; appropriating money; amending Minnesota Statutes 1992, section 256.017, subdivision 1.

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

Smith; Carlson; Olson, K., and Leppik introduced:

H. F. No. 2224, A bill for an act relating to education; authorizing a special election for independent school district No. 879, Delano; authorizing a fund transfer.

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

Krueger introduced:

H. F. No. 2225, A bill for an act relating to education; permitting independent school district No. ..., Motley-Staples, to recognize referendum levy revenue in the capital expenditure fund.

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

#### Krueger introduced:

H. F. No. 2226, A bill for an act relating to state government; permitting employees of Minnesota Project Innovation, Inc. to participate in certain state employee benefit programs; amending Minnesota Statutes 1992, section 1160.04, subdivision 2.

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

### Krueger and Wenzel introduced:

H. F. No. 2227, A bill for an act relating to utilities; mandating studies of effects of earth as conductor of electricity, stray voltage, and electromagnetic fields; providing complaint procedure and remedies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

# Carruthers, Rest, Luther and Weaver introduced:

H. F. No. 2228, A bill for an act relating to public employees; requiring public employers to afford time off to appointed representatives of an exclusive representative of any Minnesota public employer; amending Minnesota Statutes 1992, section 179A.07, subdivision 6.

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

Krueger, Abrams and Kelley introduced:

H. F. No. 2229, A bill for an act relating to state agencies; requiring that the department of administration implement the use of UN/EDIFACT standards for electronic data interchange; amending Minnesota Statutes 1993 Supplement, section 16B.41, by adding a subdivision.

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

Kinkel; Jaros; Olson, K.; Ness and Hasskamp introduced:

H. F. No. 2230, A bill for an act relating to traffic regulations; authorizing rural mail vehicles to be equipped with removable revolving amber safety lights; amending Minnesota Statutes 1992, section 169.64, by adding a subdivision.

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

Clark, Greenfield, Huntley, Garcia and Solberg introduced:

H. F. No. 2231, A bill for an act relating to the board on aging; creating a new position to develop a statewide service system for Indian elders, and also coordinate efforts with the National Indian Council on Aging; appropriating money; amending Minnesota Statutes 1992, section 256.976, by adding a subdivision.

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

Tomassoni, Lasley, Skoglund, Vellenga and Orenstein introduced:

H. F. No. 2232, A bill for an act relating to education; establishing a grant program to foster male responsibility, reduce teen pregnancy, and prevent violence; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Pauly introduced:

H. F. No. 2233, A bill for an act relating to crime; imposing penalties on any person who performs female genital mutilation; requiring the commissioner of health to carry out appropriate education, prevention, and outreach activities in communities that traditionally engage in these practices; proposing coding for new law in Minnesota Statutes, chapters 144 and 609.

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

Kahn; Munger; Johnson, V., and Stanius introduced:

H. F. No. 2234, A bill for an act relating to natural resources; personnel working on certain projects; terms and conditions of certain 1993 appropriations; amending Minnesota Statutes 1992, section 116P.09, subdivision 4; Laws 1993, chapter 172, section 14, subdivisions 4, 11, and 12.

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

Dawkins introduced:

H. F. No. 2235, A bill for an act relating to housing; deleting the requirement that an entitlement issuer deduct entitlement bond allocations carried forward more than one year; relieving metropolitan cities of the first class from the obligation to submit certain housing programs to the metropolitan council for review; amending Minnesota Statutes 1992, section 474A.04, subdivision 1a; Minnesota Statutes 1993 Supplement, section 462C.04, subdivision 2.

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

Dawkins and Mariani introduced:

H. F. No. 2236, A bill for an act relating to criminal procedure; providing bail procedures for persons charged with criminal offenses; proposing coding for new law in Minnesota Statutes, chapter 629.

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

Peterson; Munger; Battaglia; Johnson, V., and Anderson, R., introduced:

H. F. No. 2237, A bill for an act relating to game and fish; requiring informational meetings and an open season on giant Canada geese in a certain area prior to the regular goose season; proposing coding for new law in Minnesota Statutes, chapter 97B.

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

Worke, Lindner, Workman, Jennings and Delmont introduced:

H. F. No. 2238, A bill for an act relating to government data practices; prohibiting the use of government data for commercial mailing lists or telephone solicitation; providing a civil penalty; amending Minnesota Statutes 1992, section 13.03, by adding a subdivision.

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

Carruthers, Skoglund, Orenstein and Weaver introduced:

H. F. No. 2239, A bill for an act relating to crime; traffic regulations; requiring automobile insurance identification cards to include the vehicle's registration plate number; increasing the maximum fine applicable to petty misdemeanor traffic violations; clarifying the elements of the driving after license suspension, revocation, and cancellation offenses; increasing the penalty for committing certain escapes from custody; making technical changes; amending Minnesota Statutes 1992, sections 65B.482, subdivision 1; 169.89, subdivision 2; 609.0331; 609.0332; 609.485, subdivision 4; and 626A.05, subdivision 2; Minnesota Statutes 1993 Supplement, section 171.24.

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

Peterson, by request; Rest; Rice and Brown, C., introduced:

H. F. No. 2240, A bill for an act relating to counties; Swift, authorizing the county to establish a rural development finance authority.

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

Carruthers, Skoglund, Limmer and Swenson introduced:

H. F. No. 2241, A bill for an act relating to criminal procedure; changing the order of final argument in criminal cases; amending Minnesota Statutes 1992, section 631.07.

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

Peterson; Anderson, I.; Tunheim; Wenzel and Johnson, V., introduced:

H. F. No. 2242, A bill for an act relating to agriculture; appropriating money for wheat scab research and soybean improvement research.

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

Rukavina; Sekhon; Anderson, I.; Beard and Huntley introduced:

H. F. No. 2243, A bill for an act relating to employment; restoring the purchasing power of a minimum wage salary; amending Minnesota Statutes 1992, section 177.24, subdivision 1.

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

Tunheim introduced:

H. F. No. 2244, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Roseau county.

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

Tunheim; Johnson, V.; Peterson; Kalis and Nelson introduced:

H. F. No. 2245, A bill for an act relating to health; providing equal access to health care providers and clinics within a network; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

# THURSDAY, MARCH 3, 1994

Dehler: Steensma: Johnson, V.: Dauner and Girard introduced:

H. F. No. 2246. A bill for an act relating to motor carriers: allowing charter carrier limited authority to pick up and let off passengers when providing special transportation service; amending Minnesota Statutes 1992, section 221.121, subdivision 6b.

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

Bertram, by request, introduced:

H. F. No. 2247, A bill for an act relating to agriculture; changing the minimum percentage of milk solids-not-fat in milk prepared for market; amending Minnesota Statutes 1992, section 32.391, subdivisions 1a, 1b, and 1c.

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

Gutknecht; Dauner; Johnson, V.; Wenzel and Davids introduced:

H. F. No. 2248, A bill for an act relating to agriculture, changing certain pesticide posting requirements; amending Minnesota Statutes 1992, section 18B.07, subdivision 3.

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

Wenzel; Steensma; Olson, K.; Peterson and Winter introduced:

H. F. No. 2249, A bill for an act relating to agricultural businesses; providing an interest buy-down program for farmers and small businesses; creating a program of farm disaster property tax relief payments; providing supplemental funding for certain emergency employment programs; creating a crop disaster insurance program; increasing funding for the farm advocates program, agricultural resource centers, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; expanding research on grain diseases and genetics; appropriating money.

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

Leppik, Vellenga, Bettermann, Lourey and Rhodes introduced:

H. F. No. 2250, A bill for an act relating to health; establishing a center for women's health; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Luther; Brown, K.; Lieder; Peterson and Rhodes introduced:

H. F. No. 2251, A bill for an act relating to drivers' licenses; allowing social security number to be entered at the option of an applicant for a Class C driver's license; amending Minnesota Statutes 1992, section 171.06, subdivision 3.

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

Dawkins, Orenstein and Osthoff introduced:

H. F. No. 2252, A bill for an act relating to the department of revenue; providing for the coordination of sales tax schedules for the state and the city of Saint Paul.

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

### Kinkel and Johnson, R., introduced:

H. F. No. 2253, A bill for an act relating to education; extending the time for school districts receiving capital loans to enter into construction contracts.

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

Ozment: Tomassoni: Olson, M.: Nelson and Johnson, R., introduced:

H. F. No. 2254, A bill for an act relating to traffic regulations; permitting white strobe lights on rural mail carrier vehicles; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; and 169.64, subdivision 8; Minnesota Statutes 1993 Supplement, section 169.64, subdivision 3.

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

Lasley, Ostrom, Krinkie and Rest introduced:

H. F. No. 2255, A bill for an act relating to taxation; making technical corrections and administrative changes; amending Minnesota Statutes 1992, sections 103B.245, subdivision 1; 103D.911, subdivision 2; 103D.915, subdivision 1: 115A.919, subdivision 3: 115A.921, subdivision 1: 115A.923, subdivision 1: 270,12, subdivision 2: 272,025, subdivision 3: 273.111, subdivision 6: 273.13, subdivision 22: 273.134; 273.1399, subdivision 3: 275.065, subdivision 1: 278.05, subdivision 5; 279.37, subdivision 8; 282.01, subdivision 1; 282.014; 282.04, subdivision 2; 282.301; 289A.08, subdivision 7; 289A.25, subdivision 5; 290.17, subdivision 2; 290.371, subdivision 2; 290A.03, subdivisions 5 and 14; 290A.05; 297.01, subdivision 14; 297.11, subdivision 5; 297A.021, subdivision 4; 297B.11; 297C.01, subdivision 5; 357.18, subdivision 2; 398.16; 398A.04, subdivision 8; 447.34, subdivision 2; 462.396, subdivision 2; 469.060, subdivision 6; 469.102, subdivision 5; 469.177, subdivision 9; 473.167, subdivision 3; 473.249, subdivision 1; 473.446, subdivision 1; 473.661, subdivision 2; 473.711, subdivision 2; 477A.011, subdivision 1b; 477A.0121, subdivision 4; 477A.014, subdivision 1; 477A.15; and 580.23, subdivision 3; Minnesota Statutes 1993 Supplement, sections 124.2131, subdivision 1; 272.02, subdivision 1; 273.11, subdivision 13; 273.124, subdivisions 1 and 13; 273.13, subdivision 25; 273.1398, subdivisions 1 and 3; 273.166, subdivision 3; 275.065, subdivisions 3 and 6; 276.04, subdivision 2; 277.15; 278.04; 278.08; 290A.03, subdivisions 8 and 13; 290.091, subdivision 2; 297A.01, subdivision 3; 297A.07, subdivision 1; 469.033, subdivision 6; and 473.13, subdivision 1; Laws 1989, chapter 211, section 4, subdivision 2; Laws 1992, chapter 511, article 4, section 29; Laws 1993, chapter 375, article 2, section 37; proposing coding for new law in Minnesota Statutes, chapters 273 and 275; repealing Minnesota Statutes 1992, sections 115A.923, subdivision 6; and 273.22; Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 2a; Laws 1993, First Special Session chapter 1, article 2, section 6.

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

Vellenga, Greiling, Osthoff and Carlson introduced:

H. F. No. 2256, A bill for an act relating to education; changing school district transportation formulas for excess nonregular transportation revenue and the late activity bus levy; amending Minnesota Statutes 1993 Supplement, section 124.225, subdivision 7e; and 124.226, subdivision 9.

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

Neary; Brown, C., and Mariani introduced:

H. F. No. 2257, A bill for an act relating to municipalities; imposing certain restrictions on annexation; proposing coding for new law in Minnesota Statutes, chapter 414.

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

Sekhon, Rukavina, Beard and Brown, C., introduced:

H. F. No. 2258, A bill for an act relating to workers' compensation; modifying provisions relating to vocational rehabilitation; amending Minnesota Statutes 1992, sections 176.102, subdivisions 1, 4, and by adding a subdivision; and 176.83, subdivision 2.

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

4906

Farrell, Dawkins, Skoglund, Nelson and Rhodes introduced:

H. F. No. 2259, A bill for an act relating to crime; increasing penalties for kidnapping children under the age of 16; amending Minnesota Statutes 1992, section 609.25, subdivision 2.

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

Garcia, Greenfield, Luther, Clark and Simoneau introduced:

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

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

Kelley, Vellenga, Carlson and Krueger introduced:

H. F. No. 2261, A bill for an act relating to libraries; establishing an information resource grant program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 134.

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

Greenfield and Anderson, R., introduced:

H. F. No. 2262, A bill for an act relating to health; modifying provisions relating to the nursing home moratorium exceptions; amending Minnesota Statutes 1992, section 144A.073, subdivisions 1, 4, 8, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 144A.073, subdivisions 2 and 3.

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

Simoneau and Anderson, R., introduced:

H. F. No. 2263, A bill for an act relating to human services; increasing the efficiency incentive payment for residential facilities caring for the mentally retarded; amending Minnesota Statutes 1993 Supplement, section 256B.501, subdivision 5a.

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

Brown, K., and Asch introduced:

H. F. No. 2264, A bill for an act relating to human services; modifying provisions relating to the reimbursement of nursing homes operating costs; amending Minnesota Statutes 1992, sections 256B.431, subdivision 3c; Minnesota Statutes 1993 Supplement, sections 256B.431, subdivision 15.

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

Clark, Greenfield, Simoneau, Luther and Vickerman introduced:

H. F. No. 2265, A bill for an act relating to human services; modifying provision concerning community mental health centers; amending Minnesota Statutes 1992, section 245.715.

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

Mahon, Garcia, Morrison, Mariani and Rice introduced:

H. F. No. 2266, A bill for an act relating to transportation; establishing a high speed bus service pilot project; appropriating money; authorizing bonds to be sold; amending Minnesota Statutes 1992, section 473.39, by adding a subdivision.

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

#### Reding introduced:

H. F. No. 2267, A bill for an act relating to retirement; Austin fire department relief association; modifying health insurance benefit coverage for the spouses of certain retired firefighters; providing survivor benefit coverage for the spouses of certain retired firefighters; amending Laws 1992, chapter 455, section 2.

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

Simoneau and Neary introduced:

H. F. No. 2268, A bill for an act relating to health; MinnesotaCare; requiring an alternative dispute resolution pilot project for integrated service networks; requiring the commissioner of health to seek an exemption from certain federal reporting requirements; appropriating money.

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

Tunheim and Johnson, R., introduced:

H. F. No. 2269, A bill for an act relating to retirement; teachers retirement association; requiring a special hearing to determine the retirement annuity accrual date for Elwin Leverington.

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

Goodno introduced:

H. F. No. 2270, A bill for an act relating to game and fish; restricting placement of deer stands; amending Minnesota Statutes 1992, section 97B.325.

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

Jennings; Johnson, V.; Lieder; Peterson and Mosel introduced:

H. F. No. 2271, A bill for an act relating to local government; requiring drainage authorities rather than road authorities to be responsible to maintain town road bridges and culverts constructed on a drainage system; amending Minnesota Statutes 1992, sections 103E.525, subdivision 2; and 103E.701, subdivision 4.

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

Olson, K.; Girard; Peterson; Bauerly and Kalis introduced:

H. F. No. 2272, A bill for an act relating to agriculture; transferring responsibility for control of pollution by animal feedlots to the department of agriculture; providing for development of feedlot rules; creating a feedlot pollution control equipment income tax credit; changing definitions in the corporate farming law; appropriating money; amending Minnesota Statutes 1992, sections 115.01, subdivision 11; 116.07, subdivision 7; 290.06, by adding a subdivision; 500.24, subdivision 2; and 561.19, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Knickerbocker introduced:

H. F. No. 2273, A bill for an act relating to commerce; regulating certain insurance and real property licensing terms and fees; providing for two-year licensing; amending Minnesota Statutes 1992, sections 60A.14, subdivision 1; 60A.19, subdivision 4; 60A.21, subdivision 2; 60K.03, subdivisions 1, 5, and 6; 60K.06; 60K.19, subdivision 8; 82.20, subdivisions 7 and 8; 82.21, by adding a subdivision; 82B.08, subdivisions 4 and 5; 82B.09, subdivision 1; 83.25; Minnesota Statutes 1993 Supplement, sections 60A.198, subdivision 3; 82.21, subdivision 1; 82.22, subdivisions 6 and 13; 82.34, subdivision 3.

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

## Worke, Lindner, Holsten, Workman and Ness introduced:

H. F. No. 2274, A bill for an act relating to workers' compensation law and insurance; permitting the commissioner of the department of labor and industry to certify a certain plan of workers' compensation law; alternatively providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; proposing penalties; amending Minnesota Statutes 1992, sections 175.007, subdivision 2; 175.17; proposing coding for new law as Minnesota Statutes, chapters 176; 176C; 176D; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; and 176.5401.

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

# Rest, Macklin and Long introduced:

H. F. No. 2275, A bill for an act relating to taxes; making tax policy, collections, and administrative changes; amending Minnesota Statutes 1992, sections 168.011, subdivision 8; 168.012, subdivision 9; 169.86, subdivision 1; 239.05, subdivision 10a; 239.761, subdivision 3; 270.052; 270.0605; 270.10, by adding a subdivision; 270.60, subdivisions 1 and 2; 270.69, subdivision 4, and by adding a subdivision; 270.70, subdivision 2; 270.71; 270.72, subdivision 1; 270B.02, subdivisions 3 and 5; 270B.03, subdivision 1; 270B.12, subdivision 3, and by adding a subdivision; 270B.14, by adding a subdivision; 273.12; 289A.37, subdivision 1; 289A.60, by adding subdivisions; 290.01, subdivision 3a; 290A.08; 290A.18, subdivision 2; 296.01, subdivisions 14, 18, 19, 20, 32, 34, and by adding subdivisions; 296.02, subdivision 1; 296.025, subdivision 1, and by adding a subdivision; 296.06, subdivision 2; 296.12, subdivisions 1, 2, 3, 4, 5, 8, 10, and 11; 296.15, subdivisions 2, 4, 5, and 6; 296.16, subdivision 2; 296.165, subdivision 1; 296.25, subdivision 1, and by adding a subdivision; 297.03, subdivision 7; 297A.01, by adding a subdivision; 297A.02, subdivision 2, and by adding a subdivision; 297A.021, by adding a subdivision; 297A.15, subdivision 5; 297A.25, subdivision 9, and by adding a subdivision; 297A.44, subdivision 4, 297B.01, subdivision 8; 297C.03, subdivision 6; 297C.13, subdivision 1; and 473.446, subdivision 1; Minnesota Statutes 1993 Supplement, sections 116.07, subdivision 10; 270.06; 270.41, subdivision 5; 270B.01, subdivision 8; 272.115, subdivision 1; 273.11, subdivision 16; 273.124, subdivision 13; 275.065, subdivision 6; 289A.11, subdivision 1; 289A.18, subdivision 4; 289A.20, subdivision 4; 290.01, subdivision 19; 290A.04, subdivision 2h; 297A.01, subdivisions 3, 15, and 16; 297A.07, subdivision 1; and 297A.25, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 270; 296; and 297; repealing Minnesota Statutes 1992, sections 270.0604, subdivision 6; 296.03; 296.15, subdivision 3; and 297A.07, subdivision 2.

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

# Orfield; McCollum; Anderson, I., and Carruthers introduced:

H. F. No. 2276, A bill for an act relating to metropolitan government; establishing an elected metropolitan council; providing for a regional administrator and a management team; imposing organizational requirements; imposing duties; clarifying existing provisions and making conforming changes; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivision 7; 16B.58, subdivision 7; 116.16, subdivision 2; 116.182, subdivision 1; 161.173; 161.174; 169.781, subdivision 1; 169.791, subdivision 5; 169.792, subdivision 11; 204B.32, subdivision 2; 221.022; 221.041, subdivision 4; 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.03, subdivision 1; 352.75, subdivision 1; 353D.01, subdivision 2; 422A.01, subdivision 9; 422A.101, subdivision 2a; 462.357, subdivision 2; 471A.02, subdivision 8; 473.121, subdivisions 5a and 24; 473.123, subdivisions 1, 2a, 4, and by adding subdivisions; 473.129; 473.13, subdivision 4; 473.146, subdivisions 1 and 4; 473.149, subdivision 3; 473.1623, subdivision 2; 473.164; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.223; 473.303, subdivisions 2, 3a, 4, 4a, 5, and 6; 473.371, subdivision 1; 473.375, subdivisions 11, 12, 13, 14, and 15; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, 7, and 8; 473.385; 473.386, subdivisions 1, 2, 3, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.388, subdivisions 2, 3, 4, and 5; 473.39, subdivisions 1, 1a, 1b, and by adding a subdivision; 473.391; 473.392; 473.394; 473.399, as amended; 473.405, subdivisions 1, 3, 4, 5, 9, 10, 12, and 15; 473.408, subdivisions 1, 2, 2a, 4, 6, and 7; 473.409; 473.411, subdivisions 3 and 4; 473.415, subdivisions 1, 2, and 3; 473.416; 473.418; 473.42; 473.436, subdivisions 2, 3, and 6; 473.446, subdivisions 1, 1a, 2, 3, and 7; 473.448; 473.449; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.511, subdivisions 1, 2, 3, and 4; 473.512, subdivision 1; 473.513; 473.515, subdivisions 1, 2, and 3; 473.5155, subdivisions 1 and 3; 473.516, subdivisions 2, 3, 4, and 5; 473.517, subdivisions 1, 2, 3, 6, and 9; 473.519; 473.521, subdivisions 1, 2, 3, and 4; 473.523, subdivisions 1 and 2; 473.535; 473.541, subdivision 2; 473.542; 473.543, subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.561; 473.595, subdivision 3; 473.605, subdivision 2; 473.823, subdivision 3; 473.852, subdivisions 8 and 10; and 473.858, subdivision 1; Minnesota Statutes 1993 Supplement, sections, 10A.01, subdivision 18; 15A.081, subdivision 1; 115.54; 174.32, subdivision 2; 216C.15, subdivision 1; 221.025; 221.031, subdivision 3a; 275.065, subdivisions 3 and 5a; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.64, subdivision 7a; 400.08, subdivision 3; 473.123, subdivision 3a; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 1; 473.386, subdivision 2a; 473.3994, subdivision 10; 473.3997; 473.4051; 473.407, subdivisions 1, 2, 3, 4, 5, and 6; 473.411, subdivision 5; 473.446, subdivision 8; and 473.516, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 14a, 15, and 21; 473.122; 473.123, subdivisions 3, 5, and 6; 473.141, as amended; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.373, as amended; 473.375, subdivisions 1, 2, 3, 4, 5, 6, 7, 10, 16, 17, and 18; 473.377; 473.38, subdivision 3; 473.384; 473.388, subdivision 6; 473.404, as amended; 473.405, subdivisions 2, 6, 7, 8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; 473.535; 473.543, subdivision 5; and 473.553, subdivision 4a; Minnesota Statutes 1993 Supplement, sections 473.3996, subdivisions 1 and 2.

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

# Sekhon introduced:

H. F. No. 2277, A bill for an act relating to the environment; providing for the continuation of certain environmental advisory boards; amending Minnesota Statutes 1992, sections 115A.072, subdivision 1; and 115A.12.

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

Asch, Carruthers and Kahn introduced:

H. F. No. 2278, A bill for an act relating to state government; establishing positions of secretaries to lead executive offices; assigning duties; requiring appointments; proposing coding for new law as Minnesota Statutes, chapter 4B.

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

Rodosovich; Dorn; Brown, K., and Kalis introduced:

H. F. No. 2279, A bill for an act relating to capital improvements; appropriating money to complete the Sakatah Singing Hills state trail; authorizing the sale of state bonds.

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

4911

Sviggum, Knight, Dehler, Vickerman and Van Engen introduced:

H. F. No. 2280, A resolution expressing the Minnesota Legislature's support for the passage of a constitutional amendment requiring a balanced federal budget.

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

#### Rukavina; Anderson, I.; Milbert and Goodno introduced:

H. F. No. 2281, A bill for an act relating to local government aid; providing for city aid for calendar year 1994 and thereafter; amending Minnesota Statutes 1993 Supplement, sections 477A.013, subdivisions 8 and 9; and 477A.03, subdivision 1; repealing Minnesota Statutes 1993 Supplement, section 477A.011, subdivision 37.

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

Pugh introduced:

H. F. No. 2282, A bill for an act relating to human services; defining commitment; providing for patient commitment to the commissioner; defining when the commissioner must designate the regional center or treatment facility to receive the committed person; establishing cost of care for committed persons awaiting placement or transfer designation to the state; establishing county financial responsibility for persons temporarily confined; clarifying duration of continued commitment; amending Minnesota Statutes 1992, sections 245.485; 253B.02, by adding a subdivision; 253B.09, subdivisions 2 and 3; 253B.10, subdivision 1; and 253B.11, subdivision 2, and by adding a subdivision.

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

Kinkel; Bergson; Johnson, R.; Winter and Gutknecht introduced:

H. F. No. 2283, A bill for an act relating to lawful gambling; providing that not more than one of the governor's future appointees to the gambling control board may reside in any one congressional district; amending Minnesota Statutes 1993 Supplement, section 349.151, subdivision 2.

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

Johnson, R.; Knickerbocker and Farrell introduced:

H. F. No. 2284, A bill for an act relating to retirement; state employees; contribution rates and annuity formulas for correctional employees and state troopers; amending Minnesota Statutes 1992, sections 352.92, subdivisions 1 and 2; 352.93, subdivision 2; 352B.02, subdivisions 1a and 1c; 352B.08, subdivision 2; and 356.30, subdivision 1; Minnesota Statutes 1993 Supplement, sections 352.95, subdivision 1; and 352B.10, subdivision 1.

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

Kelley; Brown, K., and Rest introduced:

H. F. No. 2285, A bill for an act relating to local government; permitting the establishment of a special service district in the city of Hopkins; providing taxing and other authority for the city.

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

Brown, C., introduced:

H. F. No. 2286, A bill for an act relating to crime; increasing penalties for a fifth degree assault that is committed in the victim's home; amending Minnesota Statutes 1993 Supplement, section 609.224, subdivision 2.

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

Lasley and Lieder introduced:

H. F. No. 2287, A bill for an act relating to the ethical practices board; clarifying definitions; strengthening enforcement powers; changing duties; requiring additional disclosure of lobbyist activities; facilitating reports of last-minute contributions; requiring return of public subsidies under certain conditions; amending Minnesota Statutes 1992, sections 10A.01, subdivisions 11, 25, 26, and 28; 10A.02, subdivisions 11 and 12; 10A.03, subdivisions 2 and 3; 10A.04, subdivisions 3, 4, 5, 6, and 7; 10A.05; 10A.08; 10A.09, subdivision 7; 10A.14, subdivision 4; 10A.15, by adding a subdivision; 10A.20, subdivisions 5 and 12; 10A.21, subdivision 3; 10A.23; 10A.31, subdivisions 6, 7, and 8; 10A.322, subdivision 4; 10A.324, subdivision 1; and 10A.34; repealing Minnesota Statutes 1992, sections 10A.09, subdivision 3; and 10A.21, subdivisions 1 and 2.

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

Garcia, Greenfield, Luther and Simoneau introduced:

H. F. No. 2288, A bill for an act relating to human services; providing supplementary rates for certain group residential housing; amending Minnesota Statutes 1992, section 2561.05, by adding a subdivision.

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

Kelso and Molnau introduced:

H. F. No. 2289, A bill for an act relating to Scott county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

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

Solberg introduced:

H. F. No. 2290, A bill for an act relating to local government; changing the taxing authority of certain municipalities in Itasca county; authorizing additional levy authority to fund the Greenway joint recreation board and the Lakeview Cemetery Association; amending Laws 1981, chapter 281, section 1.

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

Greiling and Seagren, for the Subcommittee on Education Reform, introduced:

H. F. No. 2291, A bill for an act relating to education; improving instruction and educational accountability; providing teachers with additional preparation time and reducing adult to student ratios in the classroom; using staff development revenue to develop alternative staffing patterns; increasing the kindergarten pupil unit weighting; amending Minnesota Statutes 1993 Supplement, sections 123.951; 124.17, subdivision 1; 124A.225, subdivisions 3, 4, and 5; 124A.29, subdivision 1; and 125.230, subdivisions 3, 4 and 6; proposing coding for new law in Minnesota Statutes, chapter 123; repealing Minnesota Statutes 1993 Supplement, section 124A.225, subdivision 2.

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

Sekhon, Huntley, Kahn and Greiling introduced:

H. F. No. 2292, A bill for an act relating to employment; protecting certain whistle-blowers from retaliation by their employers; imposing a penalty; proposing coding for new law as Minnesota Statutes, chapter 181C.

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

Sviggum; Johnson, R.; Reding; Knickerbocker and Greiling introduced:

H. F. No. 2293, A bill for an act relating to retirement; teacher retirement plans; adjusting benefit coverage to account for certain extracurricular activity management compensation amounts; requiring rulemaking by the state board of education; amending Minnesota Statutes 1992, sections 354.05, by adding subdivisions; 354.07, by adding a subdivision; 354.44, subdivision 6; 354A.011, by adding subdivisions; 354A.021, by adding a subdivision; 354A.31, subdivision 4; Minnesota Statutes 1993 Supplement, section 354.46, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 121; 125; 354; and 354A.

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

### McGuire introduced:

H. F. No. 2294, A bill for an act relating to government data practices; classifying certain personnel data; defining pending legal action for purposes of investigative data; amending Minnesota Statutes 1992, section 13.39, subdivision 1; Minnesota Statutes 1993 Supplement, section 13.43, subdivision 2.

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

### McGuire introduced:

H. F. No. 2295, A bill for an act relating to health; permitting the commissioner of health to conduct fetal, infant, and maternal death studies; proposing coding for new law in Minnesota Statutes, chapter 145.

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

#### McGuire introduced:

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

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

### Tunheim; Olson, K.; Lieder and Finseth introduced:

H. F. No. 2297, A bill for an act relating to education; changing consolidation timelines; providing for early retirement incentives in districts reorganizing; creating consolidation transition revenue; appropriating money; amending Minnesota Statutes 1992, sections 122.23, subdivisions 6, 8, 10, 13, and by adding a subdivision; 122.531, subdivision 9; and 122.533; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1992, section 122.23, subdivision 13a.

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

#### Kelso introduced:

H. F. No. 2298, A bill for an act relating to education; establishing a metropolitan magnet school facilities grant; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124C.

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

H. F. No. 2299, A bill for an act relating to the city of Duluth; clarifying certain language relating to calculation of pension benefits contained in the bylaws of the Duluth firefighters relief association.

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

### Erhardt and Lynch introduced:

H. F. No. 2300, A bill for an act relating to education; permitting school boards to begin the school year before Labor Day when a religious holiday is observed the day following Labor Day; amending Minnesota Statutes 1992, section 126.12, subdivision 1.

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

#### Jefferson, Sarna, Wejcman, Kahn and Greenfield introduced:

H. F. No. 2301, A bill for an act relating to cities; Minneapolis; appropriating money for Minneapolis convention center expansion; authorizing the sale of state bonds.

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

#### Winter, Jennings, Krinkie, Bauerly and Kinkel introduced:

H. F. No. 2302, A bill for an act relating to construction contracts; prohibiting certain provisions; proposing coding for new law in Minnesota Statutes, chapter 337.

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

Swenson, Stanius, Ozment and Jennings introduced:

H. F. No. 2303, A bill for an act relating to education; increasing the general education formula allowance; repealing supplemental revenue; removing the expiration of referendum levies; modifying the class size reduction program; eliminating the referendum revenue reduction; amending Minnesota Statutes 1992, section 124A.22, subdivision 1; Minnesota Statutes 1993 Supplement, sections 124A.03, subdivision 1c; 124A.22, subdivision 2; 124A.225, subdivisions 1 and 4; repealing Minnesota Statutes 1992, section 124A.22, subdivisions 8, 8a, and 8b; Minnesota Statutes 1993 Supplement, sections 3b; and 124A.22, subdivision 9; Laws 1993, chapter 224, article 1, section 37.

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

## Rukavina, Hasskamp and Munger introduced:

H. F. No. 2304, A bill for an act relating to natural resources; imposing an assessment on wood acquired by wood mills; establishing the sustainable forestry account; providing for certification of loggers and foresters; authorizing rules; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 90.

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

### Jefferson, Sarna, Munger and Trimble introduced:

H. F. No. 2305, A bill for an act relating to cities of the first class; allowing them to require auto junkyards to be covered from the elements and from sight; proposing coding for new law in Minnesota Statutes, chapter 465.

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

66TH DAY]

H. F. No. 2306, A bill for an act relating to the city of Minneapolis; providing that a levy for a contribution to the Minneapolis teachers retirement fund association is a special taxing district levy for property tax purposes; amending Minnesota Statutes 1993 Supplement, section 354A.12, subdivision 3b.

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

#### Mariani introduced:

H. F. No. 2307, A bill for an act relating to state government; restructuring functions and groups related to ombudspersons for families; amending Minnesota Statutes 1992, sections 257.0761, subdivision 1; 257.0762, subdivision 2; and 257.0768; Minnesota Statutes 1993 Supplement, section 257.0755.

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

### Dawkins introduced:

H. F. No. 2308, A bill for an act relating to cities; Saint Paul; providing for a rental tax equity pilot project.

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

# Lasley introduced:

H. F. No. 2309, A bill for an act relating to highways; changing highway description; amending Minnesota Statutes 1992, section 161.115, subdivision 224.

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

### Krueger, Macklin, Kahn, Knickerbocker and Carruthers introduced:

H. F. No. 2310, A bill for an act relating to establishing a debt collection entity; providing for the collection of debts owed the state or for whom the state acts as a fiduciary; imposing fees; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 168A.05, subdivisions 2, 7, and by adding a subdivision; 508.25; and 542.07; Minnesota Statutes 1993 Supplement, section 168A.05, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 16C; repealing Minnesota Statutes 1992, sections 10.11; 10.12; 10.14; and 10.15.

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

#### Winter, Girard, Rukavina and Rest introduced:

H. F. No. 2311, A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 103B.691, subdivision 2; 103G.625, subdivision 3; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 449.09; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.053, subdivision 7, and by adding a subdivision; 469.188; 471.191, subdivision 2; 471.24; 471.57, subdivision 1; 471.61, subdivisions 1 and 2a; 473.711, subdivision 2; Minnesota Statutes 1993 Supplement, section 88.04, subdivision 3; Laws 1933, chapter 423, section 2; Laws 1943, chapters 196, section 6, as amended; 367, section 1, as amended; 510, section 1; Laws 1947, chapters 224, section 1; 340, section 4; Laws 1949, chapters 215, section 2; 252, section 1; 668, section 1; Laws 1953, chapters 154, section 3; 545, section 2; Laws 1957, chapters 213, section 1; 629, section 1; Laws 1959, chapters 298, section 2; 520, section 1; 556, section 1, as amended; 166, section 1; 81, section 1; 82, section 1; 151, section 1; 209, section 4; 317, section 1; 352, section 1, as amended; 616, section 1, subdivision 1; 643, section 1; Laws 1961, extra session chapter 33, section 3; Laws 1963, chapters 29, section 1; 56, section 1; 103, section 1; Laws 1965, chapters 6, section 2, as amended;

442, section 1; 451, section 2; 512, section 1, subdivision 1; 527, section 1; 617, section 1; Laws 1967, chapters 501, section 1; 526, section 1, subdivision 3; 542, section 1, subdivision 3; 611, section 1; 660, section 2, subdivision 2; 758, section 1; Laws 1969, chapters 192, section 1, as amended; 534, section 2; 538, section 6, as amended; 602, section 1, subdivision 2; 652, section 1; 659, section 3; 730, section 1; Laws 1971, chapters 404, section 1; 424, section 1; 573, section 1, as amended; 876, section 3; Laws 1973, chapter 81, section 1; Laws 1977, chapter 61, section 8; Laws 1979, chapters 1, section 3; 253, section 3; 303, article 10, section 15, subdivision 2, as amended; Laws 1981, chapter 281, section 1; Laws 1983, chapter 326, section 17, subdivision 1; Laws 1984, chapters 380, section 1; 502, article 13, section 8; Laws 1985, chapters 181, section 1; 289, sections 1, 3, 5, subdivision 1, and 6, subdivision 1; Laws 1986, chapters 392, section 1; 399, article 1, section 1, as amended; Laws 1988, chapters 517, section 1; 640, section 3; Laws 1990, chapter 604, article 3, section 60; repealing Minnesota Statutes 1992, sections 373.40, subdivision 6; 471.1921; and 471.63, subdivision 2; Laws 1915, chapter 316, section 1, as amended; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1961, chapters 30, section 1; 119, section 1; 276, section 1; 439, section 1; Laws 1963, chapter 228, section 1; Laws 1971, chapters 168; 356, section 2; 515, section 1; 770; Laws 1973, chapter 445, section 1; Laws 1974, chapter 209; Laws 1977, chapter 246; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; and Laws 1991, chapters 3, section 2, subdivision 3; and 291, article 4, section 21.

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

#### Delmont; Johnson, V., and Lieder introduced:

H. F. No. 2312, A bill for an act relating to motor vehicles; veterans; authorizing special vehicle license plates for retired military veterans; amending Minnesota Statutes 1992, section 168.123, subdivision 2.

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

# Farrell introduced:

H. F. No. 2313, A bill for an act relating to child support; clarifying insurer responsibilities for medical support; modifying provisions for child care costs; clarifying cause of action for support from an absent parent; amending Minnesota Statutes 1993 Supplement, sections 256.87, subdivision 5; 518.171, subdivision 1; and 518.551, subdivision 5.

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

Seagren, McGuire, Wolf, Pauly and Knight introduced:

H. F. No. 2314, A bill for an act relating to waste reduction; amending various statutes to be consistent with recent law relating to distribution of reports and materials to legislators; amending Minnesota Statutes 1992, sections 144.672, subdivision 2; 144.70, subdivision 1; 458A.08; and 473.445, subdivision 3.

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

Winter, Sviggum, Perlt, Swenson and Delmont introduced:

H. F. No. 2315, A bill for an act relating to liability; limiting liability for certain injuries arising out of livestock activities; 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.

Greenfield, Stanius and Nelson introduced:

H. F. No. 2316, A bill for an act relating to human services; modifying certain provisions relating to home care services; amending Minnesota Statutes 1992, sections 256B.0625, subdivision 19b; and 256B.0627, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 256B.0627, subdivision 5.

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

Anderson, R.; Anderson, I., and Simoneau introduced:

H. F. No. 2317, A bill for an act relating to health; adding a licensed pharmacist to the Minnesota health care commission; amending Minnesota Statutes 1992, section 621.05, subdivision 2.

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

Cooper; Gruenes; Koppendrayer; Anderson, R., and Simoneau introduced:

H. F. No. 2318, A bill for an act relating to health; extending dispensing authority to physician assistants and advanced practice nurses; amending Minnesota Statutes 1992, sections 147.34, subdivision 1; 149.235, by adding a subdivision; and 151.37, subdivisions 2 and 2a; Minnesota Statutes 1993 Supplement, section 151.01, subdivision 23.

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

Beard, Waltman, Sviggum, Pelowski and Hasskamp introduced:

H. F. No. 2319, A bill for an act relating to veterans; requiring the University of Minnesota to follow the state veterans preference law; amending Minnesota Statutes 1992, sections 197.455; and 197.46.

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

Clark, Jefferson, Simoneau and Orenstein introduced:

H. F. No. 2320, A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of bonds; authorizing assessment of debt service; appropriating money.

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

Dauner and Goodno introduced:

H. F. No. 2321, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Clay and Wilkin counties.

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

Hasskamp, Carruthers, Skoglund, Garcia and Weaver introduced:

H. F. No. 2322, A bill for an act relating to drivers' licenses; prohibiting issuance of a license to a person under age 18 years unless the person has graduated from or is attending a secondary school; requiring suspension of a license when a person under age 18 withdraws from school, is dismissed from school, has been habitually truant, or has committed a juvenile offense; amending Minnesota Statutes 1992, sections 171.04, subdivision 1, and by adding a subdivision; 171.043; 171.16, subdivision 5; and 171.18, subdivision 3, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 120; and 260.

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

Olson, M.; Kelso; Holsten; Van Engen and Knight introduced:

H. F. No. 2323, A bill for an act relating to taxation; income; changing the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivision 1.

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

4917

#### Kelso introduced:

H. F. No. 2324, A bill for an act relating to crime; extending the crime of fourth degree assault to cover assaults against physicians, nurses, and other persons providing health care services in a hospital emergency department; amending Minnesota Statutes 1992, section 609.2231, subdivision 2.

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

Evans, Garcia, Trimble, Jefferson and Rhodes introduced:

H. F. No. 2325, A bill for an act relating to crimes; enhancing penalties for certain crimes committed because of the victim's actual or perceived race, religion, color, disability, sexual orientation, national origin, or ancestry; amending Minnesota Statutes 1992, section 609.595, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes, sections 609.2231, subdivision 4; and 609.595, subdivision 1a.

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

Kalis, Bishop, Krueger, Simoneau and Reding introduced:

H. F. No. 2326, A bill for an act relating to public administration; higher education; authorizing the higher education board and the University of Minnesota to receive allocations from the capital asset preservation and replacement account, and applying the provisions of that account to allocations for higher education institutions; amending Minnesota Statutes 1992, section 16A.632.

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

Simoneau, Leppik, Rukavina and Winter introduced:

H. F. No. 2327, A bill for an act relating to human services; permitting certain providers to request a state agency hearing; modifying the conduct of state agency hearings; modifying certain requirements for prior authorization of services under medical assistance; amending Minnesota Statutes 1992, sections 256.045, subdivisions 3, 4, 5 and by adding a subdivision; and 256B.0625, subdivisions 8, 8a, 25, 31, and by adding a subdivision.

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

Simoneau and Dawkins introduced:

H. F. No. 2328, A bill for an act relating to human services; establishing deadline for department of human services special review board recommendations regarding mentally ill and dangerous patients; establishing patient right to court-appointed attorney and independent examination; modifying time period of patient voluntary return from provisional discharge; amending Minnesota Statutes 1992, section 253B.18, subdivisions 5 and 14.

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

Neary, Greenfield, Luther, Skoglund and Huntley introduced:

H. F. No. 2329, A bill for an act relating to child care; authorizing the commissioner of human services to establish a program of staff retention and recruitment grants for child care facilities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256H.

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

Simoneau, Delmont, Lynch and Jacobs introduced:

H. F. No. 2330, A bill for an act relating to tax-forfeited land; authorizing sale by sealed bid; amending Minnesota Statutes 1992, section 282.01, by adding a subdivision.

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

Kelley, Abrams, Knickerbocker, Rodosovich and Kelso introduced:

H. F. No. 2331, A bill for an act relating to capital improvements; appropriating money to the department of administration for a grant to the city of Hopkins for a performing arts center; authorizing the sale of state bonds.

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

Luther, Limmer, Carlson, Bergson and Lindner introduced:

H. F. No. 2332, A bill for an act relating to education; creating an additional general education revenue component to fund programs for at-risk students; expanding the uses of learning and development revenue; making permanent the flexibility between the capital expenditure equipment and facility accounts; appropriating money; amending Minnesota Statutes 1992, section 124A.22, subdivision 1, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 124.243, subdivision 8; and 124A.225, subdivision 4.

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

Pugh, Kahn and Anderson, I., introduced:

H. F. No. 2333, A bill for an act relating to government operations; transferring the authority and duties of the municipal board to the office of strategic and long-range planning; amending Minnesota Statutes 1992, sections 414.01, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1992, section 414.01, subdivisions 2, 3, 3a, 4, 5, 6a, 7a, and 12.

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

Anderson, I., introduced:

H. F. No. 2334, A bill for an act relating to state departments; prohibiting certain fee setting and adjusting during a certain period of time; amending Minnesota Statutes 1993 Supplement, section 16A.1285, by adding a subdivision.

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

Mosel; Olson, E.; Peterson; Brown, C., and Johnson, V., introduced:

H. F. No. 2335, A bill for an act relating to real property; providing for the "property rights preservation act"; proposing coding for new law as Minnesota Statutes, chapter 117A.

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

Anderson, I., and Battaglia introduced:

H. F. No. 2336, A bill for an act relating to state government; directing the governor, attorney general, and other public officers to perform certain duties in regard to certain waters and public lands; proposing coding for new law in Minnesota Statutes, chapters 1 and 84B.

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

Rest, Skoglund, McGuire and Macklin introduced:

H. F. No. 2337, A bill for an act relating to adoption; regulating certain advertising and payments in connection with adoption; regulating agencies; providing for nonagency adoption; providing for the enforceability of postadoption contact agreements; providing penalties; amending Minnesota Statutes 1992, sections 144.227, subdivision 1, and by adding a subdivision; 245A.03, subdivisions 1 and 2; 245A.04, by adding a subdivision; 245A.07, by adding a

subdivision; 259.21, by adding subdivisions; 259.22, subdivisions 1, 2, and by adding a subdivision; 259.27, by adding a subdivision; 259.31; and 317A.907, subdivision 6; Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 259.

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

Orenstein and Lasley introduced:

H. F. No. 2338, A bill for an act relating to employment; modifying provisions relating to the public employee vacation donation program; amending Minnesota Statutes 1992, section 43A.181, subdivision 3.

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

Reding; Cooper; Davids; Brown, C., and Jennings introduced:

H. F. No. 2339, A bill for an act relating to state government; requiring certain funds to be transferred to the ambulance service personnel longevity award and incentive trust; amending Minnesota Statutes 1992, sections 43A.316, subdivision 9; 69.031, subdivision 5; and 353.65, subdivision 7; Minnesota Statutes 1993 Supplement, section 144C.03, subdivision 2.

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

Jefferson, Trimble and Osthoff introduced:

H. F. No. 2340, A bill for an act relating to state government; repealing the annual fee for water testing; returning surplus revenues; permitting cities to test water quality; amending Minnesota Statutes 1992, section 144.383; repealing Minnesota Statutes 1992, section 144.3831, as amended.

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

Cooper and Johnson, R., introduced:

H. F. No. 2341, A bill for an act relating to state government; requiring prompt payment for grantees; amending Minnesota Statutes 1992, section 16A.124, subdivisions 2, 3, 4, 5, and 6.

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

Jacobs, Bertram, Kelso, Winter and Lasley introduced:

H. F. No. 2342, A bill for an act relating to taxation; motor fuels; establishing permit system for alternate fuel vehicles; setting permit fees based on vehicle weight; amending Minnesota Statutes 1993 Supplement, sections 296.02, subdivision 1a; and 296.025, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 296.

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

Skoglund introduced:

H. F. No. 2343, A bill for an act relating to education; establishing community-based truancy action projects; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Skoglund introduced:

H. F. No. 2344, A bill for an act relating to crime; requiring law enforcement agencies to collect tattoo identification information on arrested and convicted persons and forward this information to the bureau of criminal apprehension; requiring the bureau to establish a tattoo identification system; appropriating money; amending Minnesota Statutes 1992, sections 299C.11; and 299C.14; Minnesota Statutes 1993 Supplement, section 299C.10, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299C.

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

### Skoglund introduced:

H. F. No. 2345, A bill for an act relating to the county attorney; modifying administrative subpoena requirements; amending Minnesota Statutes 1993 Supplement, section 388.23, subdivision 1.

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

#### Skoglund introduced:

H. F. No. 2346, A bill for an act relating to sentencing; expanding the sentencing to service program to include graffiti removal work crews; appropriating money.

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

Dorn, Jennings, Weaver and Lasley introduced:

H. F. No. 2347, A bill for an act relating to taxation; motor fuels; providing for the disposition of unrefunded gasoline tax attributable to off-highway motorcycle use; amending Minnesota Statutes 1992, section 296.16, subdivision 1; Minnesota Statutes 1993 Supplement, section 84.794, subdivision 1.

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

Farrell, Mariani and Trimble introduced:

H. F. No. 2348, A bill for an act relating to capital improvements; appropriating money for the science museum of Minnesota; authorizing the sale of bonds.

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

Clark, Mariani, Jefferson and Munger introduced:

H. F. No. 2349, A bill for an act relating to environmental justice; establishing a task force on environmental justice.

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

Wenzel, Steensma, Garcia, Delmont and Perlt introduced:

H. F. No. 2350, A bill for an act relating to crime; removing the authority of prosecutors to seek waiver of mandatory minimum sentences for crimes committed with a firearm or other dangerous weapon; repealing Minnesota Statutes 1993 Supplement, section 609.11, subdivision 8.

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

4921

### Skoglund and Greiling introduced:

H. F. No. 2351, A bill for an act relating to firearms; imposing criminal penalties for certain acts committed with a BB gun; amending Minnesota Statutes 1992, section 609.713, subdivision 3; Minnesota Statutes 1993 Supplement, section 624.7181.

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

# Ozment, Koppendrayer, Pelowski and Tomassoni introduced:

H. F. No. 2352, A bill for an act relating to education; modifying the authority of the state board of education; eliminating the authority of the state board of education to establish a final graduation rule; amending Minnesota Statutes 1992, section 121.02, subdivision 1; Minnesota Statutes 1993 Supplement, section 121.11, subdivisions 7, 7c, and 7d; repealing Laws 1992, chapter 499, article 8, section 33, as amended.

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

Ozment, Lieder and Olson, K., introduced:

H. F. No. 2353, A bill for an act relating to local government; eliminating the requirement for audits of statutory cities in certain circumstances; amending Minnesota Statutes 1992, sections 412.02, subdivision 3; and 412.591, subdivision 2.

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

#### Lourey and Murphy introduced:

H. F. No. 2354, A bill for an act relating to local government; clarifying that the Moose Lake Fire Protection District is a governmental subdivision for certain purposes; making other clarifications; amending Laws 1987, chapter 402, section 2, subdivisions 2, 3, and by adding a subdivision.

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

Rest; Anderson, I.; Olson, E.; Wagenius and Winter introduced:

H. F. No. 2355, A bill for an act relating to taxation; motor vehicle excise; exempting certain library vehicles; amending Minnesota Statutes 1993 Supplement, section 297B.03.

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

Wenzel, Hasskamp, Pugh, Limmer and Kinkel introduced:

H. F. No. 2356, A bill for an act relating to crime; providing that the commissioner of corrections' decision to parole or grant supervised release to an inmate serving a life sentence is subject to the approval of the board of pardons; requiring the commissioner to conduct an investigation into community sentiment regarding the inmate; providing the victim with the right to be notified of and submit a statement at the parole or supervised release review hearing; amending Minnesota Statutes 1992, section 243.05, subdivision 1, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 244.05, subdivision 5.

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

## Pugh and Anderson, I., introduced:

H. F. No. 2357, A bill for an act relating to cities; providing for annexation; proposing coding for new law as Minnesota Statutes, chapter 414A; repealing Minnesota Statutes 1992, sections 414.01; 414.011; 414.012; 414.02; 414.031; 414.032; 414.035; 414.035; 414.036; 414.041; 414.051; 414.06; 414.061; 414.063; 414.065; 414.067; 414.07; 414.08; and 414.09.

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

Milbert, McGuire, Dawkins, Morrison and Lieder introduced:

H. F. No. 2358, A bill for an act relating to taxation; motor fuels; providing for the disposition of unrefunded gasoline tax attributable to off-road vehicle use; amending Minnesota Statutes 1992, section 296.16, subdivision 1; Minnesota Statutes 1993 Supplement, section 84.803, subdivision 1.

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

McCollum, Osthoff, Lieder and Frerichs introduced:

H. F. No. 2359, A bill for an act relating to public safety; making technical corrections; allowing special, coded license plates to be issued, following impoundment of former plates, to licensed driver identified by vehicle's registered owner; requiring department of public safety to keep records for five years of cancellations and disqualifications of drivers' licenses, unless rescinded; classifying offenses of following too closely and erratic lane change as serious traffic offenses for purposes of disqualifying driver from operating commercial motor vehicle; requiring same waiting period for Minnesota limited driver's license whether offense was committed in Minnesota or in another state; amending Minnesota Statutes 1992, sections 168.042, subdivision 12; 171.12, subdivisions 1, 3, and 3a; 171.165, subdivision 4; and 260.151, subdivision 1; Minnesota Statutes 1993 Supplement, sections 171.22, subdivision 1; 171.29, subdivision 2; and 171.30, subdivision 2a.

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

Jennings and Osthoff introduced:

H. F. No. 2360, A bill for an act relating to transportation; authorizing commissioner of transportation to contract with state of Wisconsin to build and operate truck inspection station in Wisconsin.

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

Clark, Long, Simoneau and Jefferson introduced:

H. F. No. 2361, A bill for an act relating to public housing; appropriating money from the bond proceeds fund to improve public housing in the city of Minneapolis; authorizing the sale of bonds.

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

Carlson, Dawkins and Pugh introduced:

H. F. No. 2362, A bill for an act relating to animals; changing the definition of a potentially dangerous dog; changing the identification tag requirements for a dangerous dog; amending Minnesota Statutes 1992, sections 347.50, subdivision 3; and 347.51, subdivision 7.

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

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

Carruthers for the Committee on Rules and Legislative Administration offered the following report and moved its adoption:

*Resolved*, that the Permanent Rules of the House of Representatives for the 78th Session be amended to read as follows:

Rule 1.16 will read:

1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee or division (other than a bill in the Committee on Ways and Means, the Committee on Taxes, a finance committee, or a finance division of a standing committee) no report has been made upon it by the committee or

division, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee or division shall have ten calendar days thereafter in which to vote upon the bill requested. If the committee or division fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

In regular session in 1993 after Friday, May 7, and in 1994 after <u>April 15</u>, the House shall not act on bills other than those recommended by conference committee reports, the Committee on Rules and Legislative Administration, or the Committee on Ways and Means, and those bills contained in messages from the Senate or from the Governor.

#### Rule 3.04 will read:

3.04 MOTION FOR RECONSIDERATION. When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In regular session in 1993, notice of intention to move reconsideration shall not be in order after Monday, April 19.

In regular session in 1994, notice of intention to move reconsideration shall not be in order after ......

## Rule 5.03 will read:

### Rule 5.09 will read:

5.09 BILLS AFFECTING DEBT. The Committee on Capital Investment shall have jurisdiction over debt obligations issued by the State. A bill which authorizes the issuance of debt of the State shall be referred or re-referred to the Committee on Capital Investment.

The Chair of the Committee on Capital Investment shall assign to each finance committee or finance division of a standing committee the responsibility to develop a bill on state public debt within its jurisdiction. The bill shall be referred to the Committee on Capital Investment by Tuesday, April 6, 1993 Wednesday, April 6, 1994, for further disposition.

A bill recommended for passage by the Committee on Capital Investment shall be accompanied by a statement of its fiscal impact and shall be referred to the Committee on Ways and Means for review and action by that committee.

#### 4924

### THURSDAY, MARCH 3, 1994

4925

Rule 5.10 will read:

5.10 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates or reestablishes any new department, agency, commission, board, task force, advisory committee or council, or bureau, or any other such entity, or which substantially changes or alters the organization of or delegates emergency rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations and Gambling for action by that committee. Prior to the deadline set by Rule 9.03, any committee other than the Committee on Governmental Operations and Gambling. After the deadline set by Rule 9.03, a report shall recommend re-referral to the Committee on Rules and Legislative Administration.

This rule does not apply to the omnibus bill on taxation or the omnibus finance bills for: capital investment; state government; health and <u>housing</u>; human services; K-12 education; higher education; economic development, infrastructure and regulation; judiciary; or environment and natural resources. But, if those bills contain provisions that would create, abolish, or reestablish a department, agency, commission, board, task force, advisory committee or council, or other such entity, then the chair of the Committee on Taxes or the chair of the appropriate finance committee or standing committee with a finance division, must communicate the inclusion of the provision to the chair of the Committee on Rules and Legislative Administration prior to consideration of the matter on the floor.

All other bills in finance committees or referred out of finance divisions of standing committees and bills in the Committee on Taxes are also exempt from this rule except for bills to create, abolish, or reestablish a department, agency, commission, board, task force, advisory committee or council, or other such entity. Prior to the deadline set by Rule 9.03, those bills shall be re-referred to the Committee on Governmental Operations and Gambling. After that deadline, the bills shall be re-referred to the Committee on Rules and Legislative Administration.

#### Rule 5.12 will read:

5.12 WAYS AND MEANS COMMITTEE; RESOLUTION; EFFECT ON EXPENDITURES AND REVENUE BILLS. The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and revenues for the coming fiscal biennium. In regular session, not later than 15 days following the last available state general fund revenue and expenditure forecast for the coming fiscal biennium prepared during the session, the Committee on Ways and Means shall adopt a budget resolution. The budget resolution shall set the maximum limitation on expenditures and revenues for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the Committee on Ways and Means adopts a different limitation in a subsequent budget resolution that accounts for increases or decreases in general fund revenues and expenditures anticipated for the current fiscal biennium.

Upon adoption of the budget resolution, the Committee on Ways and Means shall reconcile finance and revenue bills and upon request shall certify to the House that such bills do not exceed the limitation specified in the budget resolution.

A bill described in Rule 5.08 other than a major revenue or finance bill shall not be given its second reading until each major finance and revenue bill has received its second reading. However, a bill other than a major finance or revenue bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is or will be reconciled and within the guidelines of the budget resolution. All statements and certifications required by this rule may be reported orally by the Chair of the Committee on Ways and Means or a designee of the Chair. Major finance and revenue bills are: the higher education finance bill; the K-12 education finance bill; the environment and natural resources finance bill; the health and housing finance bill; human services finance bill; the state government finance bill; the economic development, infrastructure and regulation finance bill; the judiciary finance bill; the omnibus capital investment bill; and the omnibus tax bill.

Each finance committee, finance division of a standing committee, the Committee on Capital Investment, or the Committee on Taxes, upon recommending passage of any bill described in Rule 5.08, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

### Rule 6.10 will read:

6.10 <u>MEMBER CONDUCT DIVISION; THE</u> COMMITTEE ON ETHICS. The Speaker shall appoint a <del>Committee</del> on Ethics. An equal number of members from the majority

group and the minority group and one alternate from each group shall be appointed <u>to the Member Conduct Division</u>. The <del>committee</del> <u>division</u> shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker verified and signed by two or more members of the House and shall be referred to the committee division within 15 days for processing by the committee division according to its rules of procedure. Prior to referring the matter to the committee division, the Speaker shall inform the member against whom a question of conduct has been raised of the complaint and the complainant's identity. The Speaker, the members making the complaint, the members of the Committee on Ethics Member Conduct Division, and employees of the House shall hold the complaint in confidence until the committee division or the member subject of the complaint cause a public hearing to be scheduled. A complaint of a breach of the confidentiality requirement by a member or employee of the House shall be immediately referred by the Speaker to the Ethics Committee Member Conduct Division for disciplinary action. The committee division shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Ethics committee Member Conduct Division recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Ethics committee Member Conduct Division. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition.

# Rule 6.11 will read:

6.11 CONFERENCE COMMITTEES. A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House or Senate. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In regular session in 1993 except after Monday, May 10, and in 1994 except after <u>April 18</u>, a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

#### Rule 7.02 will read:

7.02 SPEAKER PRO TEMPORE. The Speaker shall appoint a member to preside, whenever the Speaker is absent, as Speaker pro tempore. In the absence of the Speaker and Speaker pro tempore, a member selected by the Speaker shall preside until the return of the Speaker or Speaker pro tempore. <u>If desired, the Speaker may appoint cospeakers pro tempore</u>.

#### Rule 7.05 will read:

7.05 BUDGET AND PURCHASING. The Director of House administrative services House Controller shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Governmental Operations and Gambling for consideration by the State Government Finance Division.

The Director House Controller shall be the agent of the House of Representatives for the purchase of supplies. The Director House Controller shall seek the lowest possible prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

## Rule 9.03 will read:

9.03 DEADLINES. In regular session in 1993, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, April 2, and committee reports on bills originating in the other house favorably acted

# THURSDAY, MARCH 3, 1994

upon by a committee after Friday, April 16, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. In 1994, committee reports on bills favorably acted upon by a committee of the house of origin after <u>March 25</u>, and committee reports on bills originating in the other house favorably acted upon by a committee after <u>March 31</u>, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. A finance or revenue bill referred to in Rule 5.08 is exempt from the first and second deadlines.

A finance bill other than a major finance or revenue bill referred to in Rule 5.12 in finance committees and standing committees with finance divisions and the Committee on Taxes, that includes provisions that create or reestablish a commission, board, task force, advisory committee or council, or other entity, shall be re-referred to the Committee on Rules and Legislative Administration if it remains in committee after the deadlines set by this rule.

Committee reports on finance bills that are favorably acted upon by a committee after Friday, April 23, 1993 April 8, 1994, shall be referred to the Committee on Rules and Legislative Administration for disposition. This deadline does not apply to the House Committees on Taxes and Ways and Means.

# MINORITY REPORT

The undersigned, being a minority of the Committee on Rules and Legislative Administration, offered the following minority report on the proposed amendments to the Rules and moved its adoption:

Resolved, that the Permanent Rules of the House of Representatives for the 78th session be amended to read as follows:

### Rule 1.16 will read:

1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee or division (other than a bill in the Committee on Ways and Means, the Committee on Taxes, a finance committee, or a finance division of a standing committee) no report has been made upon it by the committee or division, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee or division shall have ten calendar days thereafter in which to vote upon the bill requested. If the committee or division fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

In regular session in 1993 after Friday, May 7, and in 1994 after <u>April 15</u>, the House shall not act on bills other than those recommended by conference committee reports, the Committee on Rules and Legislative Administration, or the Committee on Ways and Means, and those bills contained in messages from the Senate or from the Governor.

### Rule 3.04 will read:

3.04 MOTION FOR RECONSIDERATION. When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In regular session in 1993, notice of intention to move reconsideration shall not be in order after Monday, April 19.

In regular session in 1994, notice of intention to move reconsideration shall not be in order after <u>April 8</u>.

# Rule 5.01 will read:

5.01 BILL AND RESOLUTION FORM. No bill or resolution shall be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with the Joint Rules of the House and Senate and the Rules of the House. Approval as to form shall be endorsed on the bill or resolution by the Revisor of Statutes. A bill that is divided into articles may include or be accompanied by a table of contents. <u>A bill may not embrace more than one subject, which must be expressed in its title.</u>

# Rule 5.03 will read:

In 1993, a bill prepared by a department or agency of state government shall be introduced and given its first reading before March 15. In 1994, a bill prepared by a department or agency of state government shall be introduced and given its first reading before <u>....... March 25</u>.

#### Rule 5.09 will read:

5.09 BILLS AFFECTING DEBT. The Committee on Capital Investment shall have jurisdiction over debt obligations issued by the State. A bill which authorizes the issuance of debt of the State shall be referred or re-referred to the Committee on Capital Investment.

The Chair of the Committee on Capital Investment shall assign to each finance committee or finance division of a standing committee the responsibility to develop a bill on state public debt within its jurisdiction. The bill shall be referred to the Committee on Capital Investment by Tuesday, April 6, 1993 Wednesday, April 6, 1994, for further disposition.

A bill recommended for passage by the Committee on Capital Investment shall be accompanied by a statement of its fiscal impact and shall be referred to the Committee on Ways and Means for review and action by that committee.

### Rule 5.10 will read:

5.10 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates or reestablishes any new department, agency, commission, board, task force, advisory committee or council, or bureau, or any other such entity, or which substantially changes or alters the organization of or delegates emergency rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations and Gambling for action by that committee. Prior to the deadline set by Rule 9.03, any committee other than the Committee on Governmental Operations and Gambling. After the deadline set by Rule 9.03, a report shall recommend re-referral to the Committee on Rules and Legislative Administration.

This rule does not apply to the omnibus bill on taxation or the omnibus finance bills for: capital investment; state government; health and <u>housing</u>; human services; K-12 education; higher education; economic development, infrastructure and regulation; judiciary; or environment and natural resources. But, if those bills contain provisions that would create, abolish, or reestablish a department, agency, commission, board, task force, advisory committee

or council, or other such entity, then the chair of the Committee on Taxes or the chair of the appropriate finance committee or standing committee with a finance division, must communicate the inclusion of the provision to the chair of the Committee on Rules and Legislative Administration prior to consideration of the matter on the floor.

All other bills in finance committees or referred out of finance divisions of standing committees and bills in the Committee on Taxes are also exempt from this rule except for bills to create, abolish, or reestablish a department, agency, commission, board, task force, advisory committee or council, or other such entity. Prior to the deadline set by Rule 9.03, those bills shall be re-referred to the Committee on Governmental Operations and Gambling. After that deadline, the bills shall be re-referred to the Committee on Rules and Legislative Administration.

# Rule 5.12 will read:

5.12 WAYS AND MEANS COMMITTEE; RESOLUTION; EFFECT ON EXPENDITURES AND REVENUE BILLS. The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and revenues for the coming fiscal biennium. In regular session, not later than 15 days following the last available state general fund revenue and expenditure forecast for the coming fiscal biennium prepared during the session, the Committee on Ways and Means shall adopt a budget resolution. The budget resolution shall set the maximum limitation on expenditures and revenues for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the Committee on Ways and Means adopts a different limitation in a subsequent budget resolution that accounts for increases or decreases in general fund revenues and expenditures anticipated for the current fiscal biennium.

Upon adoption of the budget resolution, the Committee on Ways and Means shall reconcile finance and revenue bills and upon request shall certify to the House that such bills do not exceed the limitation specified in the budget resolution.

A bill described in Rule 5.08 other than a major revenue or finance bill shall not be given its second reading until each major finance and revenue bill has received its second reading. However, a bill other than a major finance or revenue bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is or will be reconciled and within the guidelines of the budget resolution. All statements and certifications required by this rule may be reported orally by the Chair of the Committee on Ways and Means or a designee of the Chair. Major finance and revenue bills are: the higher education finance bill; the K-12 education finance bill; the environment and natural resources finance bill; the health and housing finance bill; human services finance bill; the state government finance bill; the economic development, infrastructure and regulation finance bill; the judiciary finance bill; the omnibus capital investment bill; and the omnibus tax bill.

Each finance committee, finance division of a standing committee, the Committee on Capital Investment, or the Committee on Taxes, upon recommending passage of any bill described in Rule 5.08, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

### A new Rule 6.011 will read:

6.011 COMMITTEE CHAIRS. A member who has served previously during three consecutive regular sessions as the chair of the same standing committee or the same division of the committee, or a committee or division with substantially the same jurisdiction, may not be appointed to serve as the chair of that committee or division. For purposes of the three-session limit in this rule, service as chair before 1989 is disregarded.

# Rule 6.10 will read:

6.10 COMMITTEE ON ETHICS. The Speaker shall appoint a Committee on Ethics. is composed of an equal number of members from the majority group and the minority group and one alternate from each group shall be appointed. The minority group shall elect the representatives on the committee from the minority group and the majority group shall elect the representatives from the majority group. The members of the committee shall elect the chair and vice-chair of the committee.

The committee shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker verified and signed by two or more members of the House and shall be referred to the committee within 15 days for processing by the committee

according to its rules of procedure. Prior to referring the matter to the committee, the Speaker shall inform the member against whom a question of conduct has been raised of the complaint and the complainant's identity. If the complaint involves the conduct of the Speaker, the complaint may be submitted directly to the Chair of the Ethics Committee, and in such cases the duty to inform the Speaker of the complaint rests with the Chair. The Speaker, the members making the complaint, the members of the Committee on Ethics, and employees of the House shall hold the complaint in confidence until the committee or the member subject of the complaint cause a public hearing to be scheduled. A complaint of a breach of the Ethics Committee for disciplinary action. The committee shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Ethics committee recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Ethics committee. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition.

Rule 6.11 will read:

6.11 CONFERENCE COMMITTEES. <u>The Speaker shall appoint to each conference committee members of the</u> majority and minority groups in proportion to their membership in the House.

A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House or Senate. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In regular session in 1993 except after Monday, May 10, and in 1994 except after ......, a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

Rule 6.13 will read:

6.13 PUBLIC TESTIMONY. Public testimony from proponents and opponents shall be allowed on every bill or resolution before either a standing committee, division or subcommittee of the House. <u>Committee chairs shall give members of the public an opportunity to testify on a bill before the committee takes action on any amendments to the bill.</u>

### Rule 7.05 will read:

7.05 BUDGET AND PURCHASING. The Director of House administrative services shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Governmental Operations and Gambling for consideration by the State Government Finance Division.

The Director shall be the agent of the House of Representatives for the purchase of supplies. The Director shall seek the lowest possible prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

The House shall use the statewide accounting system. The commissioner of finance shall present the House budget information in the same manner as for executive agencies.

Rule 8.01 will read:

8.01 APPOINTMENT OF EMPLOYEES. The Committee on Rules and Legislative Administration shall designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of all such appointments, including positions and compensation, shall be kept in the office of the Chief Clerk and shall be open for inspection by the public. The Committee on Rules and Legislative Administration, by resolution, shall establish the procedure for filling vacancies when the Legislature is not in session.

The Controller of the House and the directors of other nonpartisan House offices shall be chosen by a bipartisan selection committee composed of equal numbers from the majority and minority groups. The Speaker shall appoint the selection committee with advice from the minority leader.

Any employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

### Rule 9.03 will read:

9.03 DEADLINES. In regular session in 1993, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, April 2, and committee reports on bills originating in the other house favorably acted upon by a committee after Friday, April 16, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. In 1994, committee reports on bills favorably acted upon by a committee of the house of origin after <u>March 25</u>, and committee reports on bills originating in the other house favorably acted upon by a committee after <u>March 25</u>, and committee reports on bills originating in the other house favorably acted upon by a committee after <u>March 31</u>, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. A finance or revenue bill referred to in Rule 5.08 is exempt from the first and second deadlines.

A finance bill other than a major finance or revenue bill referred to in Rule 5.12 in finance committees and standing committees with finance divisions and the Committee on Taxes, that includes provisions that create or reestablish a commission, board, task force, advisory committee or council, or other entity, shall be re-referred to the Committee on Rules and Legislative Administration if it remains in committee after the deadlines set by this rule.

Committee reports on finance bills that are favorably acted upon by a committee after Friday, April 23, 1993 April 8, 1994, shall be referred to the Committee on Rules and Legislative Administration for disposition. This deadline does not apply to the House Committees on Taxes and Ways and Means.

A new Rule 9.06 will read:

<u>9.06 BUSINESS PRACTICES.</u> (a) The budget of the House must include a budget amount for each standing committee and division and must be submitted to and considered by the appropriate committees of the House in the same manner as the budget and appropriation for an executive agency.

(b) Pursuant to Minnesota Statutes, section 10.48, a detailed report of expenditures of the House must be submitted quarterly to the Committee on Rules and Legislative Administration. In addition to showing the expenditures of the House, the report must also show the expenditures of each standing committee and division during the reporting period, by appropriate expenditure category. A copy of the quarterly report must be given to each member of the House.

(c) The omnibus finance bill containing the appropriation of money for the expenses of state government must include an explicit statement of the annual salary to be paid to members of the current legislature and, if the appropriation in the bill includes money for an increase in salary for members of the next legislature, the amount of that increase.

(d) The Committee on Rules and Legislative Administration shall establish dollar limits on the amount members and employees may be reimbursed for lodging expenses when traveling out of the state.

(e) Except for costs of travel and lodging for legislative committee hearings, travel costs of members may not be reimbursed from committee budgets without the approval of both the committee chair and the most senior minority member of the committee.

A new Rule 9.07 will read:

9.07 PUBLIC ACCESS. Neither the House nor any committee or conference committee may meet after 11:00 p.m.

A new Rule 10.04 will read:

10.04 LOBBYING BY FORMER MEMBERS. A former member of the Legislature who is registered as a lobbyist may not testify or represent a principal before any House committee for a period of one year after the end of the former member's term of office as a legislator.

Signed: STEVE SVIGGUM, GIL GUTKNECHT, TERESA LYNCH AND GENE HUGOSON

Sviggum moved that the Minority Report on the proposed amendments to the Permanent Rules of the House for the 1994 Session be substituted for the Majority Report and that the Minority Report be now adopted.

A roll call was requested and properly seconded.

Carruthers moved that the Minority Report on the proposed amendments to the Permanent Rules of the House for the 1994 Session be referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Carruthers motion and the roll was called. There were 82 yeas and 52 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Erhardt	Holsten	Limmer	Olson, M.	Stanius	Weaver	
Finseth	Hugoson	Lindner	Onnen	Sviggum	Wolf	
Frerichs	Johnson, V.	Lynch	Ozment	Swenson	Worke	
Girard	Knickerbocker	Macklin	Pauly	Tompkins	Workman	
Goodno	Knight	Molnau	Pawlenty	Van Dellen		
Gruenes	· · · ·	Morrison	Rhodes	Van Engen		
Gutknecht		Mosel	Seagren	Vickerman		
Haukoos	Leppik	Ness	Smith	Waltman		
	Finseth Frerichs Girard Goodno Gruenes Gutknecht	FinsethHugosonFrerichsJohnson, V.GirardKnickerbockerGoodnoKnightGruenesKoppendrayerGutknechtKrinkie	FinsethHugosonLindnerFrerichsJohnson, V.LynchGirardKnickerbockerMacklinGoodnoKnightMolnauGruenesKoppendrayerMorrisonGutknechtKrinkieMosel	FinsethHugosonLindnerOnnenFrerichsJohnson, V.LynchOzmentGirardKnickerbockerMacklinPaulyGoodnoKnightMolnauPawlentyGruenesKoppendrayerMorrisonRhodesGutknechtKrinkieMoselSeagren	FinsethHugosonLindnerOnnenSviggumFrerichsJohnson, V.LynchOzmentSwensonGirardKnickerbockerMacklinPaulyTompkinsGoodnoKnightMolnauPawlentyVan DellenGruenesKoppendrayerMorrisonRhodesVan EngenGutknechtKrinkieMoselSeagrenVickerman	FinsethHugosonLindnerOnnenSviggumWolfFrerichsJohnson, V.LynchOzmentSwensonWorkeGirardKnickerbockerMacklinPaulyTompkinsWorkmanGoodnoKnightMolnauPawlentyVan DellenGruenesKoppendrayerMorrisonRhodesVan EngenGutknechtKrinkieMoselSeagrenVickerman

The motion prevailed and the Minority Report on the proposed amendments to the Permanent Rules of the House for the 1994 Session was referred to the Committee on Rules and Legislative Administration.

Abrams moved to amend the report from the Committee on Rules and Legislative Administration, as follows:

Resolved, that rule 9.02 be amended to read as follows:

9.02 MEDIA NEWS REPORTERS. Accredited representatives of the press, press associations, and radio and television stations shall be accorded equal press privileges by the House. Any person wishing to report proceedings of the House may apply to the Committee on Rules and Legislative Administration for a press pass and assignment to suitable available space.

# THURSDAY, MARCH 3, 1994

Television stations shall be permitted to televise sessions of the House. <u>Media representatives shall be allowed</u> access to both wells in the gallery of the House chambers.

A roll call was requested and properly seconded.

The question was taken on the Abrams amendment and the roll was called. There were 54 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Frerichs	Hugoson	Limmer	Ness	Seagren	Vickerman
Girard	Johnson, V.	Lindner	Onnen	Smith	Waltman
Goodno	Klinzing	Lynch	Orenstein	Stanius	Weaver
Greiling	Knickerbocker	Macklin	Ozment	Sviggum	Wolf
Gruenes	Knight	Molnau	Pauly	Swenson	Worke
Gutknecht	Koppendraver	Morrison	Pawlenty	Tompkins	Workman
Haukoos	Krinkie	Mosel	Rest	Van Dellen	•
Holsten	Leppik	Nelson	Rhodes	Van Engen	
	Girard Goodno Greiling Gruenes Gutknecht Haukoos	Girard Johnson, V. Goodno Klinzing Greiling Knickerbocker Gruenes Knight Gutknecht Koppendrayer Haukoos Krinkie	Girard Johnson, V. Lindner Goodno Klinzing Lynch Greiling Knickerbocker Macklin Gruenes Knight Molnau Gutknecht Koppendrayer Morrison Haukoos Krinkie Mosel	GirardJohnson, V.LindnerOnnenGoodnoKlinzingLynchOrensteinGreilingKnickerbockerMacklinOzmentGruenesKnightMolnauPaulyGutknechtKoppendrayerMorrisonPawlentyHaukoosKrinkieMoselRest	GirardJohnson, V.LindnerOnnenSmithGoodnoKlinzingLynchOrensteinStaniusGreilingKnickerbockerMacklinOzmentSviggumGruenesKnightMolnauPaulySwensonGutknechtKoppendrayerMorrisonPawlentyTompkinsHaukoosKrinkieMoselRestVan Dellen

Those who voted in the negative were:

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

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

Olson, M., and Lindner moved to amend the report from the Committee on Rules and Legislative Administration, as follows:

Resolved, that a new rule 5.071 be added to read as follows:

5.071 [PRIVILEGED BILLS.] Each member may introduce up to one bill in a regular session that the member designates as a privileged bill. The following may not be designated privileged bills: a major finance or revenue bill under Rule 5.12 or a committee bill under Rule 6.08. A privileged bill must be given a hearing and acted upon by the committee to which it is referred. If a privileged bill that is introduced at least 30 legislative days before the first committee deadline in Rule 9.03 is not heard and acted upon within 20 legislative days following referral, the bill shall be considered to be in the possession of the House and shall be given its second reading and placed on General Orders. Notwithstanding Rule 1.07, privileged bills shall be taken up first on General Orders, in order of their date of introduction.

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

Olson, M., and Lindner moved to amend the report from the Committee on Rules and Legislative Administration, as follows:

Resolved, that rule 6.04 be amended to read as follows:

6.04 COMMITTEE PROCEDURES. Meetings of all committees of the House shall be open to the public except for any executive sessions which the committee on ethics deems necessary.

The decisions to hold hearings on bills referred to the committee shall be made by the committee, and the chair shall schedule hearings in accordance with the decisions of the committee.

A majority of members of any committee shall constitute a quorum.

The Rules of the House shall be observed in all committees wherever they are applicable.

Any member of any committee may demand a roll call on any bill, resolution, report, motion or amendment before the committee. Only upon such demand being made shall the roll be called and the vote of each member on the bill, resolution, report, motion or amendment be recorded in the committee minutes, together with the name of the member demanding the roll call.

A committee may reconsider any action so long as the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side in order to move reconsideration.

A roll call was requested and properly seconded.

# LAY ON THE TABLE

Carruthers moved to lay the Olson, M., and Lindner amendment to the report from the Committee on Rules and Legislative Administration on the table.

A roll call was requested and properly seconded.

The question was taken on the Carruthers motion and the roll was called. There were 85 yeas and 48 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

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

The motion prevailed and the Olson, M., and Lindner amendment to the report from the Committee on Rules and Legislative Administration was laid on the table.

4934

# THURSDAY, MARCH 3, 1994

4935

Stanius moved to amend the report from the Committee on Rules and Legislative Administration, as follows:

Resolved, that rule 6.10 be amended to read as follows:

6.10 <u>MEMBER CONDUCT DIVISION; THE COMMITTEE ON ETHICS</u>. The Speaker shall appoint a Committee on Ethics and a <u>Member Conduct Division of the Committee on Ethics</u>. An equal number of members from the majority group and the minority group and one alternate from each group shall be appointed to the Ethics <u>Committee</u> and the <u>Member Conduct Division</u>. The <del>committee</del> <u>division</u> shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker verified and signed by two or more members of the House and shall be referred to the committee <u>division</u> within 15 days for processing by the committee <u>division</u> according to its rules of procedure. Prior to referring the matter to the committee <u>division</u>, the Speaker shall inform the member against whom a question of conduct has been raised of the complaint and the complainant's identity. The Speaker, the members making the complaint, the members of the <u>Committee on Ethics</u> <u>Member Conduct Division</u>, and employees of the House shall hold the complaint in confidence until the committee <u>division</u> or the member subject of the complaint cause a public hearing to be scheduled. A complaint of a breach of the confidentiality requirement by a member or employee of the House shall be immediately referred by the Speaker to the <u>Ethics Committee Member Conduct Division</u> for disciplinary action. The <u>committee division</u> shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Ethics committee Member Conduct Division recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Ethics committee Member Conduct Division. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition.

A roll call was requested and properly seconded.

The question was taken on the Stanius amendment and the roll was called. There were 77 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Holsten	Krinkie	Neary	Pauly	Sviggum
Asch	Farrell	Hugoson	Leppik	Nelson	Pawlenty	Swenson
Bettermann	Finseth	Jacobs	Limmer	Ness	Pelowski	Tompkins
Bishop	Frerichs	Jennings	Lindner	Olson, M.	Perlt	Van Dellen
Commers	Girard	Johnson, R.	Long	Onnen	Peterson	Van Engen
Cooper	Goodno	Johnson, V.	Lynch	Opatz	Rest	Vickerman
Dauner	Greiling	Kelley	Macklin	Orenstein	Rhodes	Waltman
Davids	Gruenes	Klinzing	McCollum	Orfield	Seagren	Weaver
Dehler	Gutknecht	Knickerbocker	Molnau	Osthoff	Smith	Wolf
Dempsey	Hasskamp	Knight	Morrison	Ostrom	Solberg	Worke
Dorn	Haukoos	Koppendrayer	Mosel	Ozment	Stanius	Workman
Those who	voted in the ne	gative were:				
Anderson, R.	Carlson	Hausman	Kinkel	McGuire	Rukavina	Tunheim
Battaglia	Carruthers	Huntley	Krueger	Milbert	Sama	Vellenga
Bauerly	Clark	Taros	Lasley	Munger	Sekhon	Wagenius
Beard	Dawkins	Jefferson	Lieder	Murphy	Simoneau	Wejcman
Bergson	Delmont	Johnson, A.	Lourey	Olson, E.	Skoglund	Wenzel
Bertram	Evans	Kahn	Luther	Olson, K.	Steensma	Winter

Mahon

Mariani

Pugh

Reding

Spk. Anderson, I.

Tomassoni

Trimble

The motion prevailed and the amendment was adopted.

Kalis

Kelso

Garcia

Greenfield

Brown, C.

Brown, K.

The question recurred on the Carruthers motion that the Report of the Committee on Rules and Legislative Administration, as amended, be now adopted. The motion prevailed and the Permanent Rules of the House for the 1994 Session, as amended, were adopted.

So the Permanent Rules of the House for the 1994 Session read as follows:

# PERMANENT RULES OF THE HOUSE OF REPRESENTATIVES.

#### ARTICLE I - DAILY BUSINESS

1.01 CONVENING OF THE HOUSE. Unless otherwise ordered, regular sessions of the House shall convene at two-thirty p.m. The Speaker shall take the chair at the hour at which the House convenes and the House shall then be called to order. A prayer shall be said by the Chaplain or time allowed for a brief meditation. Then, on the first legislative day in any calendar week, it shall be followed by the pledge of allegiance to the flag of the United States of America. Then a roll of members shall be called and the names of members present and members excused shall be entered in the Journal of the House.

1.02 READING OF THE JOURNAL. A quorum being present, the Journal of the preceding day shall be read by the Chief Clerk unless otherwise ordered. The House may correct any errors in the Journal of the preceding day.

1.03 ORDER OF BUSINESS. After the reading of the Journal, the order of business of the day shall be:

(1) Presentation of petitions or other communications.

(2) Reports of standing committees.

(3) Second reading of House bills.

(4) Second reading of Senate bills.

(5) Reports of select committees.

(6) Introduction and first reading of House bills.

(7) Consideration of messages from the Senate.

(8) First reading of Senate bills.

(9) Consent Calendar.

(10) Calendar for the day.

(11) General Orders.

(12) Motions and resolutions.

Conference committees on House bills and the Committee on Rules and Legislative Administration may report at any time except when the House is in the Committee of the Whole.

1.04 SECOND READING OF BILLS. Every bill shall require a second reading.

Except as otherwise ordered, every bill requiring the approval of the Governor shall, after a second reading, be considered in a Committee of the Whole before it shall be finally acted upon by the House.

1.05 COMMITTEE OF THE WHOLE. The Committee of the Whole is a committee of the entire membership of the House. The Speaker may appoint another member as chair to preside over the Committee of the Whole.

4936

When the House arrives at the General Orders of the Day, it shall resolve itself into a Committee of the Whole to consider bills on General Orders.

A bill considered in the Committee of the Whole shall be reported and then debated by sections, with the title considered last. All amendments shall be typewritten and five copies shall be submitted to the Chair who shall report them to the House.

1.06 RULES TO APPLY TO COMMITTEE OF THE WHOLE. The Rules of the House shall be observed in the Committee of the Whole so far as may be applicable except that the previous question shall not be forced or speaking limited.

Upon demand of 15 members, the yeas and nays shall be called, the question voted on, and the yeas and nays recorded in the Journal of the House.

In the Committee of the Whole no amendment increasing the amount of any appropriation shall be passed without the yeas and nays recorded in the Journal of the House.

A motion that the Committee arise shall always be in order and shall be decided without debate.

1.07 GENERAL ORDERS OF THE DAY. The Chief Clerk at the direction of the Speaker shall prepare the General Orders of the Day, which is a list of all bills which have not been made Special Orders or placed on the Consent Calendar, numbered according to their order at second reading. Unless otherwise ordered by a majority of the Committee, items on General Orders shall be taken up in numerical order.

The Chief Clerk shall see that a copy of each bill printed under the Rules or Orders of the House is placed in each member's file, which is to be kept at the member's desk in the chamber, at least 24 hours before the bill shall be considered in the Committee of the Whole.

If a bill is progressed three times it shall be placed at the end of General Orders.

Except during the last five days in any year on which a bill may be passed, a bill amended in the Committee of the Whole shall not be given its third reading until it is engrossed and reproduced as amended.

1.08 THIRD READING OF BILLS. No amendment shall be received after the third reading without the unanimous consent of the House, except to fill blanks or to amend titles.

At any time prior to its passage any bill or resolution may be referred or re-referred by a majority vote of the whole House. If the committee, other than the Committee of the Whole, to which it was referred or re-referred reports an amendment on it, it shall again be given its second reading, considered in Committee of the Whole, given its third reading and placed upon its final passage.

1.09 SPECIAL ORDERS. A bill may be made the Order of the Day for a special time and be placed upon a separate list known as "Special Orders."

The Committee on Rules and Legislative Administration may by committee report designate as a Special Order any bill which has had its second reading.

Any member may move to make a bill a Special Order by giving notice at least two legislative days in advance of and specifying the day on which the member will so move. The notice shall include the number and title of the bill and the day and time certain for the Special Order. Only the member giving such notice, or another member designated in writing by the member who originally gave notice of the Special Order to the Speaker, may make the motion for the Special Order. A two-thirds vote of the whole House on such motion is required to make a bill a Special Order.

The time set for the motion may not be extended, and failure to make the motion on the specified day forfeits the right to make the motion.

A motion to make a bill a Special Order, when made according to the procedures herein prescribed, shall be a privileged motion, shall take precedence over all other motions except a motion to adjourn or to set the time to adjourn and questions of personal privilege, and may be made at any time on the day designated in the notice. A three-fourths vote of the whole House is required to suspend the motion.

Any Special Order, or any part of it, may be continued or postponed by two-thirds vote of the whole House at the time of such Special Order; however, a Special Order designated by the Committee on Rules and Legislative Administration may be continued or postponed by a majority vote of the whole House at the time of such Special Order. If a bill on Special Orders has been continued three times by the author or coauthor a motion for continuance shall not be in order and the bill shall be returned to General Orders.

When the time arrives for the consideration of any Special Order, the House shall consider each bill upon the Special Order in the order in which it is listed. After consideration it shall immediately be read the third time and placed upon final passage.

1.10 FINANCE AND REVENUE BILLS GIVEN PRECEDENCE. Any bill relating to taxes or raising revenue and any finance bill, which has had its second reading, shall be acted upon whenever requested by the Chair of the Committee on Ways and Means or a designee of the Chair.

1.11 CONSENT CALENDAR. Any bill of a non-controversial nature for which the committee report recommends placement upon the Consent Calendar shall be given its second reading after the report is adopted and placed upon the Consent Calendar. The bill shall be printed and placed in the members' files at least one day before it can be considered. The bill shall be placed upon the Consent Calendar in the order in which it is given its second reading.

The Consent Calendar shall immediately precede the order of business known as "Calendar for the Day." Every bill on the Consent Calendar shall be debated, given its third reading and voted upon, provided, however, that at any time prior to third reading, ten members may object to any bill as being controversial. Any bill so objected to shall be stricken from the Consent Calendar and be immediately placed upon General Orders, taking its place in the usual order.

1.12 SUSPENSION OF RULES TO ADVANCE A BILL. Every bill shall be reported on three different days, except that in case of urgency, a two-thirds majority of the whole House may suspend this Rule. A motion for suspension of the Rules to advance a bill for consideration out of its regular order is in order under the order of business "Motions and Resolutions" or at any time the bill is before the House. The motion must be presented to the Speaker in writing and must state the present position of the bill.

1.13 MINORITY REPORTS. Any minority report shall be made separately from the majority report and shall be considered before the majority report. If the minority report is adopted the majority report shall not be considered. If the minority report is not adopted the majority report shall then be considered.

1.14 COMMITTEE REPORT LAID OVER. The report of any committee may be laid over one day and printed in the Journal, if so ordered by the House.

1.15 RECALLING BILL FROM COMMITTEE OR DIVISION. In regular session, except after the deadline for committee reports on bills originating in the House, any bill or resolution may be recalled from any committee or division at any time by majority vote of the whole House, be given a second reading and be advanced to General Orders. A motion to recall a bill or resolution shall be in order only under the order of business "Motions and Resolutions."

1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee or division (other than a bill in the Committee on Ways and Means, the Committee on Taxes, a finance committee, or a finance division of a standing committee) no report has been made upon it by the committee or division, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee or division shall have ten calendar days thereafter in which to vote upon the bill requested. If the committee or division fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

In regular session in 1993 after Friday, May 7, and in 1994 after April 15, the House shall not act on bills other than those recommended by conference committee reports, the Committee on Rules and Legislative Administration, or the Committee on Ways and Means, and those bills contained in messages from the Senate or from the Governor.

### THURSDAY, MARCH 3, 1994

1.17 DISPOSITION OF SENATE BILLS. Any Senate File received by the House, accompanied by a message announcing its passage by the Senate, shall be referred to the appropriate standing committee in accordance with Rule 5.05. However, if a Senate File is received which is stated by a member to be identical to a House File already reported by a standing committee of the House and placed on General Orders, Calendar, Consent Calendar, or Special Orders, the Senate File shall be referred to the Chief Clerk for comparison. If the Chief Clerk reports that the Senate File is identical with the House File, the Senate File may by majority vote be substituted for the House File and take its place. The fact that the bills are identical shall be entered in the Journal and the House File is then considered withdrawn.

Any Senate File which has been amended on the floor of the House, except at time of final passage, and any Senate File which has been reported to the House with amendments by a House standing committee, shall be unofficially engrossed and reprinted by the Chief Clerk. Amendments to unofficial engrossments of a Senate File may be offered.

1.18 RECORDED FLOOR PROCEEDINGS. All proceedings on the floor of the House shall be recorded on magnetic tape or similar recording device under the direction of the Chief Clerk. All taped proceedings of the House floor sessions shall be delivered to the Director of the Legislative Reference Library and there maintained on file for use by any member of the public in accordance with the rules of the Legislative Reference Library. Tapes delivered to the Legislative Reference Library shall be delivered to the Director of the library for eight years after which they shall be delivered to the Director of the Minnesota Historical Society.

Any person may obtain a copy of any such tape during the biennium in which it is recorded upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

Discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

## ARTICLE II - VOTING

2.01 AUTHORIZING ELECTRIC VOTING SYSTEM. Except for a vote upon elections, any vote may be taken by means of the electric voting system which shall be under the control of the Speaker of the House. No member may vote on a question except at the member's own seat in the chamber.

2.02 CALL OF THE HOUSE. Ten members may demand a call of the House at any time except after voting has commenced. When such call is demanded, the doors shall be closed, the roll shall be called, the absent members shall be sent for, and no member may be permitted to leave until the roll call is suspended or completed. During the roll call, no motion shall be in order except a motion pertaining to matters incidental to the call. Proceedings under the roll call may be suspended by a majority vote of the whole House. After the roll call is suspended or completed the Sergeant at Arms shall not permit any member to leave the Chamber unless excused by the Speaker. A call of the House may be lifted by a majority vote of the whole House.

2.03 DEMANDING YEAS AND NAYS. Yeas and nays shall be ordered without demand upon final passage of bills and upon adoption of resolutions or motions directing the payment of money. In all other cases the yeas and nays shall be ordered only upon demand of 15 members.

2.04 EXPLAINING OR CHANGING VOTE. No member shall be allowed to explain a vote or discuss the question while the yeas and nays are being taken, nor be allowed to change a vote after the yeas and nays have been announced from the chair by the Speaker.

2.05 EVERY UNEXCUSED MEMBER TO VOTE. Any member who is immediately interested in the question being voted on shall not vote.

Every other member present before a vote is declared from the chair shall vote for or against the matter before the House, unless the House excuses the member from voting. However, no member is required to vote on any matter concerning a resolution except for a resolution relating to the internal business of the House or the Legislature.

A member who declines to vote on a call of the member's name shall be required to state reasons for so declining. After the vote has been taken but before the chair has announced the vote, the chair shall submit to the House the question, "Shall the member, for the reasons stated, be excused from voting?" which shall be decided without debate. Any other proceedings in reference thereto shall take place after announcement of the vote.

## **ARTICLE III - MOTIONS AND AMENDMENTS**

3.01 AMENDMENTS AND OTHER MOTIONS. No amendment or other motion shall be debated until after it is stated by the Speaker.

After an amendment or other motion has been stated by the Speaker it is in possession of the House, but the mover may withdraw it at any time before amendment or decision. Unless a motion, resolution or amendment is withdrawn on the day it is made, it shall be entered in the Journal, together with the name of the member offering it.

The Speaker may require any amendment or other motion be typewritten and that five copies be given to the Chief Clerk.

3.02 PRECEDENCE OF MOTIONS. When a question is under consideration, no motion shall be received except the following, the first four of which shall be decided without debate:

(1) To fix the time of adjournment.

(2) To adjourn.

(3) To lay on the table.

(4) For the previous question.

(5) To refer.

(6) To postpone to a day certain.

(7) To amend.

(8) To postpone indefinitely.

(9) To pass.

The motions shall have precedence in the order listed. However, if the motion for the previous question has been seconded and the main question ordered, the motion to lay on the table shall not be in order.

3.03 MOTION TO ADJOURN. A motion to adjourn shall always be in order except during roll call.

When a motion to adjourn is made it shall be in order for the Speaker, before putting the question, to permit any member to state reasons which would seem to render adjournment improper at that time. Such a statement shall not be debatable and shall be limited to not over two minutes.

3.04 MOTION FOR RECONSIDERATION. When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of

A motion for reconsideration having been voted upon and lost shall not be renewed.

In regular session in 1993, notice of intention to move reconsideration shall not be in order after Monday, April 19.

In regular session in 1994, notice of intention to move reconsideration shall not be in order after April 8.

3.05 ORDER OF PUTTING QUESTION. Except in the case of privileged questions, all questions, whether in committee or in the House, shall be put in the order in which they are moved. When filling blanks, a motion for the largest sum or the longest time shall be put first.

3.06 DIVISION OF A QUESTION. Any member may request the division of a question which contains several separate and distinct points. A motion to strike out and insert shall not be divisible. If a motion to strike out is lost it shall not preclude another motion to amend or to strike out and insert.

3.07 THE PREVIOUS QUESTION: The motion calling for the previous question must be seconded by 15 members. If the motion for the previous question is ordered by a majority of members present, it shall have the effect of cutting off all debate and bringing the House to direct vote upon the question or questions.

The previous question may be moved and ordered upon a single motion, a series of motions allowable under the Rules, or an amendment or amendments; or it may include all authorized motions or amendments, including a vote on final passage of a bill.

On a motion for the previous question, but prior to its being ordered, a call of the House shall be in order. After a majority has ordered the previous question, no call shall be in order prior to the decision on the main question.

When the previous question is decided in the negative, the main question remains under debate until disposed of by taking a vote either on the question or in some other manner.

All incidental questions of order arising after a motion is made for the previous question and prior to the vote on the main question shall be decided without debate.

3.08 AMENDMENTS TO AMENDMENTS. An amendment may be amended, but an amendment to an amendment may not be amended.

3.09 MOTIONS AND PROPOSITIONS TO BE GERMANE. No motion or proposition on a subject different from that under consideration shall be admitted under guise of its being an amendment.

3.10 AMENDMENT NOT TO ANNEX ANOTHER BILL. Except in a standing committee no bill or resolution shall at any time be amended by annexing or incorporating any other bill or resolution.

3.11 RESOLUTIONS AND MOTIONS INVOLVING EXPENDITURE OF MONEY. Any resolution or motion involving the expenditure of money out of the legislative expense fund shall be referred to the Committee on Rules and Legislative Administration before being acted upon by the House. A majority vote of the whole House, determined by a roll call, is required to pass any such resolution or motion.

3.12 AMENDMENTS TO APPROPRIATION AND TAX BILLS. No amendment increasing an appropriation and no amendment increasing a tax shall be declared passed until voted for by a majority of the whole House determined by a roll call vote.

3.13 MOTION TO LAY ON THE TABLE. A motion to lay on the table shall not be in order on a motion to amend, except that a motion to amend the Rules may be tabled.

3.14 MOTION TO RESCIND. The motion to rescind shall not be in order at any time in any proceeding in the House or in any committee of the House.

3.15 SUSPENSION OR AMENDMENT OF THE RULES. The concurrence of two-thirds of the whole House is required to suspend, alter, or amend any Rule of the House, except that any amendment to the Rules reported by the Committee on Rules and Legislative Administration may be adopted by a majority of the whole House.

Except as provided in Rule 1.12, a motion to suspend, alter, or amend any Rule of the House must be made under the order of business "Motions and Resolutions." If the motion is made at any other time, unanimous consent is required before the Speaker can entertain the motion.

A motion to suspend the Rules, together with the subject matter to which it pertains, is debatable, but the previous question may be applied to the motion.

## ARTICLE IV - DEBATE AND DECORUM

4.01 ABSENCE OF MEMBERS AND OFFICERS. Unless illness or other sufficient cause prevents attendance, no member or officer of the House shall be absent from any session of the House without first having obtained from the Speaker permission to be absent.

4.02 DUTIES OF MEMBERS. Members shall keep their seats until the Speaker announces adjournment.

Every member, before speaking, shall rise and respectfully address the Speaker and shall not speak further until recognized by the Speaker. When two or more members rise at the same time, the Speaker shall designate the member to speak first.

4.03 QUESTIONS OF ORDER. If any member of the House transgresses the Rules, either in speaking or in any other way, the Speaker shall, or any member may, call the member to order. A member so called to order shall immediately sit down unless another member moves to permit the member who was called to order to explain. In either case, the House, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall that member be at liberty to proceed. A member called to order shall be liable to censure or such other punishment as the House may deem proper.

4.04 ORDER IN DEBATE. No member shall speak more than twice on the same subject without leave of the House, nor more than once until every other member wishing to speak on the pending question has had an opportunity to do so.

4.05 NOTICE OF INTENTION TO DEBATE A RESOLUTION. Any member may give notice of intention to debate a resolution. Such notice may be given at any time before the vote is taken on the resolution. If such notice is given, the resolution shall be laid over one day without debate or any other action.

4.06 OFFENSIVE WORDS IN DEBATE. If any member is called to order for offensive words in debate, the member calling for order shall report the words to which exception is taken and the Clerk shall record them. No member shall be held to answer or be subject to censure of the House for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place.

4.07 ORDER DURING SESSION. No member shall walk out of or across the Chamber when the Speaker is putting the question. No member shall engage in private conversation while another member is speaking or pass between the speaking member and the Chair.

4.08 NO ONE TO REMAIN BY THE CHIEF CLERK'S DESK. No member or other person shall remain by the Chief Clerk's desk while the yeas and nays are being called.

4.09 WHO MAY BE ADMITTED TO THE FLOOR. No person shall be admitted within the House Chamber, except members themselves, properly authorized employees, the Chief Executive and ex-governors of the State of Minnesota, members of the Senate, heads of departments of the state government, judges of the Supreme Court, Court of Appeals, and District Courts, members of Congress, properly accredited representatives of radio and television stations, newspapers and press associations, as herein provided for, and none other. When a former member of Congress or the Minnesota Legislature or any other person is issued a permit by the Speaker good for the day, that person shall be provided with a seat near the Speaker's rostrum, and at no time shall a conversation be carried on so as to disturb the business of the House. Before issuing the permit, the Speaker shall make certain that the person does not seek the floor of the House for the purpose of influencing decisions of the House.

The alcoves shall be kept for the use of members only, and the Sergeant at Arms shall keep them cleared.

It shall not be in order for the Speaker to entertain a request for the suspension of this Rule, or to present from the Chair the request of any member for unanimous consent unless an extraordinary condition exists, in which event the Speaker may consent to entertain a motion for its suspension.

During the period extending from one hour prior to the time the House is scheduled to convene until one hour after the House adjourns for the day, the retiring room shall be reserved for the exclusive use of the members and employees of the House. No committee meetings shall be held therein except for emergency meetings authorized by the Speaker of the House. The Sergeant at Arms is charged with the duty of strict enforcement of this provision.

## THURSDAY, MARCH 3, 1994

4.10 PRESENTATION OF PETITIONS. Any petition, memorial or other paper presented to the House shall include the name of the member introducing it and a brief description of its contents and shall be presented by the Speaker, who shall state briefly its contents.

4.11 NO SMOKING IN HOUSE CAPITOL AREA. Smoking is prohibited in areas of the Capitol and State Office Building under the jurisdiction of the House of Representatives, including the House Chamber and Retiring Room and galleries, hearing rooms, minor corridors and offices, except private offices and a designated lounge. After May 31, 1993, smoking is prohibited in private offices and the designated lounge.

#### ARTICLE V - BILLS

5.01 BILL AND RESOLUTION FORM. No bill or resolution shall be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with the Joint Rules of the House and Senate and the Rules of the House. Approval as to form shall be endorsed on the bill or resolution by the Revisor of Statutes. A bill that is divided into articles may include or be accompanied by a table of contents.

5.02 INTRODUCTION OF BILLS AND RESOLUTIONS. A bill, advisory bill or resolution offered for introduction shall be placed in the hands of the Speaker at least 24 hours prior to the convening of the daily session. Every bill, advisory bill and resolution shall be introduced in quadruplicate and each copy shall contain the signature of the member or name of the committee introducing it. No bill, advisory bill, memorial or resolution shall have more than five authors. A statement of facts being forwarded for action to a governmental official, agency, or body or other similar proposal is a memorial and shall be introduced in the same form as a bill and take the same course as a bill. No resolution shall authorize the expenditure of monies from any source other than the legislative expense fund.

5.03 TIME LIMIT FOR INTRODUCTION OF BILLS. In regular session in 1994, a bill, advisory bill, or resolution shall not be offered for introduction after ...... This rule does not apply to committee bills or to resolutions offered by the Committee on Rules and Legislative Administration.

In 1993, a bill prepared by a department or agency of state government shall be introduced and given its first reading before March 15. In 1994, a bill prepared by a department or agency of state government shall be introduced and given its first reading before March 25.

5.04 ADVISORY BILLS. An advisory bill may be introduced by any member in the same manner as a bill except that the requirements of Rule 5.01 shall not apply.

Each advisory bill shall be typewritten on a form provided by the Chief Clerk. It shall have a title not exceeding 12 words in length and shall contain a specific proposal for the initiation, termination or alteration of a law or program of the state or any of its subdivisions. It need not be drafted in a form appropriate for enactment into law.

An advisory bill may be considered only in committee and shall not be given a second reading or be otherwise considered by the House, except that the committee may report its recommendation for re-referral to another committee.

5.05 FIRST READING AND REFERENCE OF BILLS. Each bill, advisory bill and resolution shall be reported and given its first reading upon its introduction. No bill, advisory bill or resolution shall be objected to upon its introduction.

Except as provided in Rule 1.17 and Rule 5.06 each bill, advisory bill or resolution shall, after first reading, be referred by the Speaker to the appropriate standing committee or division thereof.

Congratulatory resolutions are exempt from this rule and may be adopted by the Committee on Rules and Legislative Administration without further consideration by the House.

Except as otherwise provided in these Rules, after a bill, advisory bill or resolution has been referred by the Speaker, a majority vote of the whole House shall be required for a re-referral of the bill, advisory bill or resolution by the House.

5.06 COMMITTEE BILLS. A committee bill shall be read for the first time and may be referred by the Speaker to any standing committee. If it is not so referred, it shall be laid over one day. It shall then be read for the second time and placed upon General Orders, or, if recommended by the Committee, upon the Consent Calendar.

5.07 PRINTING OF BILLS. Every bill shall be printed after it has been given its second reading. A bill may be printed at any other time a majority of the House so orders.

5.08 FINANCE AND REVENUE BILLS. Any bill, whether originating in the House or Senate which directly and specifically affects any present or future financial obligation on the part of the State or which directly and specifically affects state revenues, after being reported to the House, shall be referred, or re-referred to the appropriate finance committee, standing committee with a finance division for consideration by the finance division, or the Committee on Taxes, for action. Once action has been taken by that committee, the bill shall be thereafter re-referred to the Committee on Ways and Means. A bill, other than a major revenue or finance bill referred to in Rule 5.12, which carries an appropriation shall include an appropriation section. This rule does not apply to a bill recommended for passage by the Committee on Capital Investment under Rule 5.09.

5.09 BILLS AFFECTING DEBT. The Committee on Capital Investment shall have jurisdiction over debt obligations issued by the State. A bill which authorizes the issuance of debt of the State shall be referred or re-referred to the Committee on Capital Investment.

The Chair of the Committee on Capital Investment shall assign to each finance committee or finance division of a standing committee the responsibility to develop a bill on state public debt within its jurisdiction. The bill shall be referred to the Committee on Capital Investment by Wednesday, April 6, 1994, for further disposition.

A bill recommended for passage by the Committee on Capital Investment shall be accompanied by a statement of its fiscal impact and shall be referred to the Committee on Ways and Means for review and action by that committee.

5.10 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates or reestablishes any new department, agency, commission, board, task force, advisory committee or council, or bureau, or any other such entity, or which substantially changes or alters the organization of or delegates rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations and Gambling for action by that committee. Prior to the deadline set by Rule 9.03, any committee other than the Committee on Governmental Operations and Gambling. After the deadline set by Rule 9.03, a report shall recommend re-referral to the Committee on Rules and Legislative Administration.

This rule does not apply to the omnibus bill on taxation or the omnibus finance bills for: capital investment; state government; health and housing; human services; K-12 education; higher education; economic development, infrastructure and regulation; judiciary; or environment and natural resources. But, if those bills contain provisions that would create, abolish, or reestablish a department, agency, commission, board, task force, advisory committee or council, or other such entity, then the chair of the Committee on Taxes or the chair of the appropriate finance committee or standing committee with a finance division, must communicate the inclusion of the provision to the chair of the Committee on Rules and Legislative Administration prior to consideration of the matter on the floor.

All other bills in finance committees or referred out of finance divisions of standing committees and bills in the Committee on Taxes are also exempt from this rule except for bills to create, abolish, or reestablish a department, agency, commission, board, task force, advisory committee or council, or other such entity. Prior to the deadline set by Rule 9.03, those bills shall be re-referred to the Committee on Governmental Operations and Gambling. After that deadline, the bills shall be re-referred to the Committee on Rules and Legislative Administration.

5.11 BILLS AFFECTING TAXES. Any bill whether originating in the House or Senate, which substantially affects state tax policy or the administration of state tax policy, after being reported to the House, shall be referred, or re-referred to the Committee on Taxes for action by that committee. Any standing committee other than the Committee on Taxes to which such a bill is referred shall, in its report, recommend re-referral to the Committee on Taxes.

5.12 WAYS AND MEANS COMMITTEE; RESOLUTION; EFFECT ON EXPENDITURES AND REVENUE BILLS. The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and revenues for the coming fiscal biennium. In regular session, not later than 15 days following the last available state general fund revenue and expenditure forecast for the coming fiscal biennium prepared during the session, the Committee on Ways and Means shall adopt a budget resolution. The budget resolution shall set the maximum limitation on

expenditures and revenues for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the Committee on Ways and Means adopts a different limitation in a subsequent budget resolution that accounts for increases or decreases in general fund revenues and expenditures anticipated for the current fiscal biennium.

Upon adoption of the budget resolution, the Committee on Ways and Means shall reconcile finance and revenue bills and upon request shall certify to the House that such bills do not exceed the limitation specified in the budget resolution.

A bill described in Rule 5.08 other than a major revenue or finance bill shall not be given its second reading until each major finance and revenue bill has received its second reading. However, a bill other than a major finance or revenue bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is or will be reconciled and within the guidelines of the budget resolution. All statements and certifications required by this rule may be reported orally by the Chair of the Committee on Ways and Means or a designee of the Chair. Major finance and revenue bills are: the higher education finance bill; the K-12 education finance bill; the environment and natural resources finance bill; the health and housing finance bill; human services finance bill; the state government finance bill; the economic development, infrastructure and regulation finance bill; the judiciary finance bill; the omnibus capital investment bill; and the omnibus tax bill.

Each finance committee, finance division of a standing committee, the Committee on Capital Investment, or the Committee on Taxes, upon recommending passage of any bill described in Rule 5.08, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

5.13 BILLS PROPOSING MEMORIALS. Any bill or amendment that proposes to have a memorial erected in the Capitol area shall be referred to the Committee on Rules and Legislative Administration.

5.14 RECESS BILL INTRODUCTIONS. During the period between the last day of the session in 1993 and the first day of the session in 1994, any bill filed with the Speaker for introduction shall be given a file number and may be unofficially referred to an appropriate standing committee of the House of Representatives.

5.15 BILLS PROPOSING CONSTITUTIONAL AMENDMENTS. Any bill, whether originating in the House or Senate, which proposes a constitutional amendment, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Rules and Legislative Administration for action by that committee. Any committee, other than the Committee on Rules and Legislative Administration, to which such bill has been referred, shall, in its report, recommend re-referral to the Committee on Rules and Legislative Administration.

## ARTICLE VI - COMMITTEES - POWERS AND DUTIES

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

Agriculture

Capital Investment

Commerce and Economic Development Divisions: Internat

International Trade, Technology and Economic Development Tourism and Small Business

Economic Development, Infrastructure and Regulation Finance

Education

Divisions:

K-12 Education Finance Higher Education Finance

Environment and Natural Resources

Environment and Natural Resources Finance

Ethics

Financial Institutions and Insurance

General Legislation, Veterans Affairs and Elections

Governmental Operations and Gambling Division: State Government Finance

Health and Human Services Divisions:

Health and Housing Finance Human Services Finance

Housing

Judiciary.

Division: Judiciary Finance

Labor-Management Relations

Local Government and Metropolitan Affairs

Regulated Industries and Energy

**Rules and Legislative Administration** 

Taxes

Transportation and Transit

Ways and Means

6.02 COMMITTEE MEMBERSHIP. No less than 30 days prior to the opening of a regular session of the Legislature, the Speaker-designate shall provide the minority group with a list of the standing committees proposed for the session. The Speaker-designate shall also designate the number of minority members to be appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days prior to the opening of the session, a list of proposed committee assignments for the minority group, which complies with the numbers and guidelines provided, the Speaker shall make such proposed assignments with the purpose of attaining proportionate representation on the committees for the minority group.

No committee of the House shall have exclusive membership from any one profession, occupation or vocation.

6.03 COMMITTEE MEETING SCHEDULE. The Speaker shall prepare a schedule of committee meetings, fixing as far as practicable the day of the week and the hour for the regular meeting time of each committee. The schedule of committee meetings shall officially be made available to the news media. The chair of any committee holding a special meeting or making a change in the regular schedule of meetings shall give written notice which may be announced from the desk and shall be posted on the bulletin board at least one day in advance of the change.

The chair of each committee, division, or subcommittee shall as far as practicable give three days notice of any meeting. The notice shall include the date, time, place and agenda for the meeting.

6.04 COMMITTEE PROCEDURES. Meetings of all committees of the House shall be open to the public except for any executive sessions which the committee on ethics deems necessary.

A majority of members of any committee shall constitute a quorum.

The Rules of the House shall be observed in all committees wherever they are applicable.

Any member of any committee may demand a roll call on any bill, resolution, report, motion or amendment before the committee. Only upon such demand being made shall the roll be called and the vote of each member on the bill,

[66TH DAY

resolution, report, motion or amendment be recorded in the committee minutes, together with the name of the member demanding the roll call.

A committee may reconsider any action so long as the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side in order to move reconsideration.

6.05 SUBCOMMITTEES. The chair of a committee shall appoint the chair and members of each subcommittee with the advice and consent of the Speaker. The chair or the committee may refer bills to subcommittee. Any subcommittee may make such investigation or exercise such authority as is delegated to it by the chair or the committee.

6.06 COMMITTEE RECORDS. The chair of a standing committee shall cause a record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration, which shall include the record of each bill referred to the committee and the minutes of the committee. The minutes shall include:

a. The time and place of each hearing or meeting of the committee;

b. Committee members present;

c. The name and address of each person appearing before the committee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;

d. The language of each motion, the name of the committee member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

e. The date on which any subcommittee is created, the names of its members and the bills referred to it;

f. The record of each subcommittee meeting, including the time and place of the meeting; members present; the name of each person appearing before the subcommittee, together with the name of the person, association, firm or corporation in whose behalf the appearance is made; and the language of each motion, together with the name of the member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

g. Other important matters related to the work of the committee.

The minutes shall be approved at the next regular meeting of the committee.

Copies of the minutes, after approval by the committee, shall be filed with the Chief Clerk and shall be open to public inspection in the Chief Clerk's office. At the end of the biennium they shall be delivered, together with the other committee records, to the Director of the Legislative Reference Library, where they shall remain open for public inspection during regular office hours. A copy of any page of any committee minutes may be obtained upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

The magnetic tape recording of any committee meetings shall be retained by the chair until the minutes of that meeting have been approved by the committee. The recording shall then be filed with the Director of the Legislative Reference Library. Tapes filed with the Legislative Reference Library shall be kept by the library for eight years after which they shall be delivered to the Director of the Minnesota Historical Society.

Any person may obtain a copy of such tape during the period in which it is maintained in the Legislative Reference Library upon payment of a fee determined by the Chief Clerk to be sufficient to cover the cost of the copy. Testimony and discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

6.07 COMMITTEE REPORTS. The chair of a standing committee reporting to the House the action taken by the committee upon any bill or resolution referred to it shall do so upon the form provided for such reports. Each bill or resolution shall be reported separately and the report shall be adopted or rejected without amendment.

The report shall contain the action taken by the committee and the date of such action and shall be authenticated by the signature of the chair.

Before a committee reports favorably upon a bill or resolution, the chair shall see that the form of the bill or resolution conforms to the Joint Rules of the House and Senate and these Rules.

Except during the last seven legislative days in any year, the committee report and any minority report shall be placed in the hands of the Chief Clerk at least four hours prior to the convening of the daily session.

The Committee on Rules and Legislative Administration may report at any time.

If a majority of the members of a standing committee finds a bill referred to the committee to be of a non-controversial nature, the report to the House may recommend that the bill be placed upon a separate calendar to be known as the Consent Calendar.

6.08 COMMITTEE BILLS. Any standing or special committee of the House may introduce a bill as a committee bill on any subject within its purview.

6.09 SUBSTITUTION OF BILLS. No standing or special committee nor any of its members shall report a substitute for any bill referred to the committee if the substitute relates to a different subject, is intended to accomplish a different purpose, or would require a title essentially different from that of the original bill. Whenever the House is advised that a substitute bill reported to the House is in violation of this rule, the report shall not be adopted.

6.10 MEMBER CONDUCT DIVISION; THE COMMITTEE ON ETHICS. The Speaker shall appoint a Committee on Ethics and a Member Conduct Division of the Committee on Ethics. An equal number of members from the majority group and the minority group and one alternate from each group shall be appointed to the Ethics Committee and the Member Conduct Division. The division shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker verified and signed by two or more members of the House and shall be referred to the division within 15 days for processing by the division according to its rules of procedure. Prior to referring the matter to the division, the Speaker shall inform the member against whom a question of conduct has been raised of the complaint and the complainant's identity. The Speaker, the members making the complaint, the members of the Member Conduct Division, and employees of the House shall hold the complaint in confidence until the division or the member subject of the complaint cause a public hearing to be scheduled. A complaint of a breach of the confidentiality requirement by a member or employee of the House shall be immediately referred by the Speaker to the Member Conduct Division for disciplinary action. The division shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Member Conduct Division recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Member Conduct Division. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition.

6.11 CONFERENCE COMMITTEES. A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House or Senate. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In regular session in 1993 except after Monday, May 10, and in 1994 except after April 18, a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

6.12 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration shall establish a budget for each standing committee of the House for expenses incurred by the committee, its members, or its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker shall not be charged against the budget. No committee shall incur expenses in excess of its authorized budget.

66TH DAY]

Employees shall be reimbursed for actual expenses in the same manner as state employees.

During sessions, for travel away from the Capitol, members shall be reimbursed for actual expenses in the same manner as state employees in addition to per diem expense allowances.

All charges against the committee budget must be approved by the chair before payment is made.

6.13 PUBLIC TESTIMONY. Public testimony from proponents and opponents shall be allowed on every bill or resolution before either a standing committee, division or subcommittee of the House.

#### ARTICLE VII - OFFICERS OF THE HOUSE

7.01 DUTIES AND PRIVILEGES OF THE SPEAKER. The Speaker shall preside over the House and shall have all the powers and be charged with all the duties of the presiding officer.

The Speaker shall preserve order and decorum. The Speaker or the chair of the Committee of the Whole may order the lobby or galleries cleared in the case of disorderly conduct or other disturbance.

Except as provided by rule or law, the Speaker shall have general control of the Chamber of the House and of the corridors, passages and rooms assigned to the use of the House.

The Speaker shall sign all acts, addresses, joint resolutions, writs, warrants and subpoenas of the House or issued by order of the House. The Speaker shall sign all abstracts for the payment of money out of the legislative expense fund of the House; but no money shall be paid out of said fund unless the abstract is also signed by the Chief Clerk of the House.

The Speaker shall appoint the Chief Sergeant at Arms or shall designate that officer from among the Sergeants at Arms elected by the House or appointed by the Committee on Rules and Legislative Administration.

7.02 SPEAKER PRO TEMPORE. The Speaker shall appoint a member to preside, whenever the Speaker is absent, as Speaker pro tempore. In the absence of the Speaker and Speaker pro tempore, a member selected by the Speaker shall preside until the return of the Speaker or Speaker pro tempore. If desired, the Speaker may appoint cospeakers pro tempore.

7.03 DUTIES OF CHIEF CLERK. The Chief Clerk shall have general supervision of all clerical duties pertaining to the business of the House. The Chief Clerk shall perform under the direction of the Speaker all the duties pertaining to the office of Chief Clerk and shall keep records showing the status and progress of all bills, memorials and resolutions.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk shall be delegated all the usual responsibilities of the Chief Clerk and is authorized to sign the daily journal, enrollments, abstracts and other legislative documents.

7.04 ENGROSSMENT AND ENROLLMENT. The Chief Clerk of the House shall have supervision over the engrossment and enrollment of bills. The Chief Clerk shall cause to be kept a record by file number of the bills introduced in the House which have passed both houses and been enrolled.

7.05 BUDGET AND PURCHASING. The House Controller shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Governmental Operations and Gambling for consideration by the State Government Finance Division.

The House Controller shall be the agent of the House of Representatives for the purchase of supplies. The House Controller shall seek the lowest possible prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

7.06 BULLETIN BOARD. The Chief Clerk shall prepare a bulletin board upon which shall be posted a list of committee and subcommittee meetings and any other announcements or notices the House may require.

7.07 INDEX. The Index Clerk, under the supervision of the Chief Clerk, shall prepare an index in which bills may be indexed by topic, number, author, subject, section of the code amended, committees, and any other subject that will make it a complete and comprehensive index. The index shall be open for public inspection at all times during the session and shall be printed in the permanent Journal of the House.

7.08 DUTIES OF THE SERGEANT AT ARMS. It shall be the duty of the Sergeant at Arms to carry out all orders of the House or the Speaker and to perform all other services pertaining to the office of Sergeant at Arms, including maintaining order in the Chamber and supervising entering and exiting from the Chamber and the prompt delivery of messages.

#### ARTICLE VIII - EMPLOYEES OF THE HOUSE

8.01 APPOINTMENT OF EMPLOYEES. The Committee on Rules and Legislative Administration shall designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of all such appointments, including positions and compensation, shall be kept in the office of the Chief Clerk and shall be open for inspection by the public.

The Committee on Rules and Legislative Administration, by resolution, shall establish the procedure for filling vacancies when the Legislature is not in session.

Any employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

## **ARTICLE IX - GENERAL PROVISIONS**

9.01 RULE AS TO CONSTRUCTION. As used in these Rules the terms "majority vote" and "vote of the House" shall mean a majority of members present at the particular time. The term "vote of the whole House" shall mean a majority vote of all the members elected to the House for that particular session of the Legislature.

Singular words used in these Rules shall include the plural, unless the context indicates a contrary intention.

9.02 MEDIA NEWS REPORTERS. Accredited representatives of the press, press associations, and radio and television stations shall be accorded equal press privileges by the House. Any person wishing to report proceedings of the House may apply to the Committee on Rules and Legislative Administration for a press pass and assignment to suitable available space.

Television stations shall be permitted to televise sessions of the House.

9.03 DEADLINES. In regular session in 1993, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, April 2, and committee reports on bills originating in the other house favorably acted upon by a committee after Friday, April 16, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. In 1994, committee reports on bills originating in the other house favorably acted upon by a committee of the house of origin after March 25, and committee reports on bills originating in the other house favorably acted upon by a committee after March 31, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. A finance or revenue bill referred to in Rule 5.08 is exempt from the first and second deadlines.

A finance bill other than a major finance or revenue bill referred to in Rule 5.12 in finance committees and standing committees with finance divisions and the Committee on Taxes, that includes provisions that create or reestablish a commission, board, task force, advisory committee or council, or other entity, shall be re-referred to the Committee on Rules and Legislative Administration if it remains in committee after the deadlines set by this rule.

Committee reports on finance bills that are favorably acted upon by a committee after Friday, April 8, 1994, shall be referred to the Committee on Rules and Legislative Administration for disposition. This deadline does not apply to the House Committees on Taxes and Ways and Means.

9.04 DISPOSITION OF BILLS. Adjournment of the regular session in 1993 to a day certain in 1994 shall be equivalent to daily adjournment except that any bill on the Consent Calendar, Calendar, Special Orders or General Orders shall be returned to the standing committee last acting on the bill.

9.05 AUTHORIZED MANUAL OF PARLIAMENTARY PROCEDURE. The rules of parliamentary procedure contained in "Mason's Manual of Legislative Procedure" shall govern the House in all applicable cases in which they are not inconsistent with these Rules, the Joint Rules of the Senate and House of Representatives, or established custom and usage.

## ARTICLE X - ETHICS

10.01 SOLICITATIONS DURING LEGISLATIVE SESSION. No member of the House, nor the member's principal campaign committee, nor any other political committee with the member's name or title, nor any committee authorized by the member which would benefit the member, shall solicit or accept a contribution on behalf of the member's principal campaign committee, any other political committee with the member's name or title, or any political committee authorized by the member which would benefit the member, from a registered lobbyist, political committee, or political fund during the regular session of the House.

No member may accept compensation for lobbying.

10.02 ACCEPTANCE OF AN HONORARIUM BY A MEMBER. No member may accept an honorarium for any service performed for an individual or organization which has a direct interest in the business of the House, including, but not limited to, registered lobbyists or any organizations they represent. The term "honorarium" does not include reimbursement for expenses incurred and actually paid by a member in performing any service.

Alleged violations of this rule shall be referred to the Committee on Ethics under Rule 6.10. Upon finding that an honorarium was accepted in violation of this rule, the Committee on Ethics shall direct the return of the funds. If the funds are not returned, the committee may recommend disciplinary action under Rule 6.10.

10.03 ACCEPTANCE OF TRAVEL AND LODGING BY A MEMBER OR EMPLOYEE. A member or employee of the House shall not accept travel and lodging from any foreign government, private for-profit business, labor union, registered lobbyist, or any association thereof, except for expenses that relate to the member's or employee's participation as a legislator or legislative employee in a meeting or conference. This rule does not apply to travel and lodging provided to a member in the regular course of the member's employment or business.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

#### Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 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 Senate has appointed as such committee:

Mr. Riveness; Ms. Wiener; Messrs. Hottinger and Terwilliger and Ms. Runbeck.

Said House File is herewith returned to the House.

4951

PATRICK E. FLAHAVEN, Secretary of the Senate

# **CONSENT CALENDAR**

H. F. No. 1859 was reported to the House.

H. F. No. 1859 was read for the third time.

Limmer moved that H. F. No. 1859 be re-referred to the Committee on Judiciary.

A roll call was requested and properly seconded.

The guestion was taken on the Limmer motion and the roll was called. There were 42 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Abrams Bettermann Bishop Commers Davids Dehler	H H H C	Dempsey Erhardt Finseth Frerichs Girard Goodno	Gruenes Gutknecht Haukoos Holsten Hugoson Iohnson, V.	Knickerbocker Koppendrayer Krinkie Leppik Limmer Lindner	Lynch Macklin Molnau Morrison Ness Pauly	Pawlenty Stanius Sviggum Swenson Tompkins Van Dellen	Van Engen Vickerman Waltman Weaver Worke Worknan
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Those who voted in the negative were:

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

The motion did not prevail.

Krueger was excused for the remainder of today's session.

H. F. No. 1859, A bill for an act relating to housing; establishing penalties for failure to provide a written lease; amending Minnesota Statutes 1993 Supplement, section 504.12.

The bill was 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, R.	Brown, C.	Dawkins	Hasskamp	Johnson, A.	Klinzing	Luther	
Asch	Brown, K.	Delmont	Hausman	Johnson, R.	Knickerbocker	Mahon	
Battaglia	Carlson	Dorn	Huntley	Kahn	Koppendrayer	Mariani	
Bauerly	Carruthers	Evans	Jacobs	Kalis	Lasley	McCollum	
Beard	Clark	Garcia	Jaros	Kelley	Lieder	McGuire	
Bergson	Cooper	Greenfield	Jefferson	Kelso	Long	Milbert	
Bertram	Dauner	Greiling	Jennings	Kinkel	Lourey	Molnau	

Mosel	Olson, K.	Ostrom	Reding	Sekhon	Swenson	Wagenius
Munger	Olson, M.	Ozment	Rest	Simoneau	Tomassoni	Wejcman
Murphy	Onnen	Pelowski	Rice	Skoglund	Tompkins	Wenzel
Neary	Opatz	Perit	Rodosovich	Smith	Trimble	Winter
Nelson	Orenstein	Peterson	Rukavina	Solberg	Tunheim	Wolf
Olson, E.	Orfield	Pugh	Sama	Steensma	Vellenga	Spk. Anderson, I.
		Ŭ				•

Those who voted in the negative were:

Abrams Bettermann Bishop Commers Davids Dehler	Dempsey Erhardt Finseth Frerichs Girard Goodno	Gruenes Gutknecht Haukoos Holsten Hugoson Johnson, V.	Knight Krinkie Leppik Limmer Lindner Lynch	Macklin Morrison Ness Pauly Pawlenty Rhodes	Seagren Stanius Sviggum Van Dellen Van Engen Vickerman	Waltman Weaver Worke Workman
Denier	Gooano	Jonnson, v.	Lynch	Knodes	Vickerman	· ·

The bill was passed and its title agreed to.

## REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Carruthers, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bill as a Special Order to be acted upon immediately preceding General Orders for today, Thursday, March 3, 1994:

H. F. No. 1863.

## SPECIAL ORDERS

H. F. No. 1863 was reported to the House.

Olson, E., and Asch moved to amend H. F. No. 1863, the first engrossment, as follows:

Page 2, line 25, delete "\$20" and insert "\$5"

Page 2, line 32, delete "\$40" and insert "\$10"

Page 3, line 25, delete "\$20" and insert "\$5"

A roll call was requested and properly seconded.

The question was taken on the Olson, E., and Asch amendment and the roll was called. There were 129 yeas and 2 nays as follows:

Those who voted in the affirmative were:

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

## JOURNAL OF THE HOUSE

#### (66TH DAY

Orenstein	Pelowski	Rodosovich	Smith	Tompkins	Wagenius	Worke
Orfield	Perlt	Rukavina	Solberg	Trimble	Waltman	Workman
Osthoff	Peterson	Sama	Stanius	Tunheim	Weaver	Spk. Anderson, I.
Ostrom	Pugh	Seagren	Steensma	Van Dellen	Wejcman	•
Ozment	Rest	Sekhon	Sviggum	Van Engen	Wenzel	
Pauly	Rhodes	Simoneau	Swenson	Vellenga	Winter	
Pawlenty	Rice	Skoglund	Tomassoni	Vickerman	Wolf	

Those who voted in the negative were:

Brown, C. Davids

The motion prevailed and the amendment was adopted.

Olson, E., moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 2, line 29, before the semicolon insert "or (e)"

Page 2, line 36, before the period insert "or (e)"

Page 3, line 18, after the semicolon insert "the names of each member, employee, or immediate family member who accepted the gift, item, or benefit or who was present at the occasion when the gift, item, or benefit was made available;"

Page 3, after line 21, insert:

"(e) Each lobbyist shall report the amount and nature of lodging, travel expense, honorarium or gift provided in connection with an overnight trip given or made available by the lobbyist or any employee or employer of the lobbyist to all members or employees, or the immediate family of all members or employees of the legislature, senate, house of representatives, or any legislative committee, commission, or caucus. The report shall include the name of the legislative entity, the persons participating and the amount and nature of the benefit to each person. The report need not list, as a benefited person, a member of the immediate family of a legislator or legislative employee who is also the lobbyist, or an employee of the lobbyist, or an employee of the employee of the lobbyist."

Page 3, line 22, delete "(e)" and insert "(f)"

Page 3, line 23, delete the second "or" and insert a comma

Page 3, line 24, before "each" insert "or (e),"

Page 3, line 28, delete "(f)" and insert "(g)"

The motion prevailed and the amendment was adopted.

Orenstein moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 6, after line 11, insert:

"Sec. 6. [EFFECTIVE DATE; APPLICATION.]

Sections 1 through 5 are effective the day following final enactment. Section 2 applies to any honorarium, gift, loan, item or benefit given or paid on or after March 15, 1994."

A roll call was requested and properly seconded.

Gutknecht moved to amend the Orenstein amendment to H. F. No. 1863, the first engrossment, as amended, as follows:

Page 1, line 7, of the Orenstein amendment, delete "15" and insert "4"

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 97 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Jefferson	Lieder	Mosel	Pelowski	Swenson
Asch	Finseth	Jennings	Limmer	Munger	Peterson	Tompkins
Battaglia	Girard	Johnson, A.	Lindner	Murphy	Pugh	Van Dellen
Bergson	Goodno	Johnson, V.	Long	Neary	Rest	Van Engen
Bettermann	Greenfield	Kahn	Lourey	Nelson	Rhodes	Vickerman
Bishop	Greiling	Kelley	Luther	Ness	Rodosovich	Wagenius
Carruthers	Gruenes	Kelso	Lynch	Olson, E.	Sarna	Waltman
Clark	Gutknecht	Klinzing	Macklin	Onnen	Seagren	Weaver
Commers	Hasskamp	Knickerbocker	Mahon	Orenstein	Sekhon	Wejcman
Cooper	Haukoos	Knight	McCollum	Orfield	Skoglund	Wenzel
Dawkins	Hausman	Koppendraver	McGuire	Ostrom	Smith	Wolf
Dehler	Holsten	Krinkie	Milbert	Ozment	Stanius	Worke
Dempsey	Hugoson	Lasley	Molnau	Pauly	Steensma	Workman
Dom	Huntley	Leppik	Morrison	Pawlenty	Sviggum	

Those who voted in the negative were:

Anderson, R.	Brown, K.	Evans	Jaros	Olson, K.	Reding	Trimble
Bauerly	Carlson	Farrell	Johnson, R.	Olson, M.	Rukavina	Tunheim
Beard	Dauner	Frerichs	Kalis	Opatz	Simoneau	Vellenga
Bertram	Davids	Garcia	Kinkel	Osthoff	Solberg	Winter
Brown, C.	Delmont	Jacobs	Mariani	Perlt	Tomassoni	Spk. Anderson, I.

The motion prevailed and the amendment to the amendment was adopted.

Bauerly was excused for the remainder of today's session.

The question recurred on the Orenstein amendment, as amended, and the roll was called. There were 117 yeas and 14 nays as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Brown, C. Davids Garcia Johnson, R. Rukavina Solberg Tunheim Dauner Frerichs Jaros Osthoff Simoneau Tomassoni Spk. And	
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The motion prevailed and the amendment, as amended, was adopted.

McCollum and Kelley moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 3, after line 36, insert:

"Sec. 3. Minnesota Statutes 1992, section 10A.04, is amended by adding a subdivision to read:

Subd. 4a. A lobbyist shall disclose to each public or local official to whom the lobbyist or an employer or employee of the lobbyist has given an honorarium, gift, loan, item, or benefit reported under subdivision 4, the value of each honorarium, gift, loan, item, or benefit. The disclosure shall be in writing and shall be provided to the public or local official at the time the honorarium, gift, loan, item, or benefit is received by the official."

Page 6, after line 11, insert:

"Sec. 7. [10A.067] [RETURN OF GIFTS.]

<u>A representative or senator who declines to accept a gift, item, or benefit presented by a lobbyist or the employer</u> or employee of a lobbyist may deposit the gift, item or benefit with respectively, the speaker of the house or the president of the senate, for forwarding to a charity. The lobbyist must remove from the report required in section 10A.04, subdivision 4, the name of the representative or senator declining a gift or item."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

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

Leppik offered an amendment to H. F. No. 1863, the first engrossment, as amended.

## POINT OF ORDER

Carruthers raised a point of order pursuant to rule 3.09 that the Leppik amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Long moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 6, after line 11, insert:

"Sec. 6. [10A.085] [PUBLIC OFFICIAL AND LEGISLATIVE EMPLOYEE REPORT.]

On July 15 a legislator, constitutional officer, commissioner of a state agency, or legislative employee shall report, for the period from July 1 of the preceding calendar year to June 30 of the year the report is filed, on a form prepared by the board:

(1) the amount and nature of each honorarium, gift, loan, item, or benefit, excluding contributions to a candidate, and excluding anything reported by a lobbyist under section 10A.04, subdivision 4, paragraph (d), equal in value to \$5 or more, given or paid to the individual or to a member of the individual's immediate family by a lobbyist or employer, employee, or agent of a lobbyist, the name of the lobbyist or employer, employee, or agent of the lobbyist giving the same; and the date it was received."

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Long amendment and the roll was called. There were 65 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abrams Bertram Bettermann Clark Commers Dehler Dempsey Erhardt Finseth	Goodno Greiling Hausman Holsten Hugoson Johnson, V. Kalis Kelley Kelso	Knickerbocker Knight Koppendrayer Krinkie Leppik Limmer Lindner Long Lourey	Macklin McCollum Milbert Molnau Morrison Mosel Neary Ness Olson, M.	Orenstein Orfield Ozment Pauly Pawlenty Rest Rhodes Rodosovich Seagren	Smith Stanius Sviggum Swenson Van Dellen Van Engen Vellenga Vickerman Wagenius	Weaver Wejcman Wolf Worke Workman
Girard	Klinzing	Lynch	Onnen	Sekhon	Waltman	

Those who voted in the negative were:

Anderson, R. Asch	Cooper Dauner	Greenfield Gruenes	Johnson, R. Kahn Kimbol	Murphy Nelson	Reding Rice	Trimble Tunheim
Battaglia	Davids	Hasskamp	Kinkel	Olson, E.	Rukavina	Wenzel
Beard	Dawkins	Haukoos	Lasley	Olson, K.	Sarna	Winter
Bergson	Delmont	Huntley	Lieder	Opatz	Simoneau	Spk. Anderson, I.
Bishop	Dorn	Jacobs	Luther	Ostrom	Skoglund	
Brown, C.	Evans	Jaros	Mahon	Pelowski	Solberg	1
Brown, K.	Farrell	Jefferson	Mariani	Perlt	Steensma	
Carlson	Frerichs	Jennings	McGuire	Peterson	Tomassoni	
Carruthers	Garcia	Johnson, A.	Munger	Pugh	Tompkins	

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

Greiling moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 6, after line 11, insert:

"Sec. 6. [10A.085] [RESTRICTIONS ON GIFTS LEGISLATORS MAY ACCEPT.]

<u>Subdivision 1.</u> [LEGISLATOR ACCEPTANCE.] <u>A legislator shall not in the course of, or in relation to, official duties, accept any honorarium, gift, item, loan, or benefit equal in value to \$5 or more from a lobbyist or the employer or employee of a lobbyist at any time, except contributions to a candidate otherwise permitted under this chapter. During a regular session of the legislature, a legislator shall not in the course of, or in relation to, official duties, accept any honorarium, gift, item, loan, or benefit equal in value to \$5 or more from anyone except as follows:</u>

(1) anything from a member of the legislator's family;

(2) a meal, transportation, or reimbursement for expenses furnished by an organization before which the legislator appears to make a speech or answer questions as part of a program;

(3) a gift given because of the legislator's membership in a group, the majority of whose members are not public or local officials, and an equivalent gift is given to the other members of the group;

(4) contributions to a candidate otherwise permitted under this chapter;

(5) gifts of nominal value or gifts or textbooks which may be accepted pursuant to section 15.43; or

(6) plaques or similar mementos recognizing individual services in a field of specialty or to a charitable cause.

Subd. 2. [LOBBYIST ACTION.] A lobbyist or representative of an association with a direct financial interest in a matter before the legislature may not solicit or request another to offer or give a gift to a legislator."

Amend the title accordingly

A roll call was requested and properly seconded.

## JOURNAL OF THE HOUSE

The question was taken on the Greiling amendment and the roll was called. There were 49 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abrams Bettermann	Gutknecht Haukoos	Klinzing Knight	Lourey Lynch	Ness Olson, M.	Rest Rhodes	Sviggum Swenson
Brown, K.	Hausman	Koppendrayer	Macklin	Onnen	Seagren	Van Dellen
Commers	Holsten	Krinkie	McGuire	Orenstein	Sekhon	Van Engen
Finseth	Johnson, V.	Leppik	Molnau	Orfield	Skoglund	Wagenius
Goodno	Kelley	Limmer	Mosel	Ozment	Smith	Worke
Greiling	Kelso	Long	Neary	Pawlenty	Stanius	Workman

Those who voted in the negative were:

Anderson, R.	Dawkins	Gruenes	Kinkel	Murphy	Reding	Vellenga
Asch	Dehler	Hasskamp	Knickerbocker	Nelson	Rice	Vickerman
Battaglia	Delmont	Hugoson	Lasley	Olson, E.	Rodosovich	Waltman
Beard	Dempsey	Huntley	Lieder	Olson, K.	Rukavina	Weaver
Bergson	Dom	Jacobs	Lindner	Opatz	Sarna	Wejcman
Bertram	Erhardt	Jaros	Luther	Osthoff	Simoneau	Wenzel
Brown, C.	Evans	Jefferson	Mahon	Ostrom	Solberg	Winter
Carlson	Farrell	Jennings	Mariani	Pauly	Steensma	Wolf
Carruthers	Frerichs	Johnson, A.	McCollum	Pelowski	Tomassoni	Spk. Anderson, I.
Cooper	Garcia	Johnson, R.	Milbert	Perlt	Tompkins	
Dauner	Girard	Kahn	Morrison	Peterson	Trimble	
Davids	Greenfield	Kalis	Munger	Pugh	Tunheim	

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

Pauly moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 4, line 32, delete "\$50,000" and insert "\$25,000"

Page 4, line 33, after "(3)" insert "\$25,001 to \$50,000;

<u>(4)</u>"

Page 4, line 33, strike "or"

Page 4, line 34, delete "(4)" and insert "(5)"

The motion prevailed and the amendment was adopted.

Gutknecht offered an amendment to H. F. No. 1863, the first engrossment, as amended.

#### POINT OF ORDER

Carruthers raised a point of order pursuant to rule 3.09 that the Gutknecht amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Smith offered an amendment to H. F. No. 1863, the first engrossment, as amended.

## POINT OF ORDER

Carruthers raised a point of order pursuant to rule 3.09 that the Smith amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Bettermann offered an amendment to H. F. No. 1863, the first engrossment, as amended.

#### POINT OF ORDER

Carruthers raised a point of order pursuant to rule 3.09 that the Bettermann amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Abrams appealed the decision of the Chair.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 81 yeas and 50 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dauner	Jaros	Lieder	Neary	Pugh	Tomassoni
Asch	Dawkins	Jefferson	Long	Nelson	Reding	Trimble
Battaglia	Delmont	Jennings	Lourey	Olson, E.	Rest	Tunheim
Beard	Dom	Johnson, A.	Luther	Olson, K.	Rice	Vellenga
Bergson	Evans	Johnson, R.	Mahon	Opatz	Rodosovich	Wagenius
Bertram	Farrell	Kahn	Mariani	Orenstein	Rukavina	Wejcman
Brown, C.	Garcia	Kalis	McCollum	Orfield	Sarna	Wenzel
Brown, K.	Greenfield	Kelley	McGuire	Osthoff	Sekhon	Winter
Carlson	Hasskamp	Kelso	Milbert	Ostrom	Simoneau	Spk. Anderson, I.
Carruthers	Hausman	Kinke)	Mosel	Pelowski	Skoglund	
Clark	Huntley	Klinzing	Munger	Perlt	Solberg	
Cooper	Jacobs	Lasley	Murphy	Peterson	Steensma	
•	-		;		1	

Those who voted in the negative were:

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

So it was the judgment of the House that the decision of the Speaker should stand.

The Speaker called Kahn to the Chair.

Limmer moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 6, after line 11, insert:

"Sec. 6. Minnesota Statutes 1992, section 43A.38, subdivision 2, is amended to read:

Subd. 2. [ACCEPTANCE OF GIFTS; FAVORS.] Employees in the <u>legislative</u>, <u>judicial</u>, <u>or</u> executive branch in the course of or in relation to their official duties shall not directly or indirectly receive or agree to receive any payment of expense, compensation, gift, reward, gratuity, favor, service or promise of future employment or other future benefit from any source, except the state for any activity related to the duties of the employee unless otherwise provided by law. However, the acceptance of any of the following shall not be a violation of this subdivision:

(a) Gifts of nominal value or gifts or textbooks which may be accepted pursuant to section 15.43.

(b) Plaques or similar mementos recognizing individual services in a field of specialty or to a charitable cause.

(c) Payment of reimbursement expenses for travel or meals, not to exceed actual expenses incurred, which are not reimbursed by the state and which have been approved in advance by the appointing authority as part of the work assignment.

JOURNAL OF THE HOUSE

(d) Honoraria or expenses paid for papers, talks, demonstrations, or appearances made by employees on their own

(e) Tips received by employees engaged in food service and room cleaning at restaurant and lodging facilities in Itasca State Park."

Renumber succeeding sections and amend the title accordingly

A roll call was requested and properly seconded.

time for which they are not compensated by the state.

The question was taken on the Limmer amendment and the roll was called. There were 56 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Holsten	Krinkie		Nelson	Rhodes	Van Engen
Bertram	Finseth	Hugoson	Leppik		Ness	Seagren	Vellenga
Bettermann	Frerichs	Johnson, V.	Limmer		Olson, M.	Smith	Vickerinan
Bishop	Girard	Kelso	Lindner		Orenstein	Stanius	Waltman
Commers	Goodno	Klinzing	Lynch		Orfield	Sviggum	Weaver
Davids	Gruenes	Knickerbocker	Macklin		Ozment	Swenson	Wolf
Dehler	Gutknecht	Knight	Molnau	<sup>-</sup> -	Pauly	Tompkins	Worke
Dempsey	Haukoos	Koppendrayer	Mosel		Pawlenty	Van Dellen	Workman
					-		

Those who voted in the negative were:

Anderson, R.	Dauner	Jacobs	Lieder	Murphy	Reding	Tomassoni
Asch	Dawkins	Jaros	Long	Neary	Rest	Trimble
Battaglia	Delmont	Jefferson	Lourey	Olson, E.	Rice	Tunheim
Beard	Dorn	Jennings	Luther	Onnen	Rodosovich	Wagenius
Bergson	Evans	Johnson, A.	Mahon	Opatz	Rukavina	Wejciman
Brown, C.	Farrell	Johnson, R.	Mariani	Osthoff	Sarna	Wenzel
Brown, K.	Garcia	Kahn	McCollum	Ostrom	Sekhon	Winter
Carlson	Greenfield	Kalis	McGuire	Pelowski	Simoneau	Spk. Anderson, I.
Carruthers	Greiling	Kelley	Milbert	Perlt	Skoglund	•
Clark	Hausman	Kinkel	Morrison	Peterson	Solberg	
Cooper	Huntley	Lasley	Munger	Pugh	Steensma	

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

Erhardt

Finseth

Frerichs

Davids offered an amendment to H. F. No. 1863, the first engrossment, as amended.

#### POINT OF ORDER

Orenstein raised a point of order pursuant to rule 3.09 that the Davids amendment was not in order. Speaker pro tempore Kahn ruled the point of order well taken and the amendment out of order.

Workman moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Pages 1 and 2, delete subdivision 3

A roll call was requested and properly seconded.

The question was taken on the Workman amendment and the roll was called. There were 40 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Abrams	
Betterma	nn
Commer	s

Davids Dehler Dempsey Girard Goodno Gruenes Gutknecht Haukoos Hausman Holsten Hugoson Johnson, V. Kalis Knickerbocker Koppendrayer

## THURSDAY, MARCH 3, 1994

· •		•				. •
Krinkie	Molnau	Onnen	Seagren	Van Dellen	Waltman	Workman
Lindner	Ness	Ozment	Stanius	Van Engen	Wolf	
Lynch	Olson, M.	Pawlenty	Sviggum	Vickerman	Worke	
· · · ·			:			
Those who	voted in the ne	gative were:				
Anderson, R.	Dawkins	Jennings	Long	Nelson	Rest	Tomassoni
Asch	Delmont	Johnson, A.	Lourey	Olson, E.	Rhodes	Tompkins
Battaglia	Dorn	Johnson, R.	Luther	Olson, K.	Rice	Trimble
Beard	Evans	Kahn	Macklin	Opatz	Rodosovich	Tunheim
Bergson	Farrell	Kelley	Mahon	Orenstein	Rukavina	Vellenga
Bertram	Garcia	Kelso	Mariani	Orfield	Sama	Wagenius
Brown, C.	Greenfield	Kinkel	McCollum	Osthoff	Sekhon	Weaver
Brown, K.	Greiling	Klinzing	McGuire	Ostrom	Simoneau	Wejcman
Carlson	Hasskamp	Knight	Milbert	Pelowski	Skoglund	Wenzel
Carruthers	Huntley	Lasley	Mosel	Perlt	Smith	Winter
Clark	Jacobs	Leppik	Munger	Peterson	Solberg	Spk. Anderson, I.
Cooper	Jaros	Lieder	Murphy	Pugh	Steensma	•
Dauner	Jefferson	Limmer	Neary	Reding	Swenson	

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

Sviggum offered an amendment to H. F. No. 1863, the first engrossment, as amended.

#### POINT OF ORDER

Rice raised a point of order pursuant to rule 3.09 that the Sviggum amendment was not in order. Speaker pro tempore Kahn ruled the point of order well taken and the amendment out of order.

Sviggum offered an amendment to H. F. No. 1863, the first engrossment, as amended.

#### POINT OF ORDER

Orenstein raised a point of order pursuant to rule 3.09 that the Sviggum amendment was not in order. Speaker. pro tempore Kahn ruled the point of order well taken and the amendment out of order.

Sviggum moved to amend H. F. No. 1863, the first engrossment, as amended, as follows:

Page 2, after line 4, insert:

"Sec. 2. [10A.025] [LOBBYIST AFTER LEAVING STATE SERVICE.]

A legislator shall not act as a registered lobbyist to influence legislative action until one year has elapsed following the departure from office."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Rodosovich moved to amend the Sviggum amendment to H. F. No. 1863, the first engrossment, as amended, as follows:

Page 2, line 5, of the Sviggum amendment, after "lobbyist" insert "or executive branch official"

Page 1, line 6, of the Sviggum amendment, delete "one year has" and insert "five years have"

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

Carruthers moved to amend the Sviggum amendment to H. F. No. 1863, the first engrossment, as amended, as follows:

Page 1, line 5, of the Sviggum amendment, after "legislator" insert "or legislator's spouse"

Page 1, line 6, of the Sviggum amendment, after "the" insert "legislator's"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called.

Pursuant to rule 2.05, Krinkie requested that he be excused from voting on the Carruthers amendment to the Sviggum amendment to H. F. No. 1863, the first engrossment, as amended. The request was granted.

There were 12 yeas and 115 nays as follows:

Those who voted in the affirmative were:

Bertram	Hasskamp	Kinkel	Simoneau	Steensma	Wejcman
Carruthers	Johnson, R.	Nelson	Skoglund	Wagenius	Workman

Those who voted in the negative were:

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

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

The question recurred on the Sviggum amendment and the roll was called. There were 93 yeas and 38 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Erhardt	Greiling	Jefferson	Kinkel	Lindner
Asch	Clark	Evans	Gruenes	Jennings	Klinzing	Long
Bergson	Commers	Farrell	Gutknecht	Johnson, A.	Knight	Lourey
Bertram	Cooper	Finseth	Haukoos	Johnson, V.	Koppendraver	Luther
Bettermann	Davids	Frerichs	Hausman	Kalis	Krinkie	Lynch
Bishop	Dehler	Girard	Holsten	Kelley	Leppik	Macklir
Brown, K.	Dempsey	Goodno	Hugoson	Kelso	Limmer	Mahon

McCollum McGuire Milbert Molnau Mosel Neary Nelson	Ness Olson, M. Onnen Opatz Orenstein Orfield Osthoff	Ostrom Ozment Pauly Pawlenty Peterson Pugh Rest	Rhodes Rice Seagren Sekhon Smith Stanius Steensma	Sviggum Swenson Tompkins Van Dellen Van Engen Vellenga Vickerman	Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf	Worke Workman
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Those who voted in the negative were:

Anderson, R.	Dawkins	Huntley	Lasley	Olson, E.	Rukavina	Tunheim
Battaglia	Delmont	Jacobs	Lieder	Olson, K.	Sama	Spk. Anderson, I.
Beard	Dom	Jaros	Mariani	Pelowski	Simoneau	
Brown, C.	Garcia	Johnson, R.	Morrison	Perlt	Skoglund	
Carlson	Greenfield	Kahn	Munger	Reding	Solberg	
Dauner	Hasskamp	Knickerbocker	, Murphy	Rodosovich	Tomassoni	

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

H. F. No. 1863, A bill for an act relating to ethics in government; providing for the house and senate ethics committees to perform specified duties in ethics leadership; changing various lobbyist and principal reporting requirements; prescribing penalties; amending Minnesota Statutes 1992, section 10A.04, subdivisions 4, 5, and 6; proposing coding for new law in Minnesota Statutes, chapters 3; and 10A.

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 9 nays as follows:

Those who voted in the affirmative were:

Brown, K.GoodnoKalisMalCarlsonGreenfieldKelleyMarCarruthersGreilingKelsoMcCClarkGruenesKinkelMcCCommersGutknechtKlinzingMillCooperHasskampKnickerbockerMolDawkinsHaukoosKnightMolDehlerHausmanKoppendrayerMos	MacklinOrensteinSimoneauWeaverMahonOrfieldSkoglundWejcmanMarianiOsthoffSmithWenzelMcCollumOstromSolbergWinterMcGuireOzmentStaniusWolfMilbertPaulySteensmaWorkeMolnauPawlentySviggumWorkmanMorrisonPelowskiSwensonSpk. AndersorMoselPerltTomassoniMunger	n, I.
	Munger Peterson Tompkins	

Those who voted in the negative were:

Beard	Dauner	Jaros	Olson, K.	Rukavina
Brown, C.	Davids	Lasley	Rodosovich	

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

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

# MOTIONS AND RESOLUTIONS

Brown, C., moved that the name of Rukavina be added as an author on H. F. No. 228. The motion prevailed.

Carruthers moved that the name of Limmer be added as an author on H. F. No. 610. The motion prevailed.

Skoglund moved that the names of Carruthers, Weaver, Limmer and Mosel be added as authors on H. F. No. 1809. The motion prevailed.

Skoglund moved that the name of Luther be added as an author on H. F. No. 1822. The motion prevailed.

Skoglund moved that the name of Luther be added as an author on H. F. No. 1825. The motion prevailed.

Molnau moved that the names of Cooper, Workman and Onnen be added as authors on H. F. No. 1844. The motion prevailed.

Brown, K., moved that the name of Olson, K., be added as an author on H. F. No. 1916. The motion prevailed.

Battaglia moved that the name of Osthoff be added as an author on H. F. No. 1936. The motion prevailed.

Goodno moved that the name of Finseth be added as an author on H. F. No. 1946. The motion prevailed.

Goodno moved that the names of Finseth and Worke be added as authors on H. F. No. 1948. The motion prevailed.

Kahn moved that the name of Huntley be added as an author on H. F. No. 1950. The motion prevailed.

Greenfield moved that the name of Clark be added as an author on H. F. No. 2008. The motion prevailed.

Cooper moved that the name of Lieder be added as an author on H. F. No. 2083. The motion prevailed.

Peterson moved that the name of Winter be added as an author on H. F. No. 2098. The motion prevailed.

Cooper moved that the name of Olson, K., be added as an author on H. F. No. 2108. The motion prevailed.

Hausman moved that the name of Greiling be added as an author on H. F. No. 2119. The motion prevailed.

66TH DAY]

#### THURSDAY, MARCH 3, 1994

Rest moved that the name of Milbert be added as an author on H. F. No. 2275. The motion prevailed.

Winter moved that the name of Erhardt be added as an author on H. F. No. 2311. The motion prevailed.

Rest moved that the name of Smith be added as an author on H. F. No. 2337. The motion prevailed.

Osthoff moved that S. F. No. 1524, now on Technical General Orders, be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Jacobs moved that H. F. No. 885 be recalled from the Committee on Regulated Industries and Energy and be rereferred to the Committee on Governmental Operations and Gambling. The motion prevailed.

Pugh moved that H. F. No. 2155 be recalled from the Committee on Judiciary and be re-referred to the Committee on Taxes. The motion prevailed.

Jennings moved that H. F. No. 1808 be returned to its author. The motion prevailed.

Perlt moved that H. F. No. 1823 be returned to its author. The motion prevailed.

Orfield moved that H. F. No. 2110 be returned to its author. The motion prevailed.

Kelso moved that H. F. No. 494 be returned to its author. The motion prevailed.

Stanius moved that H. F. No. 2018 be returned to its author. The motion prevailed.

## ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 7, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 7, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## MONDAY, MARCH 7, 1994

# STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION — 1994

## SIXTY-SEVENTH DAY

## SAINT PAUL, MINNESOTA, MONDAY, MARCH 7, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Pastor Alan Johnson, Berean Evangelical Free Church, Brooklyn Center, Minnesota. The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams Dehler Anderson, R. Delmont Asch Dempsey Battaglia Dom Bauerly Erhardt Beard Evans Farrell Bergson Bertram Finseth Bettermann Frerichs Garcia Bishop Brown, C. Girard Goodno Brown, K. Carlson Greenfield Carruthers Greiling Clark Gruenes Commers Gutknecht Cooper Hasskamp Dauner Haukoos Davids Hausman Dawkins Holsten

Hugoson Lasley Huntley Leppik Iacobs Lieder laros **lefferson** Jennings Long Johnson, A. Lourey Johnson, R. Luther Johnson, V. Lynch Kahn Kalis Kellev Kelso Kinkel Klinzing Knickerbocker Knight Koppendraver Krinkie Krueger

Lastey Leppik Lieder | Lindner | Long | Lourey | Luther | Luther | Lynch | Macklin | Macklin | Macklin | Macollum | McCollum | McCollum | Milbert | Molnau | Morrison | Mosel | Munger | Murphy |

Nearv Nelson Ness Olson, E. Oison, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding

Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble Tunheim

Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

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 STANDING COMMITTEES**

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 524, A bill for an act relating to traffic regulations; authorizing rural postal carriers to operate rural mail delivery vehicles equipped with tires having metal studs, with restrictions; requiring permit from commissioner of transportation; providing a penalty; amending Minnesota Statutes 1992, section 169.72, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 23, delete "ten" and insert "25"

Page 2, line 17, delete "ten" and insert "25"

Page 2, delete section 2

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1186, A bill for an act relating to the environment; adding cross references for existing civil penalties for littering; amending Minnesota Statutes 1992, sections 85.20, subdivision 6; 115A.99; 169.421; 375.18, subdivision 14; and 412.221, subdivision 22.

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

The report was adopted.

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

H. F. No. 1757, A bill for an act relating to private lands and waters; providing for recreational use, liability, and easements or other rights; amending Minnesota Statutes 1992, sections 87.025; 87.026; and 87.03; proposing coding for new law in Minnesota Statutes, chapter 87.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 87.021, is amended by adding a subdivision to read:

<u>Subd. 1a.</u> "Intentionally" means that the actor either has a purpose to do the thing or cause the result specified or believes that the act performed by the actor, if successful, will cause that result.

Sec. 2. Minnesota Statutes 1992, section 87.0221, is amended to read:

87.0221 [OWNER'S DUTY OF CARE OR DUTY TO GIVE WARNINGS.]

Except as specifically recognized by or provided in section 87.025, an owner (a) owes no duty of care to render or maintain the land safe for entry or use by other persons for recreational purposes, (b) owes no duty to warn those persons of any dangerous condition on the land, whether patent or latent, (c) owes no duty of care toward those persons except to refrain from willfully taking action to cause intentionally causing injury, and (d) owes no duty to curtail use of the land during its use for recreational purposes.

Sec. 3. Minnesota Statutes 1992, section 87.024, is amended to read:

87.024 [LIABILITY; LEASED LAND, WATER FILLED MINE PITS.]

Unless otherwise agreed in writing, the provisions of sections 87.0221 and 87.023 <u>also</u> shall be deemed applicable to the duties and liability of an owner of the following described land: (1) land leased to the state or any subdivision thereof for recreational purposes; or (2) idled or abandoned, water filled, mine pits whose pit walls may slump or cave, and to which water the public has access from a water access site operated by a public entity.

4969

Sec. 4. Minnesota Statutes 1992, section 87.025, is amended to read:

## 87.025 [OWNER'S LIABILITY; NOT LIMITED.]

Except as provided in this chapter nothing herein limits in any way any liability which otherwise exists:

(a) For conduct which, at-law, entitles a trespasser to maintain an action and obtain relief for the conduct complained of intentionally causing injury to any person or to the property of another;

(b) For injury suffered in any case where the owner charges the person or persons who enter or go on the land for the recreational use thereof, except that in the case of land leased to the state or a subdivision thereof, any consideration received from the state or subdivision thereof by the owner for such lease shall not be deemed a charge within the meaning of this section.

Sec. 5. Minnesota Statutes 1992, section 87.03, is amended to read:

#### 87.03 [DEDICATION; EASEMENT.]

No dedication of any land in connection with any use by any person for a recreational purpose shall take effect in consequence of the exercise of such use for any length of time hereafter except as expressly permitted or provided in writing by the owner nor shall the grant of permission for the use by the owner grant to any person an easement or other property right in the land except as expressly provided in writing by the owner.

## Sec. 6. [87.041] [PROTECTION FROM NUISANCE LAWSUITS.]

If any person brings a claim against an owner in state or federal court for injuries arising from the recreational use of land and the court determines that the owner is immune from liability under this chapter, the court in its discretion may award the owner its costs, disbursements, reasonable attorney's fees, and witness fees, incurred in defending against the claim."

Delete the title and insert:

"A bill for an act relating to real property; public use of privately owned lands and waters for beneficial recreational purposes; clarifying the nature and extent of liability of owners to persons using such lands; providing protection from nuisance lawsuits; amending Minnesota Statutes 1992, sections 87.021, by adding a subdivision; 87.0221; 87.024; 87.025; and 87.03; proposing coding for new law in Minnesota Statutes, chapter 87."

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

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 1811, A bill for an act relating to school bus drivers; designating third Monday of January as Minnesota. School Bus Driver Day; proposing coding for new law in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Page 1, line 8, delete "third" and insert "second"

Amend the title as follows:

Page 1, line 2, delete "third" and insert "second"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1819, A bill for an act relating to transportation; authorizing the issuance of state transportation bonds; appropriating the proceeds for grants to political subdivisions for bridge construction and reconstruction; authorizing issuance of state bonds to finance state share of costs of light rail transit facilities; appropriating money.

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

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 1829, A bill for an act relating to housing; requiring copies of evacuation plans for residents of manufactured home parks; amending Minnesota Statutes 1992, sections 290A.19; 327C.01, by adding a subdivision; and 327C.02, subdivision 5; Minnesota Statutes 1993 Supplement, section 327.20, subdivision 1.

Reported the same back with the following amendments:

Page 5, line 7, delete "327C.01" and insert "327C.02"

Page 5, line 9, delete "1c." and insert "1a."

Page 5, line 22, delete "has not been approved" and insert "is proposed pending approval"

Amend the title as follows:

Page 1, line 5, delete everything before "and"

Page 1, line 6, after "5" insert ", and by adding a subdivision"

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

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 1857, A bill for an act relating to manufactured housing; requiring a study of state administration, regulation, and enforcement; requiring a report to the legislature.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 16B.75, is amended to read:

16B.75 [INTERSTATE COMPACT ON INDUSTRIALIZED/MODULAR BUILDINGS.]

The state of Minnesota ratifies and approves the following compact:

#### INTERSTATE COMPACT ON INDUSTRIALIZED/MODULAR BUILDINGS

## ARTICLE I

#### FINDINGS AND DECLARATIONS OF POLICY

(1) The compacting states find that:

(a) Industrialized/modular buildings are constructed in factories in the various states and are a growing segment of the nation's affordable housing and commercial building stock.

(b) The regulation of industrialized/modular buildings varies from state to state and locality to locality, which creates confusion and burdens state and local building officials and the industrialized/modular building industry.

(c) Regulation by multiple jurisdictions imposes additional costs, which are ultimately borne by the owners and users of industrialized/modular buildings, restricts market access and discourages the development and incorporation of new technologies.

(2) It is the policy of each of the compacting states to:

(a) Provide the states which regulate the design and construction of industrialized/modular buildings with a program to coordinate and uniformly adopt and administer the states' rules and regulations for such buildings, all in a manner to assure interstate reciprocity.

(b) Provide to the United States Congress assurances that would preclude the need for a voluntary preemptive federal regulatory system for modular housing, as outlined in Section 572 of the Housing and Community Development Act of 1987, including development of model standards for modular housing construction, such that design and performance will insure quality, durability and safety; will be in accordance with life-cycle cost-effective energy conservation standards; all to promote the lowest total construction and operating costs over the life of such housing.

#### ARTICLE II

#### DEFINITIONS

As used in this compact, unless the context clearly requires otherwise:

(1) "Commission" means the interstate industrialized/modular buildings commission.

(2) "Industrialized/modular building" means any building which is of closed construction, i.e. constructed in such a manner that concealed parts or processes of manufacture cannot be inspected at the site, without disassembly, damage or destruction, and which is made or assembled in manufacturing facilities, off the building site, for installation, or assembly and installation, on the building site. "Industrialized/modular building" includes, but is not limited to, modular housing which is factory-built single-family and multifamily housing (including closed wall panelized housing) and other modular, nonresidential buildings. "Industrialized/modular building" does not include any structure subject to the requirements of the National Manufactured Home Construction and Safety Standards Act of 1974.

(3) "Interim reciprocal agreement" means a formal reciprocity agreement between a noncompacting state wherein the noncompacting state agrees that labels evidencing compliance with the model rules and regulations for industrialized/modular buildings, as authorized in Article VIII, section (9), shall be accepted by the state and its subdivisions to permit installation and use of industrialized/modular buildings. Further, the noncompacting state agrees that by legislation or regulation, and appropriate enforcement by uniform administrative procedures, the noncompacting state requires all industrialized/modular building manufacturers within that state to comply with the model rules and regulations for industrialized/modular buildings.

(4) "State" means a state of the United States, territory or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

(5) "Uniform administrative procedures" means the procedures adopted by the commission (after consideration of any recommendations from the rules development committee) which state and local officials, and other parties, in one state, will utilize to assure state and local officials, and other parties, in other states, of the substantial compliance of industrialized/modular building construction with the construction standard of requirements of such other states; to assess the adequacy of building systems; and to verify and assure the competency and performance of evaluation and inspection agencies.

(6) "Model rules and regulations for industrialized/modular buildings" means the construction standards adopted by the commission (after consideration of any recommendations from the rules development committee) which govern the design, manufacture, handling, storage, delivery and installation of industrialized/modular buildings and building components. The construction standards and any amendments thereof shall conform insofar as practicable to model building codes and referenced standards generally accepted and in use throughout the United States.

## ARTICLE III

## CREATION OF COMMISSION

The compacting states hereby create the Interstate Industrialized/Modular Buildings Commission, hereinafter called commission. Said commission shall be a body corporate of each compacting state and an agency thereof. The commission shall have all the powers and duties set forth herein and such additional powers as may be conferred upon it by subsequent action of the respective legislatures of the compacting states.

## ARTICLE IV

## SELECTION OF COMMISSIONERS

The commission shall be selected as follows. As each state becomes a compacting state, one resident shall be appointed as commissioner. The commissioner shall be selected by the governor of the compacting state, being designated from the state agency charged with regulating industrialized/modular buildings or, if such state agency does not exist, being designated from among those building officials with the most appropriate responsibilities in the state. The commissioner may designate another official as an alternate to act on behalf of the commissioner at commission meetings which the commissioner is unable to attend.

Each state commissioner shall be appointed, suspended, or removed and shall serve subject to and in accordance with the laws of the state which said commissioner represents; and each vacancy occurring shall be filled in accordance with the laws of the state wherein the vacancy exists.

When For every three state commissioners who have been appointed in the manner described, those state commissioners shall select one additional commissioner who shall be a representative of manufacturers of industrial-residential- or commercial-use industrialized/modular buildings. When For every six state commissioners who have been appointed in the manner described, the state commissioners shall select a second one additional commissioner who shall be a representative of consumers of industrialized/modular buildings. When For every six state commissioners who have been appointed in the manner described, the state commissioners shall select a second one additional commissioner who shall be a representative of consumers of industrialized/modular buildings. With each addition of three state commissioners, the state commissioners shall appoint one additional representative commissioner, alternating between a representative of manufacturers of industrialized/modular buildings and consumers of industrialized/modular buildings. The ratio between state commissioners and representative commissioners shall be three to one. In the event states withdraw from the compact or, for any other reason, the number of state commissioners is reduced, the state commissioners shall remove the last added representative commissioner as necessary to maintain a the ratio of state commissioners to representative commissioners of three to one described herein.

Upon a majority vote of the state commissioners, the state commissioners may remove, fill a vacancy created by, or replace any representative commissioner, provided that any replacement is made from the same representative group and a three to one ratio the ratio described herein is maintained. Unless provided otherwise, the representative commissioners have the same authority and responsibility as the state commissioners.

In addition, the commission may have as a member one commissioner representing the United States government if federal law authorizes such representation. Such commissioner shall not vote on matters before the commission. Such commission shall be appointed by the President of the United States, or in such other manner as may be provided by Congress.

#### ARTICLE V

#### VOTING

Each commissioner (except the commissioner representing the United States government) shall be entitled to one vote on the commission. A majority of the commissioners shall constitute a quorum for the transaction of business. Any business transacted at any meeting of the commission must be by affirmative vote of a majority of the quorum present and voting.

## ARTICLE VI

## ORGANIZATION AND MANAGEMENT

The commission shall elect annually, from among its members, a chairman, a vice chairman and a treasurer. The commission shall also select a secretariat, which shall provide an individual who shall serve as secretary of the

## MONDAY, MARCH 7, 1994

commission. The commission shall fix and determine the duties and compensation of the secretariat. The commissioners shall serve without compensation, but shall be reimbursed for their actual and necessary expenses from the funds of the commission.

The commission shall adopt a seal.

The commission shall adopt bylaws, rules, and regulations for the conduct of its business, and shall have the power to amend and rescind these bylaws, rules, and regulations.

The commission shall establish and maintain an office at the same location as the office maintained by the secretariat for the transaction of its business and may meet at any time, but in any event must meet at least once a year. The chairman may call additional meetings and upon the request of a majority of the commissioners of three or more of the compacting states shall call an additional meeting.

The commission annually shall make the governor and legislature of each compacting state a report covering its activities for the preceding year. Any donation or grant accepted by the commission or services borrowed shall be reported in the annual report of the commission and shall include the nature, amount and conditions, if any, of the donation, gift, grant or services borrowed and the identity of the donor or lender. The commission may make additional reports as it may deem desirable.

## ARTICLE VII

#### COMMITTEES

The commission will establish such committees as it deems necessary, including, but not limited to, the following:

(1) An executive committee which functions when the full commission is not meeting, as provided in the bylaws of the commission. The executive committee will ensure that proper procedures are followed in implementing the commission's programs and in carrying out the activities of the compact. The executive committee shall be elected by vote of the commission. It shall be comprised of at least three and no more than nine commissioners, selected from those commissioners who are representatives of the governor of their respective state the state commissioners and one member of the industry commissioners and one member of the consumer commissioners.

(2) A rules development committee appointed by the commission. The committee shall be consensus-based and consist of not less than seven nor more than 21 members. Committee members will include state building regulatory officials; manufacturers of industrialized/modular buildings; private, third-party inspection agencies; and consumers. This committee may recommend procedures which state and local officials, and other parties, in one state, may utilize to assure state and local officials, and other parties, in other states, of the substantial compliance of industrialized/modular building construction with the construction standard requirements of such other states; to assess the adequacy of building systems; and to verify and assure the competency and performance of evaluation and inspection agencies. This committee may also recommend construction standards for the design, manufacture, handling, storage, delivery and installation of industrialized/modular buildings and building components. The committee will submit its recommendations to the commission, for the commission's consideration in adopting and amending the uniform administrative procedures and the model rules and regulations for industrialized/modular buildings. The committee may also review the regulatory programs of the compacting states to determine whether those programs are consistent with the uniform administrative procedures or the model rules and regulations for industrialized/modular buildings and may make recommendations concerning the states' programs to the commission. In carrying out its functions, the rules committee may conduct public hearings and otherwise solicit public input and comment.

(3) Any other advisory, coordinating or technical committees, membership on which may include private persons, public officials, associations or organizations. Such committees may consider any matter of concern to the commission.

(4) Such additional committees as the commission's bylaws may provide.

## JOURNAL OF THE HOUSE

## ARTICLE VIII

## POWER AND AUTHORITY

In addition to the powers conferred elsewhere in this compact, the commission shall have power to:

(1) Collect, analyze and disseminate information relating to industrialized/modular buildings.

(2) Undertake studies of existing laws, codes, rules and regulations, and administrative practices of the states relating to industrialized/modular buildings.

(3) Assist and support committees and organizations which promulgate, maintain and update model codes or recommendations for uniform administrative procedures or model rules and regulations for industrialized/modular buildings.

(4) Adopt and amend uniform administrative procedures and model rules and regulations for industrialized/modular buildings.

(5) Make recommendations to compacting states for the purpose of bringing such states' laws, codes, rules and regulations and administrative practices into conformance with the uniform administrative procedures or the model rules and regulations for industrialized/modular buildings, provided that such recommendations shall be made to the appropriate state agency with due consideration for the desirability of uniformity while also giving appropriate consideration to special circumstances which may justify variations necessary to meet unique local conditions.

(6) Assist and support the compacting states with monitoring of plan review programs and inspection programs, which will assure that the compacting states have the benefit of uniform industrialized/modular building plan review and inspection programs.

(7) Assist and support organizations which train state and local government and other program personnel in the use of uniform industrialized/modular building plan review and inspection programs.

(8) Encourage and promote coordination of state regulatory action relating to manufacturers, public or private inspection programs.

(9) Create and sell labels to be affixed to industrialized/modular building units, constructed in or regulated by compacting states, where such labels will evidence compliance with the model rules and regulations for industrialized/modular buildings, enforced in accordance with the uniform administrative procedures. The commission may use receipts from the sale of labels to help defray the operating expenses of the commission.

(10) Assist and support compacting states' investigations into and resolutions of consumer complaints which relate to industrialized/modular buildings constructed in one compacting state and sited in another compacting state.

(11) Borrow, accept or contract for the services of personnel from any state or the United States or any subdivision or agency thereof, from any interstate agency, or from any institution, association, person, firm or corporation.

(12) Accept for any of its purposes and functions under this compact any and all donations, and grants of money, equipment, supplies, materials and services (conditional or otherwise) from any state or the United States or any subdivision or agency thereof, from any interstate agency, or from any institution, person, firm or corporation, and may receive, utilize and dispose of the same.

(13) Establish and maintain such facilities as may be necessary for the transacting of its business. The commission may acquire, hold, and convey real and personal property and any interest therein.

(14) Enter into contracts and agreements, including but not limited to, interim reciprocal agreements with noncompacting states.

### ARTICLE IX

#### FINANCE

The commission shall submit to the governor or designated officer or officers of each compacting state a budget of its estimated expenditures for such period as may be required by the laws of that state for presentation to the legislature thereof. Each of the commission's budgets of estimated expenditures shall contain specific recommendations of the amounts to be appropriated by each of the compacting states. The total amount of appropriations requested under any such budget shall be apportioned among the compacting states as follows: one-half in equal shares; one-fourth among the compacting states in accordance with the ratio of their populations to the total population of the compacting states, based on the last decimal federal census; and one-fourth among the compacting states in accordance with the ratio of industrialized/modular building units manufactured in each state to the total of all units manufactured in all of the compacting states.

The commission shall not pledge the credit of any compacting state. The commission may meet any of its obligations in whole or in part with funds available to it by donations, grants, or sale of labels: provided that the commission takes specific action setting aside such funds prior to incurring any obligation to be met in whole or in part in such manner. Except where the commission makes use of funds available to it by donations, grants or sale of labels, the commission shall not incur any obligation prior to the allotment of funds by the compacting states adequate to meet the same.

The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the commission.

The accounts of the commission shall be open at any reasonable time for inspection by duly constituted officers of the compacting states and any person authorized by the commission.

Nothing contained in this article shall be construed to prevent commission compliance relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the commission.

## ARTICLE X

#### ENTRY INTO FORCE AND WITHDRAWAL

This compact shall enter into force when enacted into law by any three states. Thereafter, this compact shall become effective as to any other state upon its enactment thereof. The commission shall arrange for notification of all compacting states whenever there is a new enactment of the compact.

Any compacting state may withdraw from this compact by enacting a statute repealing the same. No withdrawal shall affect any liability already incurred by or chargeable to a compacting state prior to the time of such withdrawal.

#### ARTICLE XI

#### RECIPROCITY

If the commission determines that the standards for industrialized/modular buildings prescribed by statute, rule or regulation of compacting state are at least equal to the commission's model rules and regulations for industrialized/modular buildings, and that such state standards are enforced by the compacting state in accordance with the uniform administrative procedures, industrialized/modular buildings approved by such a compacting state shall be deemed to have been approved by all the compacting states for placement in those states in accordance with procedures prescribed by the commission.

#### ARTICLE XII

#### EFFECT ON OTHER LAWS AND JURISDICTION

Nothing in this compact shall be construed to:

(1) Withdraw or limit the jurisdiction of any state or local court or administrative officer or body with respect to any person, corporation or other entity or subject matter, except to the extent that such jurisdiction pursuant to this compact, is expressly conferred upon another agency or body.

(2) Supersede or limit the jurisdiction of any court of the United States.

## JOURNAL OF THE HOUSE

## ARTICLE XIII

## CONSTRUCTION AND SEVERABILITY

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any state or of the United States or the applicability thereof to any government, agency, person or circumstances is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining party states and in full force and effect as to the state affected as to all severable matters.

## Sec. 2. [MANUFACTURED HOUSING STUDY; STATE ADMINISTRATION AND REGULATION.]

The commissioner of administration shall study the current state and local oversight of manufactured housing and manufactured home parks, the regulation of manufactured housing and manufactured home parks, and the statewide enforcement of state laws on manufactured housing and manufactured home parks. Based on the findings, the commissioner shall recommend to the legislature by January 10, 1995, a plan to consolidate administrative responsibilities, regulatory duties, and enforcement of regulations for manufactured housing and manufactured home parks. In conducting the study, the commissioner shall consult with other state agencies, manufactured home park residents, associations representing manufactured home park residents, manufactured home park owners, associations representing park owners, local governments, and associations representing local governments. State agencies shall cooperate with the commissioner in conducting the study and developing the recommendations. State agencies shall provide any information necessary to complete the study as required under this section. The study shall include:

(1) an inventory of the responsibilities for manufactured homes by agency and level of government including, but not limited to, manufactured home construction and installation standards, licensing of parks, brokers, dealers, and installers, manufactured home park standards, emergency weather procedures, other public safety concerns, consumer protection, and sales of manufactured housing;

(2) an assessment of delegated powers, and the effect, if any, of delegation on statewide standards and statewide application of manufactured housing laws;

(3) an inventory of the existing powers of state agencies and local government units to fulfill their administrative or regulatory responsibility for manufactured homes and manufactured home parks, including authority to inspect housing, parks, and severe weather shelters with an assessment of the effect, if any, of delegated powers;

(4) an assessment of current enforcement practices to achieve public health and safety goals; and

(5) an evaluation of how accessible and understandable the current system of administration and regulation is for residents of manufactured homes, park owners, local governments, and state and local officials.

The proposal must present a plan to coordinate the administration, regulation, and enforcement of laws on manufactured housing and manufactured home parks so that the services are delivered in a way that increases public safety and confidence, increases administrative efficiency, reduces costs, eliminates duplication of services, promotes access for residents and park owners, increases clarity in the system, and promotes accountability.

## Sec. 3. [APPROPRIATION.]

\$..... is appropriated from the general fund to the management analysis division of the department of administration for the manufacturing housing study under section 2. This appropriation is available until June 30, 1995.

## Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective upon ratification by all signatory states to the interstate compact on industrialized/modular buildings."

## Delete the title and insert:

"A bill for an act relating to manufactured housing; modifying the compact on industrialized/modular buildings; requiring a study of state administration, regulation, and enforcement; appropriating money; amending Minnesota Statutes 1992, section 16B.75."

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

The report was adopted.

Clark from the Committee on Housing to which was referred:

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

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

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 1884, A bill for an act relating to housing; requiring a report to the legislature evaluating emergency weather procedures in manufactured home parks; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [MANUFACTURED HOME PARK STUDY; EMERGENCY WEATHER PROCEDURES AND SHELTERS.]

The commissioner of administration, in cooperation with the commissioner of health and the director of the emergency management division of the department of public safety, shall study emergency weather procedures and facilities in manufactured home parks. The study must identify, by county, municipality, park name, address, and park size:

(1) licensed manufactured home parks with on-site shelters; and

(2) licensed manufactured home parks with evacuation plans.

The study must develop and implement a methodology to assess the adequacy of current evacuation plans to protect the safety of park residents and the public in times of severe weather. The study must also assess the extent to which on-site shelters in manufactured home parks with 50 or more sites meet the shelter standards as provided by Minnesota Rules, chapter 1370, and must include a physical inspection of the shelters. The commissioner shall report the results of the study to the legislature by January 10, 1995. The report must contain recommendations for improving the adequacy of emergency weather procedures and shelters, an estimate of the cost of bringing existing shelters in parks with 50 or more sites into compliance with the requirements of Minnesota Rules, chapter 1370, and including the impact of any improvements on the affordability of the housing. In conducting the study and developing the recommendations, the commissioner shall consult with manufactured home park residents, associations representing manufactured home park residents, and associations representing local governments. Other state agencies shall cooperate with the commissioner by providing information requested by the commissioner that is necessary to complete the study.

## JOURNAL OF THE HOUSE

## Sec. 2. [APPROPRIATION.]

\$90,000 is appropriated from the general fund to the management analysis division of the department of administration for the purposes of section 1."

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

The report was adopted.

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

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

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

The report was adopted.

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

H. F. No. 1906, A bill for an act relating to state trails; routing an existing trail; establishing new trails; amending Minnesota Statutes 1992, section 85.015, subdivision 7, and by adding subdivisions.

Reported the same back with the following amendments:

Page 1, line 13, strike "there terminate" and insert "extend to the Mississippi river"

Page 1, line 17, after "Harmony" insert ", <u>Fountain, Wykoff, Spring Valley, Mabel, Canton</u>," and before the period, insert "<u>and Winona in Winona county</u>"

Page 2, line 1, delete "and the"

Page 2, line 2, delete "Shooting Star Prairie scientific and natural area,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 1925, A bill for an act relating to education; lowering the property tax revenue recognition shift; clarifying state aid payments; modifying the appeal process for school districts to revise the state-aid payment schedule; modifying the tax credit adjustment; amending Minnesota Statutes 1992, sections 121.904, subdivision 4e; and 124.195, subdivision 3a; Minnesota Statutes 1993 Supplement, section 121.904, subdivisions 4a and 4c; Laws 1993, chapter 224, article 1, section 38.

Reported the same back with the following amendments:

Page 4, line 4, delete "and" and insert "or"

Page 4, line 13, after the period, insert "The special adjustment payment must be included in the state aid payments to school districts according to the schedule specified in section 124.195, subdivision 3."

## MONDAY, MARCH 7, 1994

Page 6, line 6, after the second "the" insert "adjustment to aids required under Minnesota Statutes, section 124.155, resulting from the reduction of the levy recognition percent in Minnesota Statutes, section 121.904, subdivisions 4a and 4e, and the"

Page 6, line 16, after the period, insert "<u>However, the levy recognition percent for taxes payable in 1994 is set by</u> this act at 37.4 percent, and shall not be recomputed for taxes payable in 1994 under the provisions of section 2, paragraph (b)."

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

The report was adopted.

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

H. F. No. 1955, A bill for an act relating to Wright county; permitting the transfer of a sheltered workshop facility to its operator without bids or consideration.

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

The report was adopted.

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

H. F. No. 1956, A bill for an act relating to local government; authorizing the public library systems of the county of Anoka and the city of Anoka to merge and the county to provide library services for the city.

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

The report was adopted.

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

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

Reported the same back with the following amendments:

Page 1, line 28, delete "are" and insert "must be"

Page 2, line 17, delete "indicate" and insert "state"

Page 3, line 27, delete "pursuant to" and insert "under" and delete "60A.091" and insert "60A.093"

Page 4, line 2, after "for" insert "no less than"

Page 4, line 24, after "agreement" insert a comma

Page 4, line 25, delete everything before "but" and insert "including" and delete "is"

Page 4, line 27, delete the parentheses

Page 4, line 30, delete "on"

Page 4, line 31, delete "the part"

Page 4, line 32, delete "contained" and delete "paragraph" and insert "subdivision"

Page 4, line 35, delete "pursuant to" and insert "under"

Page 5, after line 22, insert:

"Subd. 12. [EXISTING DOCUMENTS.] Notwithstanding the effective date of this section, any letter of credit or underlying reinsurance agreement in existence before the effective date of this section will continue to be acceptable until December 31, 1995, at which time the agreements will have to be in full compliance with this section for the letter of credit to be acceptable; provided however that the letter of credit or underlying reinsurance agreement has been in compliance with laws or regulations in existence immediately preceding the effective date of this section."

Page 6, line 15, delete "united" and insert "United"

Page 6, line 27, delete "d" and insert "(d)"

Page 8, line 35, delete "an"

Page 9, line 2, delete "paragraphs (a)" and insert "clauses (1)" and delete "(b) as may" and insert "(2) that"

Page 10, line 24, delete the first "of" and insert "or"

Page 12, line 4, after the comma, insert "and provide that the ceding insurer shall not unreasonably or arbitrarily withhold its approval,"

Page 12, line 9, after the semicolon, insert "or"

Page 12, line 12, delete "or"

Page 12, delete lines 13 and 14

Page 13, line 12, before the period, insert "<u>; provided however that the trust agreement or underlying reinsurance</u> agreement has been in compliance with laws or regulations in existence immediately preceding the effective date of this section"

Page 18, line 28, strike "notify in writing"

Page 18, line 29, before "within" insert "provide written notice"

Page 19, line 14, after "directors" insert "or its audit committee"

Page 19, line 15, after "independent" insert "certified"

Page 19, line 17, delete "such" and insert "the"

Page 19, line 31, delete "Professional" and insert "The accountant shall follow the professional"

Page 19, line 32, after "Accountants" insert ", which"

Page 19, line 35, delete "should" and insert "shall"

Page 20, line 9, delete "is required to" and insert "shall"

Page 20, line 11, delete "such" and insert "those"

Page 20, line 24, after "understands" insert "that"

Page 20, line 36, delete everything after "accountant"

## 67TH DAY]

## MONDAY, MARCH 7, 1994

Page 21, line 1, delete "requirements of" and insert "complies with" and delete "within" and insert "in"

Page 21, line 28, strike "for a period of not" and after the stricken "less" insert "no"

Page 25, line 34, delete "are" and insert "must be"

Page 26, line 3, delete "Section 60A.80" and insert "This section"

Page 27, line 28, after "<u>identifies</u>" insert a comma

Page 27, line 29, delete "which" and insert "that"

Page 29, line 10, delete the parentheses and insert a comma

Page 29, line 11, delete "(2))" and insert "(2),"

Page 29, line 14, delete "which" and insert "that"

Page 29, line 18, delete "which" and insert "that"

Page 29, line 30, delete "use a formula which reflects" and insert "reflect"

Page 29, line 31, delete "incorporates" and insert "incorporate"

Page 29, line 34, after "<u>2(I+CG)</u>" insert "/ (X + Y - I - CG)"

Page 29, delete line 35

Page 30, line 25, delete "may deem" and insert "deems"

Page 30, line 28, delete "<u>which</u>" and insert "<u>that</u>"

Page 30, line 31, delete "its" and insert "their"

Page 30, line 35, delete "regulation" and insert "section"

Page 31, line 2, delete "should" and insert "shall"

Page 31, line 5, delete "such" and insert "the"

Page 31, line 22, delete the second comma

Page 31, line 26, delete "contain"

Page 31, line 27, delete "provisions which"

Page 31, line 30, delete "thereunder" and insert "under it"

Page 32, line 3, delete "which" and insert "that"

Page 34, before line 1, insert:

"Sec. 12. Minnesota Statutes 1992, section 62E.10, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS; ORGANIZATION.] The board of directors of the association shall be made up of nine members as follows: five insurer directors selected by participating contributing members, subject to approval by the commissioner; four public directors selected by the commissioner, at least two of whom must be plan enrollees. Public members may include licensed insurance agents. In determining voting rights at members' meetings, each member shall be entitled to vote in person or proxy. The vote shall be a weighted vote based upon the member's cost of self-insurance, accident and health insurance premium, subscriber contract charges, or health maintenance

## JOURNAL OF THE HOUSE

contract payment derived from or on behalf of Minnesota residents in the previous calendar year, as determined by the commissioner. In approving directors of the board, the commissioner shall consider, among other things, whether all types of members are fairly represented. Insurer Directors <u>selected by contributing members</u> may be reimbursed from the money of the association for expenses incurred by them as directors, but shall not otherwise be compensated by the association for their services. The costs of conducting meetings of the association and its board of directors shall be borne by members of the association."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the first semicolon, insert "62E.10, subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 524, 1186, 1811, 1890, 1906, 1955, 1956 and 1964 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Neary, Swenson and Stanius introduced:

H. F. No. 2363, A bill for an act relating to Washington county; providing for a reverse referendum to make certain county offices appointive rather than elective.

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

Greenfield introduced:

H. F. No. 2364, A bill for an act relating to highways; designating the Jerry Haaf Memorial Drive in Minneapolis; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

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

Morrison, Osthoff, Lasley, Pauly and Steensma introduced:

H. F. No. 2365, A bill for an act relating to traffic regulations; making technical changes; requiring that transportation for students in Head Start programs be by school bus; removing requirement for auxiliary low beam lights to be removed or covered when snowplow blade removed; requiring seat belts for commercial motor vehicles; allowing transportation within state of raw farm and forest products exceeding maximum weight limitation by not more than three percent; amending Minnesota Statutes 1992, sections 169.448, subdivision 3; 169.743; and 169.851, subdivisions 3 and 5; Minnesota Statutes 1993 Supplement, sections 169.47, subdivision 1; 169.522, subdivision 1; 169.56, subdivision 5; and 169.686, subdivision 1.

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

Jennings, Stanius and Pugh introduced:

H. F. No. 2366, A bill for an act relating to marriage dissolution; providing for equal right to support for each of a parent's children; amending Minnesota Statutes 1992, section 518.551, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 518.64, subdivision 2.

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

Long, Lynch and Simoneau introduced:

H. F. No. 2367, A bill for an act relating to the environment; establishing an alternative cleanup program for mixed municipal solid waste landfills; authorizing issuance of state bonds; providing penalties; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 115B.42, subdivision 2; and 116.07, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 115B.

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

Johnson, A.; Murphy; Carlson; Seagren and Garcia introduced:

H. F. No. 2368, A bill for an act relating to education; increasing the general education formula allowance; modifying the supplemental revenue reduction; appropriating money; amending Minnesota Statutes 1993 Supplement, section 124A.22, subdivisions 2 and 9.

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

Waltman introduced:

H. F. No. 2369, A bill for an act relating to family law; requiring premarital and predissolution counseling; requiring at least one year delay between filing a petition for dissolution of a marriage and entering the decree if children are involved; amending Minnesota Statutes 1992, sections 518.06, by adding subdivisions; and 518.145, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 517.

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

Brown, K.; Evans; Knickerbocker and Dawkins introduced:

H. F. No. 2370, A bill for an act relating to children; modifying liability provisions for child abuse investigations; providing for attorney fees in certain actions; providing for the establishment of protocols for investigations; prohibiting certain conflicts of interest; providing for access to data regarding determinations of maltreatment; amending Minnesota Statutes 1992, section 626.556, subdivisions 4, 10e, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 626.556, subdivision 11.

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

Evans; Johnson, A.; Beard; Rukavina and Bettermann introduced:

H. F. No. 2371, A bill for an act relating to unemployment compensation; establishing a self-employment assistance program; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Goodno, Winter, Dauner, Rest and Anderson, I., introduced:

H. F. No. 2372, A bill for an act relating to taxation; allowing certain border cities to exempt certain agricultural processing property; proposing coding for new law in Minnesota Statutes, chapter 469.

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

Olson, E.; Finseth; Lieder; Dauner and Wenzel introduced:

H. F. No. 2373, A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders and the payment and refund of checkoff fees; 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 first time and referred to the Committee on Agriculture.

Steensma, Lourey, Hausman, Beard and Brown, C., introduced:

H. F. No. 2374, A bill for an act relating to agriculture; requiring registration of manufacturers and distributors of recombinant bovine somatotropin; amending Minnesota Statutes 1992, section 32.103; proposing coding for new law in Minnesota Statutes, chapter 32.

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

Jefferson introduced:

H. F. No. 2375, A bill for an act relating to local economic development; authorizing the city of Minneapolis to establish a jobs park.

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

Bergson, Wenzel and Kinkel introduced:

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

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

Molnau, Workman, Commers, Haukoos and Sviggum introduced:

H. F. No. 2377, A bill for an act proposing an amendment to the Minnesota Constitution; adding a section to article XIII; limiting access to the ballot for persons who, if elected, would serve more than six consecutive years in the United States House of Representatives or 12 consecutive years in the United States Senate.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Sviggum, Haukoos, Worke, Bettermann and Commers introduced:

H. F. No. 2378, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 4; and article V, section 2; restricting access to the ballot for persons who, if elected, would serve more than ten consecutive years in either house of the legislature or more than eight consecutive years in any single executive office.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Bishop, Rodosovich, Stanius, Greenfield and Orenstein introduced:

H. F. No. 2379, A bill for an act relating to insurance; prohibiting insurers from obtaining or using HIV antibody test results arising out of exposure and testing for emergency medical service personnel; amending Minnesota Statutes 1992, section 72A.20, subdivision 29.

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

Wejcman introduced:

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

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

Leppik, Limmer, Abrams and Van Dellen introduced:

H. F. No. 2381, A bill for an act relating to cities; allowing home rule charter cities to apply law applicable to statutory cities in instances in which the charter is silent, with certain restrictions; proposing coding for new law in Minnesota Statutes, chapter 410.

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

Solberg, Reding, Ness, Stanius and Anderson, I., introduced:

H. F. No. 2382, A bill for an act relating to capital improvements; appropriating money to the commissioner of trade and economic development for the national shooting sports center; authorizing the sale of state bonds.

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

Seagren, Tunheim and Carlson introduced:

H. F. No. 2383, A bill for an act relating to education; gathering data to determine the number of violent incidents in schools involving students with an IEP; appropriating money.

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

McCollum, Pugh, Asch, Lieder and Bishop introduced:

H. F. No. 2384, A bill for an act relating to traffic regulations; establishing Minnesota child passenger restraint and education account to assist families in financial need to obtain child passenger restraint systems; amending Minnesota Statutes 1992, section 169.685, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 169.685, subdivision 5.

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

Morrison, Pauly, Knickerbocker, Pugh and Long introduced:

H. F. No. 2385, A bill for an act relating to taxation; fiscal disparities; limiting the maximum amount of value a municipality contributes to 15 percent of its net tax capacity; amending Minnesota Statutes 1992, section 473F.07, subdivision 1.

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

Trimble, Lourey, Sekhon and Brown, C., introduced:

H. F. No. 2386, A bill for an act relating to agriculture; establishing certification and labeling program to identify milk and milk products free of recombinant bovine growth hormone; amending regulations regarding use and clarification of recombinant bovine somatotropin; appropriating money; amending Minnesota Statutes 1992, sections 32.103; 151.01, subdivision 28; 151.15, subdivision 3; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 32.

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

Leppik, Greiling, Morrison, Neary and Abrams introduced:

H. F. No. 2387, A bill for an act proposing an amendment to the Minnesota Constitution; providing for a bipartisan congressional and legislative reapportionment commission; amending the Minnesota Constitution, article IV, section 3; and by adding an article.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Winter, Hausman and Battaglia introduced:

H. F. No. 2388, A bill for an act relating to recycling; requiring that court papers be submitted on recycled paper; proposing coding for new law in Minnesota Statutes, chapter 480.

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

Smith, Van Dellen and Workman introduced:

H. F. No. 2389, A bill for an act relating to crime; providing that a tenant issuing a dishonored check to a landlord for rent commits theft; amending Minnesota Statutes 1992, section 609.52, subdivisions 1 and 2.

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

Gruenes, Bauerly and Orenstein introduced:

H. F. No. 2390, A bill for an act relating to social services; creating a pilot project to provide adoption services for children with special needs; appropriating money.

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

Olson, K.; Cooper and Mosel introduced:

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

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

Mosel; Olson, K.; Anderson, I.; Winter and Rest introduced:

H. F. No. 2392, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

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

Lourey, Cooper and Simoneau introduced:

H. F. No. 2393, A bill for an act relating to health; requiring dentists to participate in state health care programs; expanding medical assistance coverage of dental services; increasing medical assistance reimbursement rates for dental services; amending Minnesota Statutes 1992, section 256B.0625, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 150A.

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

4987

Lourey, Cooper and Huntley introduced:

H. F. No. 2394, A bill for an act relating to health; establishing the Minnesota dental health board; transferring the regulation of dental insurance; exempting dental services from all-payer option reimbursement limits; excluding certain dental services from growth limits; allowing direct billing for upgrade dental services; proposing coding for new law in Minnesota Statutes, chapter 62J.

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

Gruenes and Hausman introduced:

H. F. No. 2395, A bill for an act relating to transportation; appropriating money on a matching basis for a pilot project to study electric vehicle transportation technology.

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

Greenfield, Carruthers, Gruenes, Cooper and Simoneau introduced:

H. F. No. 2396, A bill for an act relating to health; providing the housing with services act; requiring contract provisions; requiring the filing of contract forms with the commissioner of health by certain providers of housing and related services; appropriating money; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 144B.

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

Olson, K.; Johnson, A.; Leppik and Vellenga introduced:

H. F. No. 2397, A bill for an act relating to education; making the use of mouthguards optional for certain state high school league sports; amending Minnesota Statutes 1992, section 128C.02, by adding a subdivision.

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

Olson, K.; Bauerly and Vellenga introduced:

H. F. No. 2398, A bill for an act relating to education; providing for a cooperation planning grant to independent school district Nos. 325, Lakefield; 328, Sioux Valley; 330, Heron Lake-Okabena; 513, Brewster; and 516, Round Lake; appropriating money.

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

Mosel, Kalis and Olson, K., introduced:

H. F. No. 2399, A bill for an act relating to education; providing for school building accessibility grants; authorizing the issuance and sale of bonds; appropriating money.

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

Mosel, Winter and Olson, K., introduced:

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

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

Dempsey, Lindner, Opatz and Olson, M., introduced:

H. F. No. 2401, A bill for an act relating to the state building code; providing for the disposition of certain receipts from permit surcharges; appropriating money; amending Minnesota Statutes 1992, section 16B.70, subdivision 1.

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

Johnson, R.; Tunheim; Reding; Olson, E., and Knickerbocker introduced:

H. F. No. 2402, A bill for an act relating to fire and police state aid; including Indian tribal governments in definition of municipality; amending Minnesota Statutes 1992, section 69.011, subdivision 1.

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

Abrams, Hugoson, Van Dellen, Sviggum and Frerichs introduced:

H. F. No. 2403, A bill for an act relating to public administration; appropriating money, and supplementing, reducing, and transferring earlier appropriations, with certain conditions; amending Minnesota Statutes 1992, sections 16A.124, subdivisions 2 and 7; 16A.127, as amended; 16A.15, subdivision 3; 16B.01, subdivision 4; 16B.05, subdivision 2; 16B.06, subdivisions 1 and 2; 17B.15, subdivision 1; 43A.316, subdivision 9; 43A.37, subdivision 1; 60K.06; 60K.19, subdivision 8; 69.031, subdivision 5; 82.20, subdivisions 7 and 8; 82.21, by adding a subdivision; 82B.08, subdivisions 4 and 5; 82B.09, subdivision 1; 83.25; 97A.165; 116N.08, subdivision 6; 121.904, subdivision 4e; 124.195, subdivisions 3a and 12; 176.102, subdivisions 3a and 14; 176.611, subdivision 6a; 221.041, by adding a subdivision; 221.171, subdivision 2; 246.18, by adding a subdivision; 353.65, subdivision 7; 354.42, subdivision 5; 360.305, subdivision 4; 574.26; and 574.261, subdivision 1; Minnesota Statutes 1993 Supplement, sections 82.21, subdivision 1; 82.22, subdivision 2, and by adding a subdivision; and 246.18, subdivision 4; repealing Minnesota Statutes 1992, sections 16A.06, subdivision 8; 16A.124, subdivision 6; 43A.21, subdivision 5; 355.04; and 355.06; Laws 1993, chapter 224, article 1, section 38.

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

#### Asch introduced:

H. F. No. 2404, A bill for an act relating to occupations and professions; creating a board of quality assurance to regulate health-related professions; requiring rulemaking; providing for appointments; appropriating money; amending Minnesota Statutes 1992, sections 214.01, by adding a subdivision; 214.04, subdivisions 2 and 3; 214.07, subdivision 1, and by adding a subdivision; 214.08; 214.09, subdivision 1; and 214.13, subdivision 1; Minnesota Statutes 1993 Supplement, section 214.04, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 153C; repealing Minnesota Statutes 1992, section 214.13, subdivisions 5 and 7.

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

Reding and Johnson, R., introduced:

H. F. No. 2405, A bill for an act relating to retirement; making various administrative and minor substantive changes in the laws governing the Minnesota state retirement system, the public employees retirement association, and the teachers retirement association; amending Minnesota Statutes 1992, sections 176.021, subdivision 7; 352.01, subdivisions 11 and 13; 352.04, subdivisions 2 and 3; 352.119, by adding a subdivision; 352D.04, subdivision 2; 353.03, subdivisions 1 and 3a; 353.33, subdivisions 5 and 7; 353.656, subdivisions 2 and 4; 354.05, subdivisions 2, 21, 22, 35, and by adding subdivisions; 354.06, subdivisions 2a and 4; 354.071, subdivision 5; 354.091; 354.10, subdivisions 1 and 2; 354.42, subdivisions 3 and 5; 354.44, subdivisions 1a, 4, 5, and 5a; 354.47; 354.48, subdivision 2; 354.49, subdivision 1; 354.50, subdivision 1; 354.52, subdivisions 2, 2a, 4, and by adding subdivisions; 354.66, subdivisions 2, 3, and by adding a subdivision; and 356.30, subdivision 1; Minnesota Statutes 1993 Supplement, sections 3A.02, subdivision 5; 352.22, subdivision 2; 352.93, subdivision 2a; 352.96, subdivision 4; 352B.08, subdivision 2a; 352D.02, subdivision 1a; 353.01, subdivisions 10, 12a, 16, and 28; 353.017, by adding a subdivision; 353.27, subdivision 7; 353.33, subdivisions

11 and 12; 353.37, subdivisions 1, 2, and 4; 353.65, subdivision 3a; 353.656, subdivision 6a; 353A.08, subdivision 3; 354.05, subdivision 8; and 354.46, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 354; repealing Minnesota Statutes 1992, sections 352.15, subdivision 2; 352D.09, subdivision 6; 354.05, subdivisions 15 and 29; 354.43, subdivision 3; 354.57; 354.65; and 356.18.

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

Murphy; Pugh; Brown, C., and Johnson, A., introduced:

H. F. No. 2406, A bill for an act relating to crime prevention; juvenile justice; providing for presumptive certification to adult court for juveniles alleged to have committed prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23 for serious youthful offenders; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home placement is proposed; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 242.31, subdivision 1; 242.32; 260.115, subdivision 1; 260.125; 260.131, by adding a subdivision; 260.155, subdivision 2; 260.161, subdivision 2; 260.181, subdivision 4; 260.185, subdivision 3; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; and 611A.02, by adding a subdivision; Minnesota Statutes, chapter 260; repealing Minnesota Statutes 1992, section 260.125, subdivision 3; coding for new law in Minnesota Statutes, chapter 260; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

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

Carruthers and Pugh introduced:

H. F. No. 2407, A bill for an act relating to taxation; property; imposing per capita and overall levy limits on counties and on certain cities and towns; amending Minnesota Statutes 1992, sections 4A.02; 103B.3369, subdivision 5; 256E.05, subdivision 3; 256E.09, subdivision 6; and 477A.011, subdivision 29; proposing coding for new law in Minnesota Statutes, chapter 275; repealing Minnesota Statutes 1992, section 275.62.

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

Jennings, Gruenes and Kelso introduced:

H. F. No. 2408, A bill for an act relating to telecommunications; allowing for alternative regulation of telephone companies for a five-year period; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Mahon, Greiling, Garcia, Carruthers and Rhodes introduced:

H. F. No. 2409, A bill for an act relating to state agencies; providing that the open appointments act applies to certain appointments made by the governor and by legislators; authorizing the secretary of state to collect data regarding appointments to multimember agencies by electronic means; requiring multimember agencies to register with the secretary of state; requiring the secretary of state to publish information collected through registration; requiring the secretary of state to furnish copies of registration data to the legislative reference library; amending Minnesota Statutes 1992, section 15.0597, subdivisions 1 and 5; Minnesota Statutes 1993 Supplement, section 15.0597, subdivisions 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 15.

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

Rukavina; Kinkel; Johnson, V., and Battaglia introduced:

H. F. No. 2410, A bill for an act relating to natural resources; sale of native tree seed and tree planting stock; terms and conditions governing the leasing of state timber lands; amending Minnesota Statutes 1992, sections 89.36, subdivision 3; 89.37, by adding a subdivision; 90.101, subdivision 2; 90.151, subdivision 1; 90.161, subdivisions 1 and 2; 90.191, subdivision 2; and 90.193; Minnesota Statutes 1993 Supplement, sections 90.101, subdivision 1; and 90.121; repealing Minnesota Statutes 1992, section 90.151, subdivisions 13 and 14.

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

Solberg; Anderson, I., and Kinkel introduced:

H. F. No. 2411, A bill for an act relating to retirement; providing for coverage of employees of lessee of Itasca Medical Center facilities by the public employees retirement association.

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

Brown, C., introduced:

H. F. No. 2412, A bill for an act relating to lawful gambling; authorizing class D licensees to transmit and receive telecasts of horse races; amending Minnesota Statutes 1992, section 240.13, subdivision 1.

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

Murphy; Battaglia; Solberg; Anderson, I., and Lourey introduced:

H. F. No. 2413, A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of state bonds to finance the construction of a secure juvenile detention and treatment facility for multicounty use; authorizing juvenile courts to make placements at the facility; appropriating money; amending Minnesota Statutes 1993 Supplement, section 260.185, subdivision 1.

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

Kinkel, Hasskamp, Wenzel and Johnson, R., introduced:

H. F. No. 2414, A bill for an act relating to capital improvements; appropriating money for the Paul Bunyan state trail from Baxter to Lake Benidji State Park; authorizing the sale of state bonds.

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

Rhodes, Sarna, Abrams and Clark introduced:

H. F. No. 2415, A bill for an act relating to economic development; clarifying applications and criteria for Minnesota companies to participate in the international business partnership program; amending Minnesota Statutes 1992, section 116J.974.

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

Clark, Simoneau and Reding introduced:

H. F. No. 2416, A bill for an act relating to insurance; providing liability coverage for lead abatement through the Minnesota joint underwriting association; amending Minnesota Statutes 1992, section 621.02, subdivisions 1 and 3.

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

Gutknecht introduced:

H. F. No. 2417, A bill for an act relating to human services; establishing a pilot project to provide community-based alternative services to persons with mental retardation and related conditions in Olmsted county.

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

Frerichs, Workman, Rhodes, Osthoff and Seagren introduced:

H. F. No. 2418, A bill for an act relating to drivers' licenses; allowing commissioner of public safety to determine driver's test taken for license reinstatement; amending Minnesota Statutes 1992, section 171.29, subdivision 1.

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

Limmer, Skoglund, Carruthers, Swenson and Wejcman introduced:

H. F. No. 2419, A bill for an act relating to crimes; imposing increased penalties on persons who operate a snowmobile or motorboat while intoxicated and who have previously been convicted of driving a motor vehicle while intoxicated; amending Minnesota Statutes 1992, sections 84.91, subdivision 5; and 86B.331, subdivision 5.

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

Rice, Kahn, Jefferson, Knickerbocker and Johnson, R., introduced:

H. F. No. 2420, A bill for an act relating to retirement; providing for terms on which surviving spouse benefits are granted to members of the Minneapolis fire department relief association; amending Laws 1965, chapter 519, section 1, as amended.

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

Bertram introduced:

.H. F. No. 2421, A bill for an act relating to traffic regulations; increasing single wheel weight limitation for certain roads; amending Minnesota Statutes 1992, section 169.825, subdivision 8.

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

Bertram introduced:

H. F. No. 2422, A bill for an act relating to taxation; increasing the income limitations applicable to the dependent care credit; amending Minnesota Statutes 1992, section 290.067, subdivisions 2 and 2b.

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

Bertram introduced:

H. F. No. 2423, A bill for an act relating to corrections; prohibiting payment of costs of elective or cosmetic procedures for prison and jail inmates; amending Minnesota Statutes 1992, sections 241.021, subdivision 4; and 641.15, subdivision 2.

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

Bertram introduced:

H. F. No. 2424, A bill for an act relating to taxation; income and franchise; allowing investment tax credit for farm machinery; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Brown, K., and Rodosovich introduced:

H. F. No. 2425, A bill for an act relating to the department of jobs and training; requiring the commissioner to establish a juvenile crime prevention pilot project through a local community action council; appropriating money.

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

#### Kinkel; Johnson, R.; Farrell and Hasskamp introduced:

H. F. No. 2426, A bill for an act relating to traffic regulations; allowing any city to establish citizen enforcement programs to enforce vehicle parking laws relating to the physically disabled; amending Minnesota Statutes 1993 Supplement, section 169.346, subdivision 4.

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

Jaros and Beard introduced:

H. F. No. 2427, A bill for an act relating to nonprofit corporations; requiring meetings of the board of directors of nonprofit corporations to be open to the public under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 317A.

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

### Clark and Dawkins introduced:

H. F. No. 2428, A bill for an act relating to housing; providing for deposit and use of certain revenues in the housing development fund; providing an addition to federal taxable income for certain taxpayers for certain residence interest; appropriating money; amending Minnesota Statutes 1992, sections 290.62; and 462A.20, subdivision 2, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 290.01, subdivision 19a.

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

Anderson, I., introduced:

H. F. No. 2429, A bill for an act relating to Koochiching county; permitting the appointment of the recorder; authorizing the reorganization of the office.

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

Jaros, Vellenga, Bettermann, Orenstein and Pelowski introduced:

H. F. No. 2430, A bill for an act relating to education; providing for state payment of outstanding debt on technical college property transferred to the higher education board; proposing coding for new law in Minnesota Statutes, chapter 136E.

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

Orenstein; Vellenga; Bettermann; Brown, C., and Jaros introduced:

H. F. No. 2431, A bill for an act relating to education; requiring the higher education board to make certain payments for technical college facilities transferred to the board; proposing coding for new law in Minnesota Statutes, chapter 136E.

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

Rest and Dawkins introduced:

H. F. No. 2432, A bill for an act relating to taxation; income; providing for a subtraction from federal taxable income; amending Minnesota Statutes 1992, section 290.01, subdivision 19b.

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

Huntley and Jaros introduced:

H. F. No. 2433, A bill for an act relating to the city of Duluth; authorizing the issuance of general obligation bonds to finance improvements to the Duluth entertainment convention center.

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

Wejcman introduced:

H. F. No. 2434, A bill for an act relating to crime; imposing penalties on any person who performs female genital mutilation on a minor; providing certain exceptions; requiring the commissioner of health to carry out appropriate education, prevention, and outreach activities in communities that traditionally engage in these practices; proposing coding for new law in Minnesota Statutes, chapters 144; and 609.

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

Osthoff, Haukoos and Delmont introduced:

H. F. No. 2435, A bill for an act relating to animals; changing procedures concerning certain abandoned animals; amending Minnesota Statutes 1992, section 346.37, subdivision 1.

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

Dawkins, Ostrom, Battaglia and Anderson, I., introduced:

H. F. No. 2436, A bill for an act relating to youth and young adult corps; authorizing insurance and education awards to members and former members; amending Minnesota Statutes 1992, section 84.0887, by adding subdivisions.

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

Perlt, Holsten, Limmer, Delmont and Pugh introduced:

H. F. No. 2437, A bill for an act relating to crime; prohibiting the removal or alteration of a firearm's serial number; prohibiting receiving or possessing a firearm that does not have a serial number; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Greenfield and Simoneau introduced:

H. F. No. 2438, A bill for an act relating to human services; mental health grants; rules concerning psychopathic personalities; treatment for alcohol, drug abuse, and chemical dependency; stepparent income standards under aid to families with dependent children; inpatient hospital payments; child support incentives; medical assistance for needy persons; state and county social service plans; organ and tissue transplants; family preservation; commissioner's reports; group residential housing payments and agreements; and paternity proceedings; amending Minnesota Statutes 1992, sections 245.696, subdivision 2; 254A.02, subdivision 11; 254B.04, subdivision 1; 254B.05, subdivision 1; 256.74,

subdivision 1a; 256.969, subdivisions 10 and 16; 256B.69, subdivision 4; 256E.04; 256E.09, subdivision 3; 256H.24; and 257.60; Minnesota Statutes 1993 Supplement, sections 246B.04; 256.9685, subdivision 1; 256.979, subdivision 8; 256B.0629, subdivisions 3 and 4; 256F.11, subdivision 3; and 256I.04, subdivisions 1a and 2a; repealing Minnesota Statutes 1992, section 254A.16, subdivisions 3 and 4; Laws 1993, chapter 337, section 16.

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

### Mosel introduced:

H. F. No. 2439, A bill for an act relating to local government; authorizing the city of Gaylord to establish special service districts.

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

Beard, Milbert, Rest, Jacobs and Ozment introduced:

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

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

## Swenson, Carruthers, Holsten, Perlt and McGuire introduced:

H. F. No. 2441, A bill for an act relating to juveniles; traffic regulations; providing that the district court has criminal and civil jurisdiction over juveniles who are alleged to have committed a nonfelony traffic offense after becoming 16 years of age; prohibiting the district court from incarcerating these offenders in an adult jail or workhouse; amending Minnesota Statutes 1992, sections 260.115, subdivision 1; 260.121, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a subdivision; and Minnesota Statutes 1993 Supplement, section 260.161, subdivision 3.

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

Mariani, Dawkins, Trimble, Vellenga and Osthoff introduced:

H. F. No. 2442, A bill for an act relating to capital improvements; providing grants for the Minnesota Children's Museum; appropriating money; authorizing the issuance of state bonds.

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

Tomassoni, Solberg, Kahn and Rukavina introduced:

H. F. No. 2443, A bill for an act relating to capital improvements; appropriating money to the higher education board to plan for the colocation of the Range technical college and the Hibbing community college at the Hibbing community college site; authorizing the sale of state bonds.

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

Krueger, Vellenga, Bauerly, Leppik and Weaver introduced:

H. F. No. 2444, A bill for an act relating to education; increasing the number of instructional days; allowing parents and guardians of students in kindergarten through grade 12 and school districts to provide off-campus learning opportunities; directing the education department to work with school districts in developing a structure for providing

## 67TH DAY]

## MONDAY, MARCH 7, 1994

off-campus learning opportunities; amending Minnesota Statutes 1992, section 124.19, subdivision 1b; Minnesota Statutes 1993 Supplement, sections 120.101, subdivision 5b; and 124.19, subdivision 1; Laws 1993, chapter 224, article 12, section 32.

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

Bertram, Pelowski, Bauerly, Kalis and Milbert introduced:

H. F. No. 2445, A resolution memorializing Congress to propose an amendment to the United States Constitution to prohibit the physical desecration of the United States flag.

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

Swenson, Lynch, Kelso, Vellenga and Weaver introduced:

H. F. No. 2446, A bill for an act relating to education; permitting charter schools to lease space from sectarian organizations if the leased space is constructed as a school facility; amending Minnesota Statutes 1993 Supplement, section 120.064, subdivision 16.

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

Winter, Rodosovich, Kelso, Steensma and Olson, K., introduced:

H. F. No. 2447, A bill for an act relating to education; appropriating money for building connectors at Worthington community college; authorizing the issuance of state bonds.

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

Solberg; Anderson, I.; Rukavina; Battaglia and Tomassoni introduced:

H. F. No. 2448, A bill for an act relating to capital improvements; appropriating money for the National Resources Research Institute, Coleraine laboratory facility; authorizing the sale of state bonds.

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

Luther, Bertram, Bergson, Rhodes and Van Engen introduced:

H. F. No. 2449, A bill for an act relating to crime prevention; juvenile justice; excluding from the jurisdiction of the juvenile court cases involving children aged 14 to 18 who are charged with certain felonies involving firearms; amending Minnesota Statutes 1992, sections 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.125, subdivision 1; and 609.055, subdivision 2.

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

Dorn and Ostrom introduced:

H. F. No. 2450, A bill for an act relating to education; providing funding for the Mankato area Model School for Truants; appropriating money.

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

Winter, Jacobs, Klinzing, Dempsey and Steensma introduced:

H. F. No. 2451, A resolution memorializing the President and Congress to act expeditiously in procuring a site or sites for the storage of high-level radioactive waste.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Lourey, Solberg, Battaglia, Munger and Ozment introduced:

H. F. No. 2452, A bill for an act relating to capital improvements; appropriating money for the Kettle River Wild and Scenic River Interpretive Center and Trail; authorizing the issuance of state bonds.

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

Weaver, McGuire, Lynch, Skoglund and Carruthers introduced:

H. F. No. 2453, A bill for an act relating to criminal procedure; requiring that pretrial bail evaluations be performed in all felony cases and in certain other criminal cases; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 629.

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

Jacobs introduced:

H. F. No. 2454, A bill for an act relating to workers' compensation; including paramedics in the presumption for occupational disease; amending Minnesota Statutes 1992, section 176.011, subdivision 15.

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

McGuire introduced:

H. F. No. 2455, A bill for an act relating to health; permitting a physician to be advised of the hepatitis B status of the biological mother of a newborn; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Frerichs; Jacobs; Brown, C., and Jennings introduced:

H. F. No. 2456, A bill for an act relating to utilities; prohibiting a municipality from using a quick take condemnation proceeding when acquiring the property of another electric service provider through eminent domain; 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.

Osthoff introduced:

H. F. No. 2457, A bill for an act relating to transportation; increasing money set aside from the county state-aid highway and municipal state-aid street funds to the disaster accounts and research accounts; changing composition of disaster account boards; providing that remaining money from research accounts lapse to the appropriate funds after two years; amending Minnesota Statutes 1992, sections 162.06, subdivisions 3 and 4; and 162.12, subdivisions 3 and 4.

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

## MONDAY, MARCH 7, 1994

Skoglund and Greiling introduced:

H. F. No. 2458, A bill for an act relating to crime; forfeiture; providing for use of forfeited motor vehicles by DARE officers; amending Minnesota Statutes 1992, section 609.5315, subdivision 3.

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

Skoglund and Greiling introduced:

H. F. No. 2459, A bill for an act relating to crime; requiring the commissioner of corrections to assist law enforcement agencies in locating and taking into custody convicted felons who flee pending sentencing; amending Minnesota Statutes 1992, section 243.05, by adding a subdivision.

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

#### Skoglund introduced:

H. F. No. 2460, A bill for an act relating to firearms; prohibiting persons who have been found incompetent to stand trial or not guilty by reason of mental illness from possessing a pistol or semiautomatic military-style assault weapon; amending Minnesota Statutes 1993 Supplement, section 624.713, subdivision 1.

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

### Skoglund introduced:

H. F. No. 2461, A bill for an act relating to crime; requiring each county attorney's office to adopt written guidelines on its plea negotiation policies and practices; amending Minnesota Statutes 1992, section 388.501, by adding a subdivision.

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

### Skoglund introduced:

H. F. No. 2462, A bill for an act relating to crime; expanding the sex offender registration law to cover all sex crimes involving child victims, juvenile offenders, offenders from other states who move to Minnesota, and probationers from other states accepted under interstate compact; increasing penalties; amending Minnesota Statutes 1992, section 243.166, subdivision 5; Minnesota Statutes 1993 Supplement, section 243.166, subdivisions 1, 2, 3, 4, 6, and 9.

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

### Skoglund and Greiling introduced:

H. F. No. 2463, A bill for an act relating to crime; directing the sentencing guidelines commission to rank the crime of theft of a firearm as a presumptive prison offense.

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

### Skoglund introduced:

H. F. No. 2464, A bill for an act relating to crime; requiring the bureau of criminal apprehension to report to the legislature on local law enforcement agency compliance with fingerprint information requirements.

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

Skoglund introduced:

H. F. No. 2465, A bill for an act relating to crime; requiring prosecutors to collect statistics on the number of criminal cases they dismiss or decline to prosecute; proposing coding for new law in Minnesota Statutes, chapter 299C.

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

Skoglund introduced:

H. F. No. 2466, A bill for an act relating to crime; requiring county attorneys to report certain information on diversion program participants to the Minnesota criminal justice information system; amending Minnesota Statutes 1993 Supplement, section 401.065, by adding a subdivision.

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

Skoglund introduced:

H. F. No. 2467, A bill for an act relating to criminal justice information; requiring all counties to provide warrant information to or by means of the Minnesota criminal justice information system; proposing coding for new law in Minnesota Statutes, chapter 299C.

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

Skoglund introduced:

H. F. No. 2468, A bill for an act relating to crime; establishing a state fund to pay rewards for information leading to the arrest and prosecution of criminal offenders; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 8.

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

Reding introduced:

H. F. No. 2469, A bill for an act relating to natural resources; providing maximum payment rates for conservation easements and restrictions; amending Minnesota Statutes 1992, section 84.0272.

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

Rest and Carlson introduced:

H. F. No. 2470, A bill for an act relating to education; increasing from three years to four years the length of school board members' terms; making the first Tuesday after the first Monday in November the time of the general election in each school district; amending Minnesota Statutes 1992, sections 123.33, subdivision 1; and 205A.04, subdivision 1.

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

Anderson, R., introduced:

H. F. No. 2471, A bill for an act relating to health; occupations and professions; exempting registered audiologists from the examination requirement for certification as a dispenser of hearing instruments; amending Minnesota Statutes 1993 Supplement, section 153A.14, by adding a subdivision.

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

## MONDAY, MARCH 7, 1994

4999

Anderson, R., introduced:

H. F. No. 2472, A bill for an act relating to family law; changing a child support obligor's monthly fee in cases of automatic income withholding; amending Minnesota Statutes 1993 Supplement, section 518.611, subdivision 2.

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

Klinzing, Opatz, Bertram, Bauerly and Gruenes introduced:

H. F. No. 2473, A bill for an act relating to housing; regulating the use of federal tax exempt revenue bonds; amending Minnesota Statutes 1992, section 474A.03, subdivisions 1 and 2a.

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

Jefferson, Dawkins, Jaros and Morrison introduced:

H. F. No. 2474, A bill for an act relating to tax increment financing; extending the allowable period tax increments may be used for housing interest reduction programs; amending Minnesota Statutes 1992, sections 469.176, subdivision 4f; and 469.1761, subdivision 1.

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

Brown, C.; Brown, K., and Johnson, V., introduced:

H. F. No. 2475, A bill for an act relating to real property; eliminating authority of county recorders to collect certain fees; repealing Minnesota Statutes 1993 Supplement, section 357.18, subdivision 3.

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

Delmont, Weaver, Jacobs and Simoneau introduced:

H. F. No. 2476, A bill for an act relating to wetlands; changing provisions relating to compensation required when a wetland replacement plan is not approved; amending Minnesota Statutes 1992, section 103G.237, subdivision 4.

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

Finseth, Skoglund, Macklin and Murphy introduced:

H. F. No. 2477, A bill for an act relating to traffic regulations; suspending driver's license for 30 days of person who fails to pay fine imposed for violating child passenger restraint law; amending Minnesota Statutes 1993 Supplement, section 169.685, subdivision 5.

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

Reding; Johnson, R., and Knickerbocker introduced:

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

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

McCollum, Carlson, Tomassoni, Morrison and Seagren introduced:

H. F. No. 2479, A bill for an act relating to education; reinstating technical college licensing rules; amending Laws 1993, chapter 224, article 12, section 39.

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

Simoneau, Greenfield, Cooper and Rodosovich introduced:

H. F. No. 2480, A bill for an act relating to health; establishing a health insurance counseling and assistance program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Simoneau, Garcia, Onnen, Nelson and Luther introduced:

H. F. No. 2481, A bill for an act relating to health; making changes of a technical and housekeeping nature; modifying provisions relating to lead abatement enforcement; amending Minnesota Statutes 1992, sections 126A.02, subdivision 2; 144.414, subdivision 3; and 144.878, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.872, subdivision 4; 144.873, subdivision 1; 144.874, subdivisions 1 and 3a; 144.8771, subdivision 2; 144.878, subdivision 5; 144.99, subdivisions 1 and 6; and 157.08; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1993 Supplement, sections 144.8771, subdivision 5; 144.8781, subdivisions 1, 2, 3, and 5; 157.082; and 157.09; Laws 1993, chapter 286, section 11; Laws 1993, First Special Session chapter 1, article 9, section 49.

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

Dorn, Ostrom, Pugh, Skoglund and Weaver introduced:

H. F. No. 2482, A bill for an act relating to children; authorizing transportation of certain truants to school; amending Minnesota Statutes 1992, sections 260.132, subdivisions 1, 3, and by adding a subdivision; and 260.165, subdivision 1.

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

Mahon, Skoglund, Garcia, Orenstein and Rhodes introduced:

H. F. No. 2483, A bill for an act relating to law enforcement; permitting law enforcement agencies to exchange peace officers with those of other agencies on a temporary basis; amending Minnesota Statutes 1992, section 626.76.

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

Orenstein, Dawkins, Mariani, McCollum and Weaver introduced:

H. F. No. 2484, A bill for an act relating to peace officers; changing the minimum standards required for licensing; amending Minnesota Statutes 1992, section 626.843, subdivision 1.

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

Munger, Kalis, Bishop, Lynch and Trimble introduced:

H. F. No. 2485, A bill for an act relating to water; providing for duties of the legislative water commission; providing for a sustainable agriculture advisory committee; requiring plans relating to sustainable agriculture and integrated pest management; establishing groundwater policy and education; changing water well permit requirements; requiring reports to the legislature; creating an advisory committee; appropriating money; amending Minnesota Statutes 1992, sections 3.887, subdivisions 5, 6, and 8; 17.114, subdivisions 1, 3, 4, and by adding subdivisions; 18B.045, subdivision 1; 103A.43; 103B.151, subdivision 1; 103G.271, subdivision 5; 103H.175, by adding a subdivision; 103H.201, subdivisions 1 and 4; 103I.101, subdivision 5; and 103I.331, subdivision 6; Minnesota Statutes 1993 Supplement, sections 18E.06; and 115B.20, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 103A; and 103F; repealing Minnesota Statutes 1992, section 103F.460.

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

Pugh, Sarna, Dehler, Delmont and Osthoff introduced:

H. F. No. 2486, A bill for an act relating to the lottery; authorizing and regulating the use of video lottery machines for the play of pull-tabs; regulating video lottery manufacturers, distributors, operators, and licensed establishments; abolishing the use of paper pull-tabs as of January 1, 1996; setting fees; authorizing rules, including exempt rules; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 349A.

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

Davids and Frerichs introduced:

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

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

Molnau introduced:

H. F. No. 2488, A bill for an act relating to the environment; providing for temporary registrations of vehicles for the purpose of emissions inspections; amending Minnesota Statutes 1992, section 116.62, by adding a subdivision.

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

Simoneau, Winter, McGuire and Rukavina introduced:

H. F. No. 2489, A bill for an act relating to insurance; automobile; regulating medical expense benefits; authorizing reparation obligors to offer medical expense benefits through certified managed care plans; authorizing the commissioner of commerce to certify these plans; requiring appropriate premium reductions; requiring rules; amending Minnesota Statutes 1992, section 65B.49, subdivision 2; 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.

Knickerbocker introduced:

H. F. No. 2490, A bill for an act relating to education; permitting school districts to begin the 1994-1995 school year during the week before Labor Day.

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

Sekhon, Rukavina, Beard, Perlt and Trimble introduced:

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

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

Reding, Rest, Sviggum, Abrams and Carruthers introduced:

H. F. No. 2492, A bill for an act relating to commerce; insurance; allowing certain assessments as offsets against certain tax liabilities; amending Minnesota Statutes 1992, sections 60A.15, by adding a subdivision; and 290.35, by adding a subdivision.

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

Bauerly, Nelson, Bertram, Dauner and Sviggum introduced:

H. F. No. 2493, A bill for an act relating to agriculture; changing the law on nuisance liability of agricultural operations; amending Minnesota Statutes 1992, section 561.19, subdivisions 1, 2, and by adding a subdivision.

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

#### Bertram introduced:

H. F. No. 2494, A bill for an act relating to education; appropriating money to the state board of technical colleges for the farm and small business management program.

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

#### Bertram introduced:

H. F. No. 2495, A bill for an act relating to agriculture; providing for a junior livestock loan guarantee program.

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

Bertram, Pelowski and Bauerly introduced:

H. F. No. 2496, A bill for an act relating to taxation; providing that military retirement pay is exempt from taxation; amending Minnesota Statutes 1992, section 290.01, subdivision 19b.

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

Seagren; Battaglia; Johnson, V.; Munger and Ozment introduced:

H. F. No. 2497, A bill for an act relating to game and fish, requiring availability of 24-hour angling licenses until the end of the season; amending Minnesota Statutes 1992, section 97A.485, subdivision 8.

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

Beard, Milbert, Pugh, Perlt and Ozment introduced:

H. F. No. 2498, A bill for an act relating to capital improvements; appropriating money for the environmental impact statement for the Wakota bridge on Interstate Highway marked 494; authorizing the issuance of state bonds.

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

Bertram; Gruenes; Cooper; Anderson, R., and Greenfield introduced:

H. F. No. 2499, A bill for an act relating to nursing home reimbursement; modifying special provisions for moratorium exceptions; amending Minnesota Statutes 1992, section 256B.431, subdivision 17; Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

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

Macklin, Pugh, Milbert, Pawlenty and Commers introduced:

H. F. No. 2500, A bill for an act relating to crime; authorizing revocation proceedings to be conducted after the term of the stay or after the prescribed six-month period; making it a crime for a high school teacher to have sexual contact with a 16 or 17 year old student; authorizing courts to stay execution of sentence for certain repeat sex offenders only upon finding that offenders do not present a danger to the public safety and other specific findings; authorizing

### MONDAY, MARCH 7, 1994

reasonable attorney fees for persons charged with concealing criminal proceeds; prescribing penalties for giving a fictitious name to a court official in a criminal proceeding; making it arson in the first degree to destroy certain buildings if a combustible or flammable liquid is used to start or accelerate the fire; providing penalty enhancements when persons suffer injuries as a result of arson offenses; expanding the crime of defrauding insurer to include making a false claim that property was lost, damaged, or destroyed; providing that the offender has the burden to produce evidence if challenging restitution dollar amounts; providing insurers with the standing of crime victims with respect to restitution orders in certain circumstances; amending Minnesota Statutes 1992, sections 609.341, by adding a subdivision; 609.497, subdivision 1, and by adding a subdivision; 609.506, by adding a subdivision; 609.561, by adding a subdivision 1; 609.344, subdivision 1; 609.345, subdivision 3; Minnesota Statutes 1993 Supplement, sections 609.14, subdivision 1; 609.344, subdivision 1; 609.345, subdivision 1; 609.346, subdivision 2; and 611A.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Asch and Stanius introduced:

H. F. No. 2501, A bill for an act relating to highways; allowing use of municipal state-aid street funds for Ramsey county highways turned back to the municipalities; amending Minnesota Statutes 1992, section 162.14, by adding a subdivision.

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

Anderson, R.; Rodosovich; Van Engen and Greenfield introduced:

H. F. No. 2502, A bill for an act relating to human services; allowing regional treatment centers to provide services to outpatients and day care patients; amending Minnesota Statutes 1992, section 246.50, subdivision 5.

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

Winter, Peterson, Wagenius, Steensma and Girard introduced:

H. F. No. 2503, A bill for an act relating to capital improvements; appropriating money for educational demonstration grants for wind energy conversion facilities; authorizing the sale and issuance of state bonds.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Dehler; Frerichs; Lieder; Olson, E., and Olson, K., introduced:

H. F. No. 2504, A bill for an act relating to traffic regulations; allowing recreational vehicle combination to consist of horse trailer or snowmobile trailer; amending Minnesota Statutes 1993 Supplement, sections 169.01, subdivision 78; and 169.81, subdivision 3c.

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

Bertram, Pelowski, Bauerly, Nelson and Dauner introduced:

H. F. No. 2505, A bill for an act relating to taxation; providing that firefighting equipment purchased by local governments is exempt from the sales tax; amending Minnesota Statutes 1993 Supplement, section 297A.25, subdivision 11.

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

Van Dellen, Osthoff and Kahn introduced:

H. F. No. 2506, A bill for an act relating to economic development; increasing the membership of the job skills partnership board; amending Minnesota Statutes 1993 Supplement, section 116L.03, subdivisions 1 and 2.

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

## Kinkel; Johnson, R.; Rice; Simoneau and Trimble introduced:

H. F. No. 2507, A bill for an act relating to capital improvements; appropriating money for the Battle Point historic site; authorizing the sale of state bonds.

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

### Steensma, Osthoff, Ostrom, Frerichs and Morrison introduced:

H. F. No. 2508, A bill for an act relating to motor vehicles; making technical corrections; taxing commuter vans as buses for vehicle registration purposes; allowing holder of personalized license plates to have priority for those plates in next registration period as long as holder keeps registration current; providing for temporary 60-day permits while waiting for special ready reserve license plates or special collegiate license plates; requiring vehicle dealers to file information relating to temporary registration permits issued to new purchasers; requiring drive-away in transit license plates and insurance for transporting vehicles; regulating vehicle dealers; requiring that parking certificate for disabled person hang from rearview mirror; specifying parking certificate expiration times for persons with permanent and temporary disabilities; providing for administrative hearings regarding deputy registrars; requiring secured parties to be notified when a dealer buys a late model or high value salvage vehicle; amending Minnesota Statutes 1992, sections 168.011, subdivision 7; 168.013, subdivision 1f, and by adding a subdivision 1; 168.053, subdivision 1; 168.054; 168.09, subdivision 7; 168.03, subdivision 2; 168.12, subdivision 2; 168.126, subdivision 1; 168.27, subdivision 1; 12, 13, 15, 16, and 17; 168.33, subdivision 2; 168.11, subdivision 2; 168.453, subdivision 3; Minnesota Statutes 1993 Supplement, section 169.345, subdivision 3.

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

#### Bauerly, Vellenga and Olson, K., introduced:

H. F. No. 2509, A bill for an act relating to education; repealing the funding cap for education appropriations for fiscal years 1996 and 1997; repealing Laws 1993, chapter 224, article 15, section 3.

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

#### Dawkins introduced:

H. F. No. 2510, A bill for an act relating to elections; allowing a candidate for a partisan office to appear as a candidate of more than one political party or principle; amending Minnesota Statutes 1992, sections 204B.03; 204B.04, subdivisions 1 and 2; 204B.06, subdivision 1; 204B.07, subdivision 1; 204C.21, subdivision 1; 204C.24, subdivision 1; 204C.26, subdivision 2; 204C.33, subdivisions 1 and 3; and 204D.13, subdivision 2.

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

### Steensma; Hugoson; Olson, K.; Dauner and Osthoff introduced:

H. F. No. 2511, A bill for an act relating to railroads; authorizing rail carriers to participate in loan guarantee program; defining terms; amending eligibility requirements; amending Minnesota Statutes 1992, sections 222.55; 222.56, subdivisions 5, 6, and by adding subdivisions; 222.57; and 222.58, subdivision 2.

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

#### Sarna, Kahn and Knickerbocker introduced:

H. F. No. 2512, A bill for an act relating to retirement; providing for level benefits for the Minneapolis police relief association; changing the definition of surviving spouses eligible for benefits; amending Minnesota Statutes 1992, section 423B.09, subdivision 1; Minnesota Statutes 1993 Supplement, section 423B.10, subdivision 1.

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

## MONDAY, MARCH 7, 1994

Lieder, Neary, Swenson, Beard and Perlt introduced:

H. F. No. 2513, A bill for an act relating to highways; conforming powers held by counties over county highways to those powers held by counties over county state-aid highways; amending Minnesota Statutes 1992, section 163.11, subdivision 3.

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

Rest, Neary, Swenson, Perlt and Beard introduced:

H. F. No. 2514, A bill for an act relating to taxation; requiring auditor's tax certifications on various common interest ownership documents; amending Minnesota Statutes 1993 Supplement, section 272.12.

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

Erhardt, Goodno, Abrams, Hugoson and Lindner introduced:

H. F. No. 2515, A bill for an act relating to workers' compensation law and insurance; permitting the commissioner of the department of labor and industry to certify a certain plan of workers' compensation law; alternatively providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; proposing penalties; amending Minnesota Statutes 1992, sections 175.007, subdivision 2; 175.17; proposing coding for new law as Minnesota Statutes, chapters 176; 176C; 176D; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; and 176.5401.

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

## Van Dellen, Erhardt, Finseth, Van Engen and Smith introduced:

H. F. No. 2516, A bill for an act relating to crime and crime prevention; imposing a mandatory minimum sentence on persons convicted of a third violent crime; imposing felony penalties on convicted felons who possess a firearm; creating a presumption in favor of certifying to adult court older juveniles who are alleged to have committed a violent or firearm-related crime; requiring parents to accompany their minor children to delinquency hearings; increasing penalties for and requiring consecutive sentencing of repeat DWI offenders; imposing penalties on motor vehicle owners who knowingly lend the vehicle to an intoxicated or unlicensed driver; requiring the commissioner of public safety to study the feasibility of a DWI offender tracking system; requiring certain sentencing guidelines modifications; providing for changes in the education and criminal laws to enhance safety in the schools; increasing protections for crime victims; requiring the establishment of a summer service camp pilot project for high-risk youth; regulating explosives, blasting agents, explosive devices, and incendiary devices; proposing an amendment to the Minnesota Constitution by adding a section to article IV that requires the legislature to provide by law for admissibility as evidence in trials of the results of DNA analysis; requiring all convicted violent offenders to provide a DNA specimen; changing the order of final argument in criminal cases; establishing pilot programs to improve

supervision of probationers, parolees, and supervised releasees in the community; requiring a study of restorative justice sanctions; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; prescribing penalties; appropriating money for the Head Start program and for a variety of crime prevention and correctional programs; amending Minnesota Statutes 1992, sections 13.82, by adding a subdivision; 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 169.797, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 260.145; 260.155, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; 299A.34, subdivision 1; 299F.71; 299F.72, subdivision 2, and by adding subdivisions; 299F.73; 299F.74; 299F.75; 299F.77; 299F.78, subdivision 1; 299F.79; 299F.80; 299F.82; 299F.83; 357.22; 357.241; 357.242; 609.02, subdivision 2, and by adding a subdivision; 609.055, subdivision 2; 609.066, subdivision 2; 609.105; 609.15, subdivision 1; 609.152, by adding a subdivision; 609.165, subdivision 1a; 609.168; 609.245; 611A.036; 611A.19; 611A.53, subdivision 2; 611A.73, subdivision 3; 624.731, subdivision 8; 626.76, subdivisions 1 and 2; 631.07; and 634.20; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 13.82, subdivision 10; 120.101, subdivision 5; 121.831, subdivision 9; 169.121, subdivision 3; 169.129; 171.24; 260.161, subdivision 3; 299A.35, subdivision 1; 357.24; 540.18, subdivision 1; 609.035; 609.15, subdivision 2; 609.3461; 609.66, subdivision 1d; 609.902, subdivision 4; 611A.04, subdivisions 1 and 3; 611A.52, subdivision 8; 624.713; and 638.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 169; 299A; 299C; 299F; and 609; repealing Minnesota Statutes 1992, sections 299F.72, subdivisions 3 and 4; 299F.78, subdivision 2; and 299F.815, as amended; Minnesota Statutes 1993 Supplement, section 299F.811.

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

## **MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

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

S. F. Nos. 1806 and 1744.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1806, A bill for an act relating to nursing; allowing certified clinical specialists in psychiatric or mental health nursing to prescribe and administer drugs; amending Minnesota Statutes 1992, section 148.235, by adding subdivisions; Minnesota Statutes 1993 Supplement, section 148.235, subdivision 2.

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

S. F. No. 1744, A bill for an act relating to the city of Lakefield; allowing the city of Lakefield to expand its public utilities commission to five members.

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

## **CONSIDERATION UNDER RULE 1.10**

Pursuant to rule 1.10, Solberg requested immediate consideration of H. F. No. 2213.

H. F. No. 2213 was reported to the House.

Rest and Opatz moved to amend H. F. No. 2213, the first engrossment, as follows:

Page 2, after line 21, insert:

"(i) The county board shall approve, by resolution, (1) the tax increment financing plan, (2) amendments to the tax increment financing plan that require notice and a public hearing under Minnesota Statutes, section 469.175, subdivision 4, and (3) any modifications, whether an amendment to the tax increment financing plan or otherwise, that change the distribution to or sharing of the revenues derived from increments with the county and school district under Minnesota Statutes, section 469.176, subdivision 2 or otherwise. If the county board declines to approve the plan, or an amendment or a modification required to be approved under this paragraph, the action is not effective."

Page 2, after line 36, insert:

"Subd. 5. [REPORT TO LEGISLATURE.] The housing and redevelopment authority shall make a written report to the chairs of the committee on taxes of the house of representatives and the committee on taxes and tax laws of the senate by January 15, 1996 and within 30 days after expiration of the monitoring of the job guarantee agreement under subdivision 3. These written reports must list the number of full-time equivalent employment positions added by the owner of the facility in St. Cloud after construction of the facility. In addition, the reports must indicate whether any of these positions were transferred from other locations in Minnesota."

The motion prevailed and the amendment was adopted.

H. F. No. 2213, A bill for an act relating to the city of St. Cloud; exempting a tax increment financing district from certain restrictions; providing expanded eminent domain authority.

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 86 yeas and 46 nays as follows:

Those who voted in the affirmative were:

mont Holsten npsey Huntley m Jacobs ardt Iaros	Koppendray Krueger Lasley	ker Munger yer Murphy Nelson Ness	Rodosovich Rukavina	Van Engen Vickerman
m jacobs	Lasley			Vickerman
•		Ness	C	
ardt Jaros			Sarna	Waltman
aiui jaius	Lieder	Olson, E.	Simoneau	Wenzel
ins Jefferson	Lindner	Olson, K.	Skoglund	Winter
rell Jennings	Lourey	Olson, M.	Solberg	Wolf
cia Johnson,	A. Luther	Onnen	Stanius	Spk. Anderson, I
odno Johnson,	R. Mahon	Opatz	Steensma	•
enfield Johnson,	V. McGuire	Pelowski	Swenson	
ienes Kalis	Milbert	Perlt	Tomassoni	
tknecht Kinkel	Morrison	Peterson	Tompkins	
sskamp Klinzing	Mosel	Reding	Trimble	
	ell Jennings cia Johnson, dno Johnson, enfield Johnson, enes Kalis knecht Kinkel	ell Jennings Lourey cia Johnson, A. Luther dno Johnson, R. Mahon enfield Johnson, V. McGuire enes Kalis Milbert knecht Kinkel Morrison	ell Jennings Lourey Olson, M. cia Johnson, A. Luther Onnen dno Johnson, R. Mahon Opatz enfield Johnson, V. McGuire Pelowski enes Kalis Milbert Perlt knecht Kinkel Morrison Peterson	ell Jennings Lourey Olson, M. Solberg cia Johnson, A. Luther Onnen Stanius dino Johnson, R. Mahon Opatz Steensma enfield Johnson, V. McGuire Pelowski Swenson enes Kalis Milbert Perlt Tomassoni knecht Kinkel Morrison Peterson Tompkins

Those who voted in the negative were:

Abrams Asch Bettermann Bishop Clark Commers	Finseth Frerichs Girard Greiling Hausman Hugoson	Kelso Knight Krinkie Leppik Limmer Long	Mariani McCollum Molnau Neary Orenstein Orfield	Ostrom Ozment Pauly Pawlenty Pugh Rest	Seagren Sekhon Smith Sviggum Van Dellen Vellenga	Weaver Wejcman Worke Workman
Dawkins	Kelley	Lynch	Osthoff	Rhodes	Wagenius	

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

# GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Anderson, I., in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

## REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 1886 and 228 were recommended to pass.

H. F. No. 1885, the first engrossment, which it recommended to pass with the following amendment offered by Jennings:

Page 4, after line 30, insert:

"Sec. 8. [52.137] [INDIVIDUAL RETIREMENT ACCOUNTS.]

Notwithstanding sections 52.04, subdivision 1, clause (1), and 52.05, a credit union may receive payment as deposits to establish an individual retirement account for the spouse of a blood or adoptive relative of a regularly gualified member if the blood or adoptive relative is a member of the credit union."

Page 4, line 36, strike "seven" and insert "three"

Page 7, line 36, after the period, insert:

"Laws 1982, chapter 429, section 6, is repealed."

Renumber the sections in sequence and correct internal references

Amend the title accordingly

On the motion of Carruthers the report of the Committee of the Whole was adopted.

## ROLL CALLS IN THE COMMITTEE OF THE WHOLE

Pursuant to rule 1.06, the following roll call was taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of H. F. No. 228 and the roll was called. There were 74 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Jefferson	Lasley
Anderson, R.	Finseth	Jennings	Lieder
Battaglia	Frerichs	Johnson, R.	Limmer
Beard	Garcia	Johnson, V.	Lourey
Bertram	Gutknecht	Kalis	Luther
Bishop	Hasskamp	Kelley	Macklin
Brown, C.	Haukoos	Kelso	Mahon
Cooper	Holsten	Kinkel	McCollum
Dauner	Huntley	Klinzing	Milbert
Davids	Jacobs	Koppendrayer	Molnau
Delmont	Jaros	Krueger	Mosel

Murphy Neary Ness Olson, E. Olson, M. Onnen Ozment Perlt Peterson Reding Rhodes Rice Rukavina Sarna Seagren Sekhon Simoneau Smith Solberg Steensma Sviggum Tomassoni Tompkins Tunheim Waltman Weaver Wejcman Wenzel Winter Workman

## 67TH DAY]

## Those who voted in the negative were:

Asch Bauerly Bergson Bettermann Brown, K. Carlson Carruthers	Commers Dawkins Dehler Dempsey Dorn Evans Girard	Greenfield Greiling Gruenes Hausman Hugoson Johnson, A. Kahn	Knight Krinkie Leppik Lindner Long Lynch McGuire	Nelson Olson, K. Opatz Orenstein Osthoff Ostrom Pawlenty Bakenty	Pugh Rest Rodosovich Skoglund Stanius Swenson Trimble Deller	Van Engen Vellenga Vickerman Wagenius Wolf Worke Spk. Anderson, I
Clark	Goodno	Knickerbocker	Morrison	Pelowski	Van Dellen	-

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Tunheim moved that the names of Lindner and Perlt be added as authors on H. F. No. 1835. The motion prevailed.

Lasley moved that the name of Olson, K., be added as an author on H. F. No. 1935. The motion prevailed.

Neary moved that the name of Luther be added as an author on H. F. No. 1959. The motion prevailed.

Kinkel moved that the name of Carruthers be added as an author on H. F. No. 1961. The motion prevailed,

Dawkins moved that the name of Wejcman be added as an author on H. F. No. 2033. The motion prevailed.

Beard moved that the name of Dauner be added as an author on H. F. No. 2052. The motion prevailed.

Wejcman moved that the names of Garcia and Mahon be added as authors on H. F. No. 2081. The motion prevailed.

Wejcman moved that the name of Garcia be added as an author on H. F. No. 2082. The motion prevailed.

Trimble moved that the names of Garcia, Mahon and Hugoson be added as authors on H. F. No. 2105. The motion prevailed.

Luther moved that the name of Bergson be added as an author on H. F. No. 2142. The motion prevailed.

Orenstein moved that the names of Garcia and Wejcman be added as authors on H. F. No. 2154. The motion prevailed.

Wejcman moved that the name of Garcia be added as an author on H. F. No. 2176. The motion prevailed.

Wejcman moved that the names of Bergson, Murphy, Mosel and Garcia be added as authors on H. F. No. 2197. The motion prevailed.

Smith moved that the name of Onnen be added as an author on H. F. No. 2224. The motion prevailed.

Pauly moved that the name of Limmer be added as an author on H. F. No. 2233. The motion prevailed.

Rest moved that the name of Goodno be added as an author on H. F. No. 2275. The motion prevailed.

Erhardt moved that the name of Limmer be added as an author on H. F. No. 2300. The motion prevailed.

Pugh moved that the name of Goodno be added as an author on H. F. No. 2333. The motion prevailed.

Clark moved that the name of Kahn be added as an author on H. F. No. 2349. The motion prevailed.

Pugh moved that the name of Goodno be added as an author on H. F. No. 2357. The motion prevailed.

### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of Isabelle Schmidt as Chief Sergeant at Arms effective Tuesday, March 1, 1994, for the remainder of the Seventy-eighth session.

The Speaker announced the appointment of Monsignor James D. Habiger as co-Chaplain for the remainder of the Seventy-eighth session.

## ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 10, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 10, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION - 1994

# SIXTY-EIGHTH DAY

# SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 9, 1994

The Senate met on Wednesday, March 9, 1994, which was the Sixty-eighth Legislative Day of the Seventy-eighth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.

## STATE OF MINNESOTA

### SEVENTY-EIGHTH SESSION — 1994

# SIXTY-NINTH DAY

#### SAINT PAUL, MINNESOTA, THURSDAY, MARCH 10, 1994

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

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

The roll was called and the following members were present:

Hausman

Hugoson

Huntley

Jefferson

Jennings

Johnson, A.

Johnson, R.

Johnson, V.

Jacobs

Jaros

Kahn

Kalis

Kelley

Kelso -

Kinkel

Klinzing

Knight

Holsten

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson -Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids

Dawkins Dehler Delmont Dempsey Dom Erhardt Evans Farrell Finseth Frerichs Garcia Cirard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos

Koppendrayer Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Knickerbocker Molnau Morrison

Mosel Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski

Perlt Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Skoglund Smith Solberg Stanius Steensma Sviggum Swenson

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

A quorum was present.

Long and Simoneau were excused.

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

## REPORTS OF STANDING COMMITTEES

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

H. F. No. 423, A bill for an act relating to health; clean indoor air act; adding common areas of apartments and condominiums to public places where smoking is prohibited; amending Minnesota Statutes 1992, section 144.413, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 16, delete "and condominium"

Amend the title as follows:

Page 1, line 3, delete "and condominiums"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 613, A bill for an act relating to meetings of public bodies; changing exceptions and other conditions of the open meeting law; amending Minnesota Statutes 1992, section 471.705.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 144.581, subdivision 5, is amended to read:

Subd. 5. [CLOSED MEETINGS; RECORDING.] (a) Notwithstanding subdivision 4 or section 471.705, a public hospital or an organization established under this section may hold a closed meeting to discuss specific marketing activity and contracts that might be entered into pursuant to the marketing activity in cases where the hospital or organization is in competition with health care providers that offer similar goods or services, and where disclosure of information pertaining to those matters would cause harm to the competitive position of the hospital or organization, provided that the goods or services do not require a tax levy. No contracts referred to in this paragraph may be entered into earlier than 15 days after the proposed contract has been described at a public meeting and the description entered in the minutes, except for contracts for consulting services or with individuals for personal services.

(b) A meeting may not be closed under paragraph (a) except by a majority vote of the board of directors in a public meeting. The time and place of the closed meeting must be announced at the public meeting. A written roll of members present at the closed meeting must be available to the public after the closed meeting. The proceedings of a closed meeting must be tape-recorded and preserved by the board of directors for two years. The data on the tape are nonpublic data under section 13.02, subdivision 9. However, the data become public data under section 13.02, subdivision 14, two years after the meeting, or when the hospital or organization takes action on matters referred to in paragraph (a), except for contracts for consulting services. In the case of personal service contracts, the data become public when the contract is signed. For entities subject to section 471.345, a contract entered into by the board is subject to the requirements of section 471.345.

(c) The board of directors may not discuss a tax levy, <u>bond issuance</u>, or <u>other expenditure of money not directly</u> related to specific marketing activities and contracts described in paragraph (a) at a closed meeting.

Sec. 2. Minnesota Statutes 1992, section 471.705, is amended to read:

471.705 [MEETINGS OF GOVERNING BODIES; OPEN TO PUBLIC; EXCEPTIONS.]

Subdivision 1. [REQUIREMENT PRESUMPTION OF OPENNESS.] Except as otherwise expressly provided by statute, all meetings, including executive sessions, of any state agency, board, commission or department when required or permitted by law to transact public business in a meeting, and the governing body of any school district however organized, unorganized territory, county, city, town, or other public body, and of any committee, subcommittee, board, department or commission thereof, shall be open to the public, except meetings of the commissioner of corrections. The votes of the members of such state agency, board, commission, or department or

5014

of such governing body, committee, subcommittee, board, department, or commission on any action taken in a meeting herein required to be open to the public shall be recorded in a journal kept for that purpose, which and the journal shall be open to the public during all normal business hours where such records are kept. The vote of each member shall be recorded on each appropriation of money, except for payments of judgments, claims and amounts fixed by statute. This section shall not apply to any state agency, board, or commission when exercising quasi-judicial functions involving disciplinary proceedings.

Subd. 1a. [LABOR NEGOTIATIONS; EXCEPTION.] Subdivision 1 does not apply to a meeting held pursuant to the procedure in this subdivision. The governing body of a public employer may by a majority vote in a public meeting decide to hold a closed meeting to consider strategy for labor negotiations, including negotiation strategies or developments or discussion and review of labor negotiation proposals, conducted pursuant to sections 179A.01 to 179A.25. The time of commencement and place of the closed meeting shall be announced at the public meeting. A written roll of members and all other persons present at the closed meeting shall be made available to the public after the closed meeting. The proceedings of a closed meeting to discuss negotiation strategies shall be tape recorded tape-recorded at the expense of the governing body and. The recording shall be preserved by it for two years after the contract is signed and shall be made available to the public after all labor contracts are signed by the governing body for the current budget period.

If an action is brought claiming that public business other than discussions of labor negotiation strategies or developments or discussion and review of labor negotiation proposals was transacted at a closed meeting held pursuant to this subdivision during the time when the tape is not available to the public, the court shall review the recording of the meeting in camera. If the court determines that no violation of this section is found finds that this subdivision was not violated, the action shall be dismissed and the recording shall be sealed and preserved in the records of the court until otherwise made available to the public pursuant to this section subdivision. If the court determines that a violation of this section is found finds that this subdivision was violated, the recording may be introduced at trial in its entirety subject to any protective orders as requested by either party and deemed appropriate by the court.

The prevailing party in an action brought before or after the tape is made available to the public which establishes that a violation of this section has occurred shall recover costs and reasonable attorney's fees as determined by the court.

Subd. 1b. [AGENDA WRITTEN MATERIALS.] In any meeting which under subdivision 1 must be open to the public, at least one copy of any printed materials relating to the agenda items of the meeting which are prepared or distributed by or at the direction of the governing body or its employees and which are:

- (1) distributed at the meeting to all members of the governing body;
- (2) distributed before the meeting to all members; or
- (3) available in the meeting room to all members;

shall be available in the meeting room for inspection by the public. The materials shall be available to the public while the governing body considers their subject matter. This subdivision does not apply to materials classified by law as other than public as defined in chapter 13, or to materials relating to the agenda items of a closed meeting held in accordance with the procedures in subdivision 1a or other law permitting the closing of meetings. <u>Only</u> if a member intentionally violates the requirements of this subdivision, <u>shall</u> that member <del>shall</del> be subject to a civil penalty in an amount not to exceed \$100. An action to enforce this penalty may be brought by any person in any court of competent jurisdiction where the administrative office of the member is located the penalties provided by subdivision <u>2</u>.

Subd. 1c. [NOTICE OF MEETINGS.] (a) [REGULAR MEETINGS.] A schedule of the regular meetings of a public body shall be kept on file at its primary offices. If a public body decides to hold a regular meeting at a time or place different from the time or place stated in its schedule of regular meetings, it shall give the same notice of the meeting that is provided in this subdivision for a special meeting.

(b) [SPECIAL MEETINGS.] For a special meeting, except an emergency meeting or a special meeting for which a notice requirement is otherwise expressly established by statute, the public body shall post written notice of the date, time, place, and purpose of the meeting on the principal bulletin board of the public body, or if the public body has no principal bulletin board, on the door of its usual meeting room. The notice shall also be mailed or otherwise delivered to each person who has filed a written request for notice of special meetings with the public body. This

notice shall be posted and mailed or delivered at least three days before the date of the meeting. As an alternative to mailing or otherwise delivering notice to persons who have filed a written request for notice of special meetings, the public body may publish the notice once, at least three days before the meeting, in the official newspaper of the public body or, if there is none, in a qualified newspaper of general circulation within the area of the public body's authority. A person filing a request for notice of special meetings may limit the request to notification of meetings concerning particular subjects, in which case the public body is required to send notice to that person only concerning special meetings pursuant to this paragraph and require refiling of the request once each year. Not more than 60 days before the expiration date of a request for notice, the public body shall send notice of the refiling requirement to each person who filed during the preceding year.

(c) [EMERGENCY MEETINGS.] For an emergency meeting, the public body shall make good faith efforts to provide notice of the meeting to each news medium that has filed a written request for notice if the request includes the news medium's telephone number. Notice of the emergency meeting shall be given by telephone or by any other method used to notify the members of the public body. Notice shall be provided to each news medium which has filed a written request for notice as soon as reasonably practicable after notice has been given to the members. Notice shall include the subject of the meeting. Posted or published notice of an emergency meeting shall not be required. An "emergency" meeting is a special meeting called because of circumstances that, in the judgment of the public body, require immediate consideration by the public body. If matters not directly related to the emergency are discussed or acted upon at an emergency meeting, the minutes of the meeting shall include a specific description of the matters. The notice requirement of this clause supersedes any other statutory notice requirement for a special meeting that is an emergency meeting.

(d) [RECESSED OR CONTINUED MEETINGS.] If a meeting is a recessed or continued session of a previous meeting, and the time and place of the meeting was established during the previous meeting and recorded in the minutes of that meeting, then no further published or mailed notice is necessary. For purposes of this clause, the term "meeting" includes a public hearing conducted pursuant to chapter 429 or any other law or charter provision requiring a public hearing by a public body.

(e) [CLOSED MEETINGS.] The notice requirements of this subdivision apply to closed meetings.

(f) [STATE AGENCIES.] For a meeting of an agency, board, commission, or department of the state, (i) the notice requirements of this subdivision apply only if a statute governing meetings of the agency, board, or commission does not contain specific reference to the method of providing notice, and (ii) all provisions of this subdivision relating to publication shall be satisfied by publication in the State Register.

(g) [ACTUAL NOTICE.] If a person receives actual notice of a meeting of a public body at least 24 hours before the meeting, all notice requirements of this subdivision are satisfied with respect to that person, regardless of the method of receipt of notice.

(h) [LIABILITY.] No fine or other penalty may be imposed on a member of a public body for a violation of this subdivision unless it is established that the violation was willful and deliberate intentional by the member.

Subd. 1d. [TREATMENT OF DATA CLASSIFIED AS NOT PUBLIC.] (a) Except as provided in this section, meetings may not be closed to discuss data that are not public data. Data that are not public data may be discussed at a meeting subject to this section without liability or penalty, if the disclosure relates to a matter within the scope of the public body's authority, and is reasonably necessary to conduct the business or agenda item before the public body, and is without malice. During an open meeting, a public body shall make reasonable efforts to protect from disclosure data that are not public data, including where practical acting by means of reference to a letter, number, or other designation that does not reveal the identity of the data subject. Data discussed at an open meeting retain the data's original classification; however, a record of the meeting, regardless of form, shall be public.

(b) Any portion of a meeting must be closed if expressly required by other law or if the following types of data are discussed:

(1) data that would identify alleged victims or reporters of criminal sexual conduct, domestic abuse, or maltreatment of minors or vulnerable adults;

(2) active investigative data as defined in section 13.82, subdivision 5, or internal affairs data relating to allegations of law enforcement personnel misconduct collected or created by a state agency, statewide system, or political subdivision; or

(3) educational data, health data, medical data, welfare data, or mental health data that are not public data under section 13.32, 13.38, 13.42, or 13.46, subdivision 2 or 7.

(c) A public body shall close a meeting for preliminary consideration of allegations or charges against an individual subject to its authority. If the members conclude that discipline of any nature may be warranted, further meetings or hearings must be open. A meeting must also be open at the request of the individual who is the subject of the meeting.

(d) A public body may close a meeting to evaluate the performance of an individual who is subject to its authority. The public body shall identify the individual to be evaluated prior to closing a meeting. At its next open meeting, the public body shall summarize its conclusions regarding the evaluation. A meeting must be open at the request of the individual who is the subject of the meeting.

(e) Meetings may be closed if the closure is expressly authorized by statute or permitted by the attorney-client privilege.

(f) A public body may close a meeting to discuss or review the qualifications of applicants for public employment prior to the designation of any applicant as a finalist for a position. "Finalist" shall have the meaning given in section 13.43.

Subd. 1e. [REASONS FOR CLOSING A MEETING.] Before closing a meeting, a public body shall state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.

Subd. 2. [VIOLATION; PENALTY PENALTIES.] (a) Any person who violates subdivision 1 this section shall be subject to personal liability in the form of a civil penalty in an amount not to exceed \$100 \$300 for a single occurrence, which shall not be paid by the public body. An action to enforce this penalty may be brought by any person in any court of competent jurisdiction where the administrative office of the governing body is located. Upon a third violation by the same person connected with the same governing body, such person shall forfeit any further right to serve on such governing body or in any other capacity with such public body for a period of time equal to the term of office such person was then serving. The court determining the merits of any action in connection with any alleged third violation shall receive competent, relevant evidence in connection therewith and, upon finding as to the occurrence of a separate third violation, unrelated to the previous violations issue its order declaring the position vacant and notify the appointing authority or clerk of the governing body. As soon as practicable thereafter the appointing authority or the governing body shall fill the position as in the case of any other vacancy.

(b) In addition to other remedies, the court may award reasonable costs, disbursements, and up to \$7,500 in attorney's fees to any party in an action under this section. A public body may by separate motion at a public meeting pay, or direct its insurer or self-insurance administrator to pay to the extent that a policy or coverage agreement so requires, costs, disbursements, and attorney's fees incurred by or awarded against any of its members in an action brought under this section, unless the court finds that the member was guilty of malfeasance in office, willful neglect of duty, or bad faith.

(c) No monetary penalties may be imposed on a member of a public body, or attorney's fees awarded to a plaintiff, if the defendant establishes that there was no specific intent to violate this section.

Subd. 3. [POPULAR NAME CITATION.] This section may be cited as the "Minnesota open meeting law".

Sec. 3. [EFFECTIVE DATE.]

Any increased civil penalties or any awards of attorney's fees provided under section 2 shall apply only to actions for violations occurring on or after August 1, 1994."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 144.581, subdivision 5; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1316, A bill for an act relating to occupations and professions; establishing a board of nutrition and dietetics practice; requiring nutritionists and dietitians to be licensed; establishing licensing requirements and exemptions; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 214.01, subdivision 2; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 148.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [PURPOSE.]

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The practice of dietetics and nutrition services in the state of Minnesota affects public health, safety, and welfare and is subject to regulation and control in the public interest. The practice of dietetic and nutrition services plays an important part in the attainment and maintenance of health and it is in the public's best interest that persons who represent themselves as providers of services in these areas need specific requirements and qualifications. The facts shall be liberally construed to best carry out these objectives and purposes.

Sec. 2. [148.621] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 14.

<u>Subd. 2.</u> [ACCREDITED COLLEGE OR UNIVERSITY.] <u>"Accredited college or university" means a college or</u> <u>university accredited by the regional accrediting agencies recognized by the council on post-secondary accreditation,</u> <u>and the United States Department of Education at the time the degree was conferred.</u>

Subd. 3. [ASSOCIATION.] "Association" means the American Dietetic Association.

Subd. 4. [BOARD.] "Board" means the board of dietetics and nutrition practice.

<u>Subd. 5.</u> [COMMISSION.] "<u>Commission</u>" means the <u>Commission on Dietetic Registration that is a member of the</u> <u>National Commission on Health Certifying Agencies, which national commission establishes national standards of</u> <u>competence for individuals participating in the health care delivery system.</u>

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 7. [DIETITIAN.] "Dietitian" means an individual who engages in dietetics or nutrition practice and uses the title dietitian.

Subd. 8. [NUTRITIONIST.] "Nutritionist" means an individual who engages in dietetics or nutrition practice and uses the title nutritionist.

<u>Subd. 9.</u> [DIETETICS OR NUTRITION PRACTICE.] "Dietetics or nutrition practice" means the integration and application of scientific principles of food, nutrition, biochemistry, physiology, food management, and behavioral and social sciences to achieve and maintain human health through the provision of nutrition care services.

Subd. 10. [NUTRITION CARE SERVICES.] "Nutrition care services" means:

(1) assessment of the nutritional needs of individuals or groups;

(2) establishment of priorities, goals, and objectives to meet nutritional needs;

(3) provision of nutrition counseling for both normal and therapeutic needs;

(4) development, implementation, and management of nutrition care services; or

(5) evaluation, adjustment, and maintenance of appropriate standards of quality in nutrition care.

<u>Subd. 11.</u> [NUTRITIONAL ASSESSMENT.] "<u>Nutritional assessment</u>" means the evaluation of the nutritional needs of individuals or groups based on appropriate biochemical, anthropometric, physical, and dietary data to determine nutrient needs and recommend appropriate nutritional intake.

Subd. 12. [NUTRITION COUNSELING.] "Nutrition counseling" means advising and assisting individuals or groups on appropriate nutritional intake by integrating information from the nutritional assessment with information on food and other sources of nutrients and meal preparation consistent with cultural background and socioeconomic status.

Subd. 13. [PERSON.] "Person" means an individual, corporation, partnership, or other legal entity.

Sec. 3. [148.622] [BOARD OF DIETETICS AND NUTRITION PRACTICE.]

<u>Subdivision 1.</u> [CREATION.] The board of dietetics and nutrition practice consists of seven members appointed by the governor.

Subd. 2. [MEMBERSHIP.] Members of the board must have been residents of the state of Minnesota for two years immediately preceding appointment and must represent various geographic areas of the state and various employment settings, as required by this section. Two members must be dietitians registered with the commission with at least three years of dietetics practice in Minnesota. Two members must be nutritionists with at least three years of nutrition practice in Minnesota. The professional members first appointed need not be licensed under this chapter for appointment to their first terms on the board, but must possess the qualifications necessary for licensure under this chapter. Three other members must be public members as defined under section 214.02. Two of the public members must be consumers of nutrition care services or caregivers of those utilizing such services.

<u>Subd.</u> 3. [MEMBERSHIP TERMS; OFFICERS; QUORUM; EXPENSES.] (a) <u>Members must be appointed for</u> staggered terms of four years, with terms beginning August 1 of each odd-numbered year. The terms of the initial board members shall be determined by lot as follows: three members shall be appointed for terms that expire August 1, 1998; two members must be appointed for terms that expire August 1, 1996; and two members must be appointed for terms that expire August 1, 1994. Members of the board serve until the expiration of the term to which they have been appointed or until their successors have qualified. A person may not be appointed to serve more than two consecutive terms.

(b) The board shall organize annually and select a chair and vice-chair.

(c) Four members of the board, including two professional members and two public members, constitute a quorum to do business.

(d) The board shall hold at least two regular meetings each year. Additional meetings may be held at the call of the chair or at the written request of any three members of the board. At least 14 days' written advance notice of the board meeting is required.

(e) Board members receive compensation for their services in accordance with section 15.0575.

Sec. 4. [148.623] [DUTIES OF THE BOARD.]

The board shall:

(1) adopt rules necessary to administer and enforce sections 2 to 14;

(2) administer, coordinate, and enforce sections 2 to 14;

(3) evaluate the qualifications of applicants;

(4) issue subpoenas, examine witnesses, and administer oaths;

(5) conduct hearings and keep records and minutes necessary to the orderly administration of sections 2 to 14;

(6) investigate persons engaging in practices that violate sections 2 to 14; and

(7) adopt rules under chapter 14 prescribing a code of ethics for licensees.

### Sec. 5. [148.624] [LICENSURE; RENEWAL.]

Subdivision 1. [DIETETICS.] The board shall issue a license as a dietitian to a person who files a completed application, pays all required fees, and certifies and furnishes evidence satisfactory to the board that the applicant:

(1) meets the following qualifications:

(i) has received a baccalaureate or postgraduate degree from an accredited college or university;

(ii) has received a baccalaureate or postgraduate degree from a United States regionally accredited college or university with a major in dietetics, human nutrition, nutrition education, food and nutrition, or food services management;

(iii) has completed a documented supervised preprofessional practice experience component in dietetic practice of not less than 900 hours under the supervision of a registered dietitian, a state licensed nutrition professional, or an individual with a doctoral degree conferred by a United States regionally accredited college or university with a major course of study in human nutrition, nutrition education, food and nutrition, dietetics, or food systems management. Supervised practice experience must be completed in the United States or its territories. Supervisors who obtain their doctoral degree outside the United States and its territories must have their degrees approved by the board as equivalent to the doctoral degree conferred by a United States regionally accredited college or university; and

(iv) has successfully completed the registration examination for dietitians administered by the commission; or

(2) has a valid current registration with the commission which gives the applicant the right to use the term "registered dietitian" or "R.D."

<u>Subd. 2.</u> [NUTRITION.] <u>The board shall issue a license as a nutritionist to a person who files a completed application, pays all required fees, and certifies and furnishes evidence satisfactory to the board that the applicant:</u>

(1) meets the following qualifications:

(i) has received a master's or doctoral degree from an accredited or approved college or university with a major in human nutrition, public health nutrition, clinical nutrition, nutrition education, community nutrition, or food and nutrition; and

(ii) has completed a documented supervised preprofessional practice experience component in dietetic practice of not less than 900 hours under the supervision of a registered dietitian, a state licensed nutrition professional, or an individual with a doctoral degree conferred by a United States regionally accredited college or university with a major course of study in human nutrition, nutrition education, food and nutrition, dietetics, or food systems management. Supervised practice experience must be completed in the United States or its territories. Supervisors who obtain their doctoral degree outside the United States and its territories must have their degrees validated as equivalent to the doctoral degree conferred by a United States regionally accredited college or university; or

(2) has gualified as a diplomate of the American Board of Nutrition, Springfield, Virginia.

<u>Subd. 3.</u> [PETITION.] (a) The board may issue a license as a nutritionist to a person who submits to the board a petition for individual review, provided the person has received a master's or doctoral degree from an accredited college or university with a major course of study that includes an emphasis in human nutrition and has completed a supervised preprofessional experience component in nutrition practice of not less than 900 hours under the supervision of a registered dietitian, a state licensed health care practitioner, or an individual with a doctoral degree conferred by a United States regionally accredited college or university with a major course of study in human nutrition, nutrition education, food and nutrition, dietetics, or food system management. Supervised practice experience must be completed in the United States or its territories. Supervisors who obtain their degree outside the United States regionally accredited college or university.

(b) The board may issue a license as a dietitian or nutritionist to an applicant who has completed a course of study at a foreign college or university, if the applicant:

(1) submits a petition for individual review;

5020

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(2) successfully completes a course of study approved by the board as equivalent to a baccalaureate or master's degree conferred by a United States regionally accredited college or university; and

(3) meets the applicable experiential requirements set by the board.

Subd. 4. [RENEWAL.] Licensees shall renew licenses at the time and in the manner established by the rules of the board.

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Sec. 6. [148.625] [APPLICATION.]

<u>A person desiring a license under sections 2 to 14 shall apply to the board on a form and in the manner the board prescribes.</u> The application must be accompanied by an application fee in an amount determined by the board.

Sec. 7. [148.626] [CONTINUING EDUCATION REQUIRED.]

Within three years of the effective date of sections 2 to 14, renewal of a license is contingent on the applicant meeting uniform continuing education requirements established by the board. Notice of initial or amended continuing education requirements must be sent to all persons licensed under sections 2 to 14 at least 12 months before a person's license renewal is dependent on satisfaction of those requirements. Continuing education requirements must be sent to apply for licensure.

Sec. 8. [148.627] [TRANSITION PERIOD.]

<u>Subdivision 1.</u> [DIETITIANS.] For one year after the effective date of rules adopted by the board under section 4, the board shall issue a license as a dietitian to an applicant who is a qualified dietitian as defined by the division of health resources of the department of health and has practiced nutrition or dietetics in good standing for the equivalent of one year full time during the last five years.

<u>Subd. 2.</u> [NUTRITIONISTS.] For one year after the effective date of rules adopted by the board under section 4, the board shall issue a license as a nutritionist to an applicant who has received a qualifying master's or doctoral degree and has practiced nutrition or dietetics in good standing for the equivalent of one year during the last five years.

Subd. 3. [NOTICE.] Within 30 days of the effective date of the rules adopted by the board under section 4, the board shall:

(1) notify dietitians and nutritionists of the existence of the rules by issuing notifications in dietitian and nutritionist trade publications;

(2) notify all Minnesota educational institutions which grant degrees in majors which prepare individuals for dietetics or nutrition practice of the existence of the rules; and

(3) provide copies of the rules upon request to interested individuals.

Sec. 9. [148.628] [RECIPROCITY.]

<u>The board may issue a license to an applicant who is licensed as a dietitian or nutritionist in another state or the District of Columbia, provided that in the judgment of the board the standards for licensure in that state are not less stringent than the requirements set forth in sections 2 to 14.</u>

Sec. 10. [148.629] [DENIAL, SUSPENSION, OR REVOCATION.]

<u>Subdivision 1.</u> [GROUNDS.] <u>The board may refuse to renew or 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:</u>

(1) is incompetent to engage in dietetic or nutrition practice, or is found to be engaged in dietetic or nutrition practice in a manner harmful or dangerous to a client or to the public;

(2) has violated the rules of the board or the statutes the board is empowered to enforce;

(3) has obtained or attempted to obtain a license or license renewal by bribery or fraudulent representation;

(4) has knowingly made a false statement on a form required by the board for licensing or license renewal; or

(5) has sold any dietary supplement product if the sale of that product resulted in financial benefit to the individual.

Subd. 2. [RESTORING LICENSE.] For reasons it finds sufficient, the board may grant a license previously refused, restore a license that has been revoked, or reduce a period of suspension or restriction of a license.

Subd. 3. [REVIEW.] Suspension, revocation, or restriction of a license must be reviewed by the board at the request of the licensee against whom the disciplinary action was taken.

Sec. 11. [148.630] [LICENSE REQUIRED.]

(a) No person may engage in dietetics or nutrition practice unless the person is licensed as a dietitian or nutritionist by the board. No person may use the title "dietitian" or "nutritionist" or any title deemed equivalent by the board unless so licensed by the board, nor shall any person hold out as a dietitian or nutritionist unless so licensed.

(b) Notwithstanding any other provision of sections 2 to 14, a dietitian registered by the commission shall have the right to use the title "registered dietitian" and the designation "R.D." Notwithstanding any other provision of sections 2 to 14, a dietetic technician registered by the commission on dietetic registration shall have the right to use the title "dietetic technician registered" and the designation "D.T.R."

Sec. 12. [148.631] [PENALTY.]

A person who violates sections 2 to 14 is guilty of a misdemeanor. If a person other than a licensed dictitian or nutritionist engages in an act or practice constituting an offense under sections 2 to 14, a district court on application of the board may issue an injunction or other appropriate order restraining the act or practice.

Sec. 13. [148.632] [EXEMPTIONS; VOLUNTARY LICENSING.]

<u>Subdivision 1.</u> [PERSONS EXCEPTED FROM THE LICENSING REQUIREMENT.] <u>Nothing in sections 2 to 14</u> prevents or restricts the activities of:

(1) any person pursuing a degree in dietetics or nutrition at an accredited college or university who is practicing under the supervision of a licensed dietitian or licensed nutritionist and in accordance with accepted scientific knowledge and standards of practice, provided that the person is designated by a title which clearly indicates the person's status as a student or trainee;

(2) any person in the process of fulfilling the professional experience requirements in dietetics or nutrition necessary for licensure who is practicing under the supervision of a licensed dietitian or licensed nutritionist and in accordance with accepted scientific knowledge and standards of practice, provided that the person is designated by a title which clearly indicates the person's status as a trainee;

(3) any person licensed to practice medicine, nursing, optometry, psychology, pharmacy, dentistry, or chiropractic, when nutrition practice is incidental to the practice of the person's profession and the person does not hold out as a dietitian or nutritionist unless so licensed;

(4) any person, including a registered dietetic technician, dietetic technician, or other paraprofessional working in a program supervised by a licensed dietitian or nutritionist, if the person's activities are within the scope of the person's education and training and in accordance with accepted scientific knowledge and standards of practice in nutrition or dietetics and the person does not hold out as a dietitian or nutritionist unless so licensed;

(5) any person who provides weight control services, provided the nutrition program has been reviewed by, consultation is available from, and no program change can be initiated without prior approval by an individual licensed under sections 2 to 14, a dietitian licensed in another state that has licensure requirements considered by the board to be at least as stringent as the requirements for licensure under sections 2 to 14, or a registered dietitian, and provided that the person does not hold out as a dietitian or nutritionist unless so licensed;

5022

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(6) any home economist with a baccalaureate or graduate degree from an accredited college or university, if the person's activities are within the scope of the person's education and training and in accordance with accepted scientific knowledge and standards of practice and the person does not hold out as a dietitian or nutritionist;

(7) any educator employed by a federal, state, county, or municipal agency, elementary or secondary school, regionally accredited institution of higher education, or nonprofit agency, if the person's activities are within the scope of the person's employment and the person does not hold out as a dietitian or nutritionist unless so licensed;

(8) any person who furnishes nutrition information on food, food materials, or dietary supplements or engages in the explanation to customers about foods or food products in connection with the marketing and distribution of those products provided that the person does not hold out as a dietitian or nutritionist unless so licensed;

(9) any person who is recognized in the community as a curandero or medicine man or woman and who advises people according to traditional practices provided the person does not hold out as a dietitian or nutritionist unless so licensed;

(10) any animal nutritionist who does not meet the requirements of sections 2 to 14, provided that the person's activities are limited to the nutritional care of animals. Animal nutritionists may continue to use the title nutritionist so long as they provide nutrition services only to animals; or

(11) any person who provides nutrition services without remuneration to family members.

<u>Subd. 2.</u> [VOLUNTARY LICENSING.] <u>The licensing of persons employed by facilities licensed under chapters 144</u> and 144A is voluntary. Nothing in sections 2 to 14 prevents or restricts the activities of persons employed by these institutions.

Sec. 14. [148.633] [DISPOSITION OF FUNDS.]

<u>Money received by the board under sections 2 to 14 must be credited to the health occupations licensing account</u> within the special revenue fund.

Sec. 15. Minnesota Statutes 1992, section 214.01, subdivision 2, is amended to read:

Subd. 2. [HEALTH-RELATED LICENSING BOARD.] "Health-related licensing board" means the board of examiners of nursing home administrators established pursuant to section 144A.19, the board of medical practice created pursuant to section 147.01, the board of nursing created pursuant to section 148.181, the board of chiropractic examiners established pursuant to section 148.02, the board of optometry established pursuant to section 148.52, the board of psychology established pursuant to section 148.90, the social work licensing board pursuant to section 1488.19, the board of marriage and family therapy pursuant to section 148B.30, the mental health practitioner advisory council established pursuant to section 148B.62, the board of dietetics and nutrition practice established under section 148.622, the board of dentistry established pursuant to section 150A.02, the board of pharmacy established pursuant to section 151.02, the board of podiatric medicine established pursuant to section 153.02, and the board of veterinary medicine, established pursuant to section 156.01.

Sec. 16. Minnesota Statutes 1992, section 214.04, subdivision 3, is amended to read:

Subd. 3. [OFFICERS; STAFF.] The executive director of each health-related board and the executive secretary of each non-health-related board shall be the chief administrative officer for the board but shall not be a member of the board. The executive director or executive secretary shall maintain the records of the board, account for all fees received by it, supervise and direct employees servicing the board, and perform other services as directed by the board. The executive directors, executive secretaries, and other employees of the following boards shall be hired by the board, and the executive directors or executive secretaries shall be in the unclassified civil service, except as provided in this subdivision:

(1) dentistry;

(2) medical practice;

(3) nursing;

(4) pharmacy;

(5) accountancy;

(6) architecture, engineering, land surveying, landscape architecture, and interior design;

(7) barber examiners;

(8) cosmetology;

(9) electricity;

(10) teaching;

(11) peace officer standards and training,

(12) social work; and

(13) marriage and family therapy; and

(14) dietetics and nutrition practice.

The executive directors or executive secretaries serving the boards are hired by those boards and are in the unclassified civil service, except for part-time executive directors or executive secretaries, who are not required to be in the unclassified service. Boards not requiring full-time executive directors or executive secretaries may employ them on a part-time basis. To the extent practicable, the sharing of part-time executive directors or executive directors or executive secretaries by boards being serviced by the same department is encouraged. Persons providing services to those boards not listed in this subdivision, except executive directors or executive secretaries of the boards and employees of the attorney general, are classified civil service employees of the department servicing the board. To the extent practicable, the commissioner shall ensure that staff services are shared by the boards being serviced by the department. If necessary, a board may hire part-time, temporary employees to administer and grade examinations.

Sec. 17. [APPROPRIATION.]

<u>\$...... is appropriated from the special revenue fund to the dietetics and nutrition practice board for the purposes</u> of sections <u>2</u> to <u>14</u>, to be available until June 30, 1995.

Sec. 18. [EFFECTIVE DATE.]

Sections 3 and 4 and 15 to 17 are effective July 1, 1994. The remaining sections are effective 30 days after the effective date of rules adopted by the board of dietetics and nutrition practice under section 4."

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

The report was adopted.

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

H. F. No. 1682, A bill for an act relating to the environment; regulating packaging; setting mandatory recycled content for certain products and packaging; listing preferences for use of packaging; regulating transport packaging; regulating disposable packaging; requiring use of reusable packaging for certain percentages of beverages sold or, in the alternative, refundable recycling deposits on nonreusable beverage packaging; requiring a wood waste and wood products residue marketing plan; providing penalties; amending Minnesota Statutes 1992, sections 16B.122, by adding a subdivision; 18B.135, by adding a subdivision; 115A.03, by adding a subdivision; 115A.072, subdivision 4; and 297A.25, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A; and 116F; repealing Minnesota Statutes 1992, sections 116F.01; 116F.02; 116F.05; 116F.06; and 116F.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITATION.]

This act may be cited as "the packaging reduction and reuse act of 1994."

Sec. 2. Minnesota Statutes 1993 Supplement, section 16B.122, subdivision 1, is amended to read:

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.

(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.

(d) "Practicable" means capable of being used, consistent with performance, in accordance with applicable specifications, and availability within a reasonable time.

(e) "Printing paper" means paper designed for printing, other than newsprint, such as offset and publication paper.

(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, <u>a university or college that receives state funding</u>, or any contractor acting pursuant to a contract with a public entity.

(g) "Soy-based ink" means printing ink made from soy oil.

(h) "Uncoated" means not coated with plastic, clay, or other material used to create a glossy finish.

Sec. 3. Minnesota Statutes 1993 Supplement, section 16B.122, is amended by adding a subdivision to read:

Subd. 4. [STATE PAPER PURCHASE.] (a) Subject to section 16B.121, the commissioner, and state agencies when purchasing under delegated authority, shall purchase or cause the purchase of:

(1) high speed copier paper, offset paper, forms bond, computer printout paper, carbonless paper, file folders, and white woven envelopes with postconsumer material content of at least 20 percent beginning July 1, 1995, and at least 30 percent beginning July 1, 1999; and

(2) other uncoated printing and writing paper, such as writing and office paper, book paper, cotton fiber paper, and cover stock, with recycled content of at least 50 percent, including postconsumer material content of at least 20 percent beginning July 1, 1995, and at least 30 percent beginning July 1, 1995.

(b) High quality coated paper is exempt from the requirements of paragraph (a).

Sec. 4. [16B.124] [PUBLIC ENTITY; MILK CONTAINERS.]

Beginning August 1, 1996, a public entity, as defined in section 16B.122, shall dispense or sell milk only through bulk dispensers, in refillable containers that the public entity collects and returns for reuse to the milk processor or bottler, or in recycling containers that are collected and transported to a recycling facility and are recycled.

Sec. 5. Minnesota Statutes 1992, section 115A.03, subdivision 24b, is amended to read:

Subd. 24b. [POSTCONSUMER MATERIAL.] "Postconsumer material" means a finished material that would normally be discarded as a solid waste having completed its life cycle as a consumer item. For the purposes of this subdivision, paper upon which ink has been placed by a printing process has completed its life cycle as a consumer item when a printer or other person places the paper into the recycling stream.

Sec. 6. Minnesota Statutes 1992, section 115A.072, subdivision 4, is amended to read:

Subd. 4. [EDUCATION, PROMOTION, AND PROCUREMENT.] The office shall include waste reduction <u>and</u> <u>reuse</u>, <u>including packaging reduction and reuse</u>, as an element of its program of public education on waste management required under this section. The waste reduction <u>and reuse</u> education program must include

dissemination of information and may include an award program for model waste reduction <u>and reuse</u> efforts. Waste reduction <u>and reuse</u> educational efforts must also include provision of information about and promotion of the model procurement program developed by the commissioner of administration under section 115A.15, subdivision 7, or any other model procurement program that results in significant waste reduction <u>and reuse</u>.

Sec. 7. Minnesota Statutes 1992, section 115A.5501, subdivision 2, is amended to read:

Subd. 2. [MEASUREMENT; PROCEDURES.] To measure the overall percentage of packaging in the statewide solid waste stream, the commissioner director and the chair of the metropolitan council, in consultation with the director commissioner, shall each conduct an annual four season solid waste composition study in the nonmetropolitan and metropolitan areas respectively or shall develop an alternative method that is as statistically reliable as a waste composition study to measure the percentage of packaging in the waste stream.

Beginning in 1993, The chair of the council shall submit the results from the metropolitan area to the commissioner director by March May 1 of each year. The commissioner director shall average the nonmetropolitan and metropolitan results and submit the statewide percentage, along with a statistically reliable margin of error, to the director by April 1 of each year. The director shall report the information to the legislative commission on waste management by July 1 of each year.

Sec. 8. Minnesota Statutes 1992, section 115A.5501, is amended by adding a subdivision to read:

Subd. 5. [DEFINITION.] For the purposes of this section only, "solid waste" means mixed municipal solid waste, industrial waste, medical waste, and construction debris.

#### Sec. 9. [115A.5502] [PACKAGING STUDY AND RECOMMENDATIONS.]

<u>Subdivision 1.</u> [STUDY AND RECOMMENDATIONS.] (a) The director, in consultation with the commissioner, manufacturers, packagers, recyclers, public and private solid waste managers, environmental groups, and other interested persons, shall undertake a continuing study of:

(1) the feasibility and prudence of implementing sections 115A.561, requiring recycled content in limited types of material and containers; 116F.12, prohibiting management of waste transport packaging as part of other solid waste; and 116F.13, establishing guidelines for use of disposable packaging; and

(2) any other issues determined by the director to be relevant to encouraging and achieving the maximum reduction of packaging in the solid waste stream that is feasible and prudent.

(b) In determining the feasibility and prudence of implementing the sections listed in paragraph (a), the director also shall study the effects of minimum recycled content requirements, regulation of transport packaging, and guidelines for and regulation of disposable packaging in other states and other nations.

(c) For recycled content requirements, the director also shall analyze the extent to which products and packaging are or reasonably can be made available with significant postconsumer material content in light of existing and developing technologies and in light of the direct and indirect costs of postconsumer material in relation to direct and indirect costs of virgin material. If the director finds that postconsumer content requirements are feasible and prudent and may be effective in encouraging markets for recycled materials, the director periodically may recommend to the legislative commission on waste management minimum postconsumer material content standards for specific types of products or packaging sufficient to significantly increase market demand for recyclable materials that are technologically and economically feasible and prudent. Specifically, the director shall determine whether the postconsumer material standards established in section 115A.561 are appropriate and achievable and shall recommend to the legislative commission on waste management, as part of the report required in section 115A.5501, subdivision 4, that each individual standard take effect, be further studied, or be reduced, increased, or repealed.

(d) For regulation of management of waste transport packaging, the director shall study the most efficient design and use of transport packaging, how waste transport packaging is presently managed, how generators of waste transport packaging can manage the packaging by reuse and recycling rather than by destruction of the packaging or by landfilling it. The director shall make recommendations to packagers, transporters, and receivers of items in transport packaging on how best to design and use transport packaging and how to manage waste packaging outside the solid waste management system. The director periodically may recommend to the legislative commission appropriate regulation of transport packaging. Specifically, the director shall recommend to the legislative commission on waste management, as part of the report required in section 115A.5501, subdivision 4, whether the transport packaging prohibition in section 116F.12 should be implemented, further studied, adjusted, or repealed.

(e) For discardable packaging, the director shall determine whether packagers are making progress toward meeting the proposed guidelines in section 116F.13. The director specifically shall recommend, as part of the report required under section 115A.5501, subdivision 4, whether to adjust, provide enforcement of, repeal, or let stand the guidelines for discardable packaging in section 116F.13. The director periodically shall recommend to the legislative commission on waste management how to significantly reduce the use of discardable packaging and the presence of discardable packaging in solid waste. The director shall consider all means of achieving reduction in both the quantity and toxicity of discardable packaging in use and in the solid waste stream, including requirements for and/or prohibitions on the use of certain materials in the manufacture of disposable packaging, prohibitions on the use of discardable packaging, advance disposal or recycling fees on discardable packaging, mandatory recycling of discardable packaging, and any other means of achieving reduction proposed by any interested person. At a minimum, the recommendations must include:

(1) how, by 2000, to reduce by at least 50 percent over 1995 levels the amount of discardable packaging in solid waste delivered to solid waste composting, incineration, refuse-derived fuel, and disposal facilities;

(2) how to reduce, to the greatest extent technically feasible, the presence of any materials or combinations of materials in discardable packaging that are toxic, may combine with other materials during a waste management process to become toxic, or make the packaging impossible, difficult, or costly to recycle; and

(3) how to ensure that any additional costs incurred to redesign packaging, recycle increased quantities or types of materials, and administer any necessary government programs to oversee production, use, sale, and management of discardable packaging be recovered from the manufacture, use, and sale of the packaging, and not from state or local revenue or from the solid waste management system itself.

Subd. 2. [PERIODIC AND SPECIFIC RECOMMENDATIONS.] (a) Until July 1, 1996, any periodic recommendations made by the director under subdivision 1 may not include making any of the provisions of section 115A.561, 116F.12, or 116F.13 more stringent or enforcing any of those provisions.

(b) As part of the report required on July 1, 1996, under section 115A.5501, subdivision 4, the director shall specifically recommend implementation and enforcement of sections 115A.561, 116F.12, and/or 116F.13, with appropriate alterations, if the director finds that:

(1) the 25 percent packaging reduction goal in section 115A.5501 has not been met;

(2) continuing significant reduction of packaging in the waste stream will be adversely affected if one or more of those sections is not implemented;

(3) in relation to section 115A.561, implementation of recycled content standards will encourage or stabilize markets for recyclable materials;

(4) in relation to section 116F.12, there remains a significant quantity of transport packaging in the waste stream and it is unlikely to be reduced by at least 75 percent of 1995 levels by January 1, 1998; or

(5) in relation to section 116F.13, random sampling shows that less than 50 percent of consumer packaging available in retail stores in the state substantially complies with the discardable packaging guidelines.

<u>Subd. 3.</u> [EFFECT OF CERTAIN PROVISIONS.] The provisions of sections <u>115A.561</u>, relating to recycled content in materials and packaging; <u>116F.12</u>, relating to management of transport packaging; and <u>116F.13</u>, relating to discardable packaging are advisory only until the legislature acts to make them enforceable. Neither the director, the commissioner, the attorney general, a county attorney, or any other person may enforce any of the provisions in any of those sections without legislative direction to enforce them.

Sec. 10. [115A.561] [RECYCLED CONTENT IN CERTAIN PRODUCTS AND PACKAGING.]

<u>Subdivision 1.</u> [MINIMUM RECYCLED CONTENT.] (a) <u>Newsprint that is distributed for sale to or use by</u> <u>consumers in this state must contain a minimum percentage of postconsumer material of 50 percent by January 1,</u> 2000, unless the newsprint is consumed by a printer who prints less than 10,000 copies each month of all publications <u>printed</u> by that printer on newsprint, in which case, the newsprint must contain a minimum percentage of postconsumer material of 30 percent by January 1, 2000. (b) Glass packaging that is distributed for sale or use, including sale to or use by consumers of products contained in the glass packaging who reside in this state, must contain a minimum percentage of postconsumer material of 50 percent by January 1, 2000.

(c) A rigid plastic container that is distributed for sale or use, including sale to or use by a consumer of a product contained in the container who resides in this state, must contain a minimum of 25 percent postconsumer material by January 1, 2000. For the purposes of this paragraph, "rigid plastic container" means a formed or molded container composed predominantly of plastic resin and having a relatively inflexible finite shape or form intended primarily as a single service container with a capacity of eight ounces or more, but less than five gallons.

(d) Paperboard packaging, excluding corrugated paperboard packaging, that is distributed for sale or use, including sale to or use by a consumer of a product contained in the packaging who resides in this state, must contain a minimum percentage of postconsumer material of 50 percent by January 1, 2000.

Subd. 2. [EFFECT.] Under section 115A.5502, subdivision 3, this section is advisory only and is unenforceable unless the legislature acts affirmatively to make it enforceable.

Sec. 11. [116F.10] [DEFINITIONS.]

Unless otherwise provided, the definitions in section 115A.03 apply to this chapter.

Sec. 12. [116F.11] [PACKAGING PRACTICES; PREFERENCES; GOALS.]

Packaging forms a substantial portion of solid waste and contributes to environmental degradation and the costs of managing solid waste. It is imperative to reduce the amount and toxicity of packaging that must be managed as solid waste. In order to achieve significant reduction of packaging in solid waste and to assist packagers and others to meet the packaging reduction goal in section 115A.5501, the goal of the state is that items be distributed without any packaging where feasible and, only when necessary to protect health and safety or product integrity, with the minimal amount of packaging possible. The following categories of packaging are listed in order of preference for use by all persons who find it necessary to package items for distribution or use in the state:

(1) minimal packaging that contains no intentionally introduced toxic materials and that is designed to be and actually is reused for its original purpose at least five times;

(2) minimal packaging that contains no intentionally introduced toxic materials and that consists of at least 50 percent postconsumer material as defined in section 115A.03, subdivision 24b;

(3) minimal packaging that contains no intentionally introduced toxic materials, that is recyclable, and is regularly collected through recycling collection programs available to at least 75 percent of the residents of the state;

(4) minimal packaging that does not comply with clauses (1) to (3) because it is required under federal or state law and for which there does not exist a commercially feasible alternative that does comply with clauses (1) to (3);

(5) packaging that contains no intentionally introduced toxic materials but does not comply with clauses (1) to (4); and

(6) all other packaging.

It is the further goal of this chapter that the packaging described in clauses (5) and (6) no longer be in use for any purpose after December 31, 1999.

Sec. 13. [116F.12] [TRANSPORT PACKAGING.]

Subdivision 1. [DEFINITION.] "Transport packaging" means packaging as defined in section 115A.03, subdivision 22b, that is used primarily for transportation of products prior to final sale or delivery, whichever occurs later, of the products to their ultimate consumers. Transport packaging includes, but is not limited to, crates, barrels, boxes, pallets, and packing materials that are or may be removed prior to final sale or delivery of a product to a consumer.

Subd. 2. [PROHIBITION.] (a) Beginning January 1, 1998, a person may not place transport packaging in:

(1) mixed municipal solid waste, industrial waste, medical waste, or construction debris;

(2) a resource recovery facility other than for reuse or recycling; or

(3) a disposal facility.

(b) For the purposes of paragraph (a), transport packaging may be delivered to a resource recovery facility or a disposal facility for reuse or recycling as long as the packaging is not placed in that portion of the facility that composts waste, burns waste, processes waste into refuse-derived fuel, or disposes of waste.

Subd. 3. [EFFECT.] Under section 115A.5502, subdivision 3, this section is advisory only and is unenforceable unless the legislature acts affirmatively to make it enforceable.

Sec. 14. [116F.13] [DISCARDABLE PACKAGING.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section:

(1) "discardable packaging" means packaging that is not transport packaging as defined in section 116F.12 or reusable packaging;

(2) "recyclable packaging" means packaging made of a material that is collected either:

(i) through recycling collection programs available to 75 percent of the state's residents; or

(ii) by a collection program established by a manufacturer or distributor of the product contained in the packaging that is designed to collect and recycle a minimum of 60 percent of the packaging; and

(3) "reusable packaging" means packaging that is designed to be reused for its original purpose at least five times and for which systems for return and reuse are in operation statewide.

Subd. 2. [GUIDELINES.] For a consumer product sold or otherwise distributed for use in this state, the person who packages the product shall, to the extent practical:

(1) use the minimal amount of packaging necessary to protect the product;

(2) use recyclable packaging;

(3) use packaging that, all layers taken together, meets or exceeds the postconsumer material content requirements in section 115A.561 for the packaging specified in that section and contains the maximum reasonably feasible postconsumer content for packaging not specified in that section; and

(4) label, in compliance with section 325E.41, the outermost layer of packaging to clearly inform the consumer prior to purchase of the ways in which the packaging, taken as a whole, complies with clauses (1) to (3).

Subd. 3. [EFFECT.] Under section 115A.5502, subdivision 3, this section is advisory only and is unenforceable unless the legislature acts affirmatively to make it enforceable.

Sec. 15. [116F.20] [REFUSAL TO STOCK PRODUCTS IN REUSABLE CONTAINERS.]

Subdivision 1. [DEFINITION.] For purposes of this section, "reusable container" means a container that is designed to be and actually is reused at least five times for its original purpose by any number of persons who are in the business of placing contents in the container.

<u>Subd. 2.</u> [ANTICOMPETITIVE CONDUCT PROHIBITED.] <u>A retailer or wholesaler may not refuse, after request</u> by a manufacturer, bottler, or distributor, to stock a product, including a food or a beverage, for sale because the product is packaged in reusable containers. A person who violates this subdivision engages in anticompetitive conduct by excluding the manufacturer's, bottler's, or distributor's products that utilize reusable containers from fair competition with products packaged in discardable packaging.

<u>Subd. 3.</u> [BURDEN OF PROOF.] <u>A retailer or wholesaler who refuses to stock a product for sale that is packaged</u> in reusable containers and who is accused of anticompetitive conduct under this section has the burden of proving that the product was refused for reasons other than that it is packaged in reusable containers. Subd. 4. [ENFORCEMENT; REMEDIES.] The attorney general may enforce this section under section 8.31. In addition, a person who would suffer injury from a threatened violation of this section or who does suffer injury from an actual violation of this section may bring an action to enjoin the threatened or actual violation and may recover actual damages, court costs, and reasonable attorney fees from the violator.

### Sec. 16. [325E.41] [DECEPTIVE TRADE PRACTICES; ENVIRONMENTAL MARKETING CLAIMS.]

Subdivision 1. [DECEPTIVE CLAIMS; ADOPTION OF FEDERAL GUIDES.] <u>A manufacturer, packager, wholesaler,</u> or retailer who makes, in any manner, an environmental claim for a product, including for the product's packaging, for sale or distribution in this state shall comply with the guides for the use of environmental marketing claims that were issued by the Federal Trade Commission on July 28, 1992, as revised.

Subd. 2. [ENFORCEMENT.] A person who violates this section is subject to the penalties and remedies in section 8.31, including a private right of action.

Sec. 17. [PILOT PROJECTS; SCHOOL MILK.]

The director of the office of waste management shall use a portion of the funds available in fiscal year 1995 for grants under Minnesota Statutes, section 115A.55, for pilot projects to determine the feasibility of long-term use of refillable milk containers for use in schools. The director shall make grants for pilot projects to at least one school or school district located in the metropolitan area, as defined in Minnesota Statutes, section 473.121, and one school or school district located outside the metropolitan area.

### Sec. 18. [BEVERAGE CONTAINERS; STUDY AND REPORT.]

By December 1, 1994, the director of the office of waste management shall prepare and submit to the legislative commission on waste management a report that analyzes the costs and benefits of discardable beverage containers in relation to the costs and benefits of reusable beverage containers. The director may rely on existing analyses of the advantages and disadvantages of disposable containers and reusable containers and existing analyses of container deposit systems in operation in other states. The director shall analyze at least the effects of discardable and reusable containers on labor and the availability of jobs related to those containers, on breweries, dairies, and other bottlers in the state, on other businesses in the state including retailers, on public health and the environment, and on solid waste management systems.

Sec. 19. [WOOD WASTE AND WOOD PRODUCTS RESIDUE; MARKETING PLAN.]

By January 1, 1996, the director of the office of waste management, in consultation with wood products manufacturers, users of transport packaging made of wood or wood products, consumers including reusers and recyclers of wood waste and wood products residue, the commissioners of the departments of trade and economic development, public service, and natural resources, the Minnesota technical assistance program, the University of Minnesota extension service, and other interested persons, shall develop a statewide wood waste and wood products residue marketing plan. The plan must:

(1) identify generators of wood waste and wood products residue;

(2) identify existing and potential markets for wood waste and wood products residue;

(3) provide guidelines for the collection, transportation, storage, processing, and reuse or recycling of wood waste and wood products residue; and

(4) recommend to the legislative commission on waste management any legislation necessary to encourage development of greater capacity in the state to reuse and recycle wood waste and wood products residue to ensure that those items are managed to maximize their environmental and economic benefits to society.

The director shall develop the marketing plan in light of the prohibition on placing transport packaging made of wood or wood products in solid waste or in a solid waste facility under Minnesota Statutes, section 116F.12. The director may include in the marketing plan a recommendation to adjust that prohibition if necessary to implement a sound marketing system for wood waste and wood products residue.

Sec. 20. [APPROPRIATION.]

\$150,000 is appropriated from the general fund to the director of the office of waste management to be available until expended for the purpose of conducting the annual solid waste composition studies required under section 7 and to undertake studies required under section 9."

#### Delete the title and insert:

"A bill for an act relating to the environment; regulating packaging; requiring a packaging study; setting mandatory recycled content for certain products and packaging; listing preferences for use of packaging; regulating transport packaging; regulating discardable packaging; prohibiting the refusal to stock reusable containers; prohibiting deceptive environmental marketing claims; requiring a wood waste and wood products residue marketing plan; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 115A.03, subdivision 24b; 115A.072, subdivision 4; and 115A.5501, subdivision 2, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 16B.122, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B; 115A; 116F; and 325E."

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

The report was adopted.

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

H. F. No. 1835, A bill for an act relating to game and fish; agreements on taking and possession of fish taken from Ontario boundary waters; amending Minnesota Statutes 1993 Supplement, section 97A.531, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 97A.531, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [BORDER WATER ENTERPRISE AGREEMENTS.] (a) The commissioner of natural resources and the commissioner of trade and economic development, in coordination with the federal government, may negotiate and, with the approval of the legislature, enter into agreements with authorized representatives of the province of Ontario and the "first nation" governments in Canada to provide for joint resource management, promotion of tourism, or economic development with respect to lakes through which the Ontario-Minnesota border runs. When negotiating with Ontario officials on game fish limits in Minnesota-Ontario border waters, the commissioner may not agree to more restrictive limits than are allowed in Ontario, unless the commissioner determines that more restrictive limits are necessary to protect Minnesota's fishery resource.

(b) Possession of fish imported into the state from Ontario may not number more than the amount of the most restrictive Ontario possession limit by species placed on Minnesota-based anglers fishing in Ontario waters.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 1845, A bill for an act relating to education; permitting school boards to begin the school year before Labor Day when a religious holiday is observed the day following Labor Day; amending Minnesota Statutes 1992, section 126.12, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [RELIGIOUS HOLIDAY EXEMPTION TO SCHOOL START RESTRICTION.]

For the 1994-1995 school year, a school board may begin the elementary or secondary school year on the Thursday or Friday prior to Labor Day because a religious holiday is observed on the day following Labor Day."

Delete the title and insert:

"A bill for an act relating to education; permitting school boards to begin the 1994-1995 school year before Labor Day because a religious holiday is observed the day following Labor Day."

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1891, A bill for an act relating to real property; clarifying and making technical corrections to statutory provisions relating to real property; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 83.26, subdivision 2; 500.19, subdivision 4; 507.09; 507.332; 508.12, subdivision 1; 508.13; 508.23, subdivision 1; 508.35; 508.37, subdivision 1a; 508.38; 508.45; 508.47, subdivision 5; 508.51; 508.52; 508.55; 508.68; 508.70; 508.71, subdivision 4; 508A.22, subdivision 1; 508A.35; 508A.38; 508A.45; 508A.47, subdivision 5; 508A.51; 508A.52; 508A.52; 508A.52; 508A.68; 508A.71, subdivision 4; 559.21, subdivisions 3, 4, and 8; and 580.12; Minnesota Statutes 1993 Supplement, section 256B.0595, by adding a subdivision; 508.71, subdivision 7; 515B.1-102; 515B.1-103; 515B.1-105; 515B.1-116; 515B.2-104; 515B.2-105; 515B.2-110; 515B.2-118; 515B.2-119; 515B.3-113; 515B.3-116; and 515B.3-117; proposing coding for new law in Minnesota Statutes, chapters 508; and 508A.

Reported the same back with the following amendments:

Page 44, line 33, delete "unit is" and insert "common elements are"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1914, A bill for an act relating to financial institutions; reciprocal interstate banking; removing the geographical limitation contained in the definition of reciprocating state; amending Minnesota Statutes 1992, section 48.92, subdivision 7.

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

The report was adopted.

5032

Clark from the Committee on Housing to which was referred:

H. F. No. 1919, A bill for an act relating to manufactured homes; clarifying certain language governing application fees with in park sales; amending Minnesota Statutes 1992, section 327C.07, subdivisions 1, 2, 3, and 6.

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

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 1925, A bill for an act relating to education; lowering the property tax revenue recognition shift; clarifying state aid payments; modifying the appeal process for school districts to revise the state-aid payment schedule; modifying the tax credit adjustment; amending Minnesota Statutes 1992, sections 121.904, subdivision 4e; and 124.195, subdivision 3a; Minnesota Statutes 1993 Supplement, section 121.904, subdivisions 4a and 4c; Laws 1993, chapter 224, article 1, section 38.

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

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1934, A bill for an act relating to corporations; modifying provisions for the organization and operation of business corporations; amending Minnesota Statutes 1992, sections 302A.135, subdivision 4; 302A.405, subdivision 1; 302A.471, subdivision 1; 302A.661, subdivision 1; 302A.725, subdivision 3; and 302A.751, subdivisions 1, 2, and 3a; Minnesota Statutes 1993 Supplement, sections 302A.401, subdivision 1; 302A.435, subdivision 1; and 302A.673, subdivision 3.

Reported the same back with the following amendments:

Page 5, strike lines 33 to 35

Page 5, line 36, strike "board deems expedient,"

Page 6, after line 9, insert:

"The actions authorized under this subdivision may be taken upon the terms and conditions and for such considerations, including money, securities, or other instruments for the payment of money or other property as the board deems expedient."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1957, A bill for an act relating to housing and redevelopment authorities; providing for the membership in the Olmsted county housing and redevelopment authority and for dissolution of the Rochester housing and redevelopment authority; making conforming changes; allowing certain cities the option to form their own authorities.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

#### JOURNAL OF THE HOUSE

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1965, A bill for an act relating to counties; Olmsted; allowing the examiner of titles to be compensated as are examiners in counties of fewer than 75,000 population; amending Minnesota Statutes 1992, section 508.12, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1966, A bill for an act relating to peace officers; authorizing officers of states adjoining Minnesota to render assistance to peace officers of this state on request; granting these officers arrest authority in this state under certain circumstances; extending the state and local government tort liability laws to the conduct of these officers; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 1996, A bill for an act relating to metropolitan government; extending reporting and effective dates for radio systems planning by the metropolitan council; extending the moratorium on applications for 800 megahertz channels.

Reported the same back with the following amendments:

Page 1, lines 12 and 13, delete "1996" and insert "1995"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1999, A bill for an act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

Reported the same back with the following amendments:

Page 1, line 20, after "<u>commerce</u>" insert "<u>for insurers regulated by the commissioner of commerce</u>, and means the <u>commissioner of health</u> for insurers regulated by the <u>commissioner of health</u>"

Page 1, line 26, delete ", incomplete,"

Page 2, line 1, after "information" insert ", or a material and misleading omission,"

Page 3, delete lines 17 to 29

Page 3, line 30, delete "4" and insert "3"

Page 3, line 34, after "release" insert "or reporting"

Page 4, line 36, delete "applications and"

Page 5, line 1, delete "applying for insurance or"

Page 5, line 4, delete "Insurance fraud is a crime in Minnesota."

Page 5, line 7, delete "insurance fraud" and insert "a crime"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2007, A bill for an act relating to employment; making clear that employee includes "at will" and "at pleasure" employees under the whistleblower law; amending Minnesota Statutes 1992, section 181.931, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 11, delete "an employee"

Page 1, line 12, delete everything before the second "an"

Amend the title as follows:

Page 1, line 3, delete " "at will" and"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2066, A bill for an act relating to towns; providing for financial audits in certain circumstances; amending Minnesota Statutes 1992, section 367.36, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 367.36, subdivision 1, is amended to read:

Subdivision 1. [INCUMBENT TREASURER; ANNUAL AUDIT.] In a town in which option D is adopted, the incumbent treasurer shall continue in office until the expiration of the term. Thereafter the duties of the treasurer prescribed by law shall be performed by the clerk who shall be referred to as the clerk-treasurer. If the offices of clerk and treasurer are combined and the town's annual revenue is \$100,000 or more, the town board shall provide for an annual audit of the town's financial affairs by the state auditor or a public accountant in accordance with minimum audit procedures prescribed by the state auditor. Upon completion of an audit by a public accountant, the public accountant shall forward a copy of the audit to the state auditor. For purposes of this subdivision, "public accountant" means a certified public accountant, a certified public accounting firm, or a licensed public accountant, all licensed by the board of accountancy under sections 326.17 to 326.23.

Sec. 2. Minnesota Statutes 1992, section 367.36, is amended by adding a subdivision to read:

Subd. 1a. [AUDITS OF SMALL TOWNS.] A small town audit account shall be established within the general fund of the state. On or before June 30 of each year, towns that have combined the offices of clerk and treasurer, have less than \$100,000 in annual revenue based on their financial statement for the preceding calendar year, and have not submitted audited financial statements to the office of the state auditor, shall pay \$100 to the state auditor and the state auditor shall deposit the payment in the small town audit account. On July 1 of each year, the state auditor shall identify the towns that have contributed \$100 to the small town audit account. The state auditor shall randomly select up to five percent of the towns that have contributed to the account and perform an annual audit of their financial statements and accounts for the preceding calendar year. If the state auditor determines that a town audit cannot be performed by the office of the state auditor, the state auditor shall contract with a certified public accountant for the performance of the annual audit. The state auditor or the certified public accountant shall bill the small town audit account for the cost of the town audits that have been performed under this subdivision, up to a maximum of \$3,000 per audit. The town being audited shall be responsible for paying all costs in excess of \$3,000. All amounts billed by the state auditor under this subdivision shall be deposited in the general fund of the state.

Sec. 3. Minnesota Statutes 1992, section 412.591, subdivision 2, is amended to read:

Subd. 2. Cities operating under Optional Plan A may, by an ordinance effective after the expiration of the term of the incumbent treasurer at the date of adoption of Optional Plan A, combine the offices of clerk and treasurer in the office of clerk-treasurer and thereafter the duties of the treasurer as prescribed by this chapter shall be performed by the clerk-treasurer. The offices of clerk and treasurer may be reestablished by ordinance. If the offices of clerk and treasurer are combined as provided by this section, and the city's annual revenue for all governmental and enterprise funds combined is more than \$100,000, the council shall provide for an annual audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum procedures prescribed by the state auditor.

Sec. 4. Minnesota Statutes 1992, section 412.591, is amended by adding a subdivision to read:

Subd. 2a. [AUDITS OF SMALL CITIES.] A small city audit account shall be established within the general fund of the state. On or before June 30 of each year, cities that have combined the offices of clerk and treasurer, have less than \$100,000 in annual revenue based on their financial statement for the preceding calendar year, and have not submitted audited financial statements to the office of the state auditor, shall pay \$100 to the state auditor and the state auditor shall deposit the payment in the small city audit account. On July 1 of each year, the state auditor shall identify the cities that have contributed \$100 to the small city audit account. The state auditor shall randomly select up to five percent of the cities that have contributed to the account and perform an annual audit of their financial statements and accounts for the preceding calendar year. If the state auditor determines that a city audit cannot be performed by the office of the state auditor, the state auditor shall contract with a certified public accountant for the performance of the annual audit. The state auditor or the certified public accountant shall bill the small city audit account for the cost of the city audits that have been performed under this subdivision, up to a maximum of \$3,000 per audit. The city being audited shall be responsible for paying all costs in excess of \$3,000. All amounts billed by the state auditor under this subdivision shall be deposited in the general fund of the state.

#### Sec. 5. [REPORT BY STATE AUDITOR.]

By February 1, 1997, the state auditor shall report to the legislature on the implementation of sections 1 to 4. The report shall identify the nature, seriousness, and frequency of audit findings contained in audits conducted under sections 2 and 4. The report shall recommend to the legislature whether towns and cities with combined clerk-treasurers and \$100,000 or less in annual revenues should be: (1) required to have annual audits; (2) subject to random audits; or (3) exempt from all audit requirements.

Sec. 6. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government; providing for financial audits of certain cities and towns; establishing audit accounts; amending Minnesota Statutes 1992, sections 367.36, subdivision 1, and by adding a subdivision; and 412.591, subdivision 2, and by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2074, A bill for an act relating to crime prevention; juvenile justice; providing for presumptive certification to adult court for juveniles alleged to have committed prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23 for serious youthful offenders; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home placement is proposed; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 242.31, subdivision 1; 242.32; 260.115, subdivision 1; 260.125; 260.131, by adding a subdivision ; 260.155, subdivision 2; 260.161, subdivision 2; 260.181, subdivision 4; 260.185, subdivision 3; 260.211, subdivision 1; 260.291; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; and 611A.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 260.155, subdivision 1; 299C.65, subdivision 1; and 401.065, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapter 260; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

(1) pursuant to section 13.05;

(2) pursuant to court order;

(3) pursuant to a statute specifically authorizing access to the private data;

(4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;

(5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

(6) to administer federal funds or programs;

(7) between personnel of the welfare system working in the same program;

(8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;

(9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system, and to verify receipt of energy assistance for the telephone assistance plan;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential facilities as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these

persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person;

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education coordinating board to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5);

(14) participant social security numbers and names collected by the telephone assistance program may be disclosed to the department of revenue to conduct an electronic data match with the property tax refund database to determine eligibility under section 237.70, subdivision 4a;

(15) the current address of a recipient of aid to families with dependent children, medical assistance, general assistance, work readiness, or general assistance medical care may be disclosed to law enforcement officers who provide the name and social security number of the recipient and satisfactorily demonstrate that: (i) the recipient is a fugitive felon, including the grounds for this determination; (ii) the location or apprehension of the felon is within the law enforcement officer's official duties; and (iii) the request is made in writing and in the proper exercise of those duties; or

(16) the current address of a recipient of general assistance, work readiness, or general assistance medical care may be disclosed to probation officers and corrections agents who are supervising the recipient, and to law enforcement officers who are investigating the recipient in connection with a gross misdemeanor or felony level offense; or

(17) information obtained from food stamp applicant or recipient households may be disclosed to local, state, or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the food stamp act, in accordance with Code of Federal Regulations, title 7, section 272.1(c).

(b) Information on persons who have been treated for drug or alcohol abuse may only be disclosed in accordance with the requirements of Code of Federal Regulations, title 42, sections 2.1 to 2.67.

(c) Data provided to law enforcement agencies under paragraph (a), clause (15)  $\Theta_{I}$  (16); or (17), or paragraph (b) are investigative data and are confidential or protected nonpublic while the investigation is active. The data are private after the investigation becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

(d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9; but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 2. Minnesota Statutes 1992, section 13.99, subdivision 79, is amended to read:

Subd. 79. [PEACE OFFICERS, <u>COURT SERVICES</u>, AND CORRECTIONS RECORDS OF JUVENILES.] Inspection and maintenance of juvenile records held by police and the commissioner of corrections are governed by section 260.161, subdivision 3. <u>Disclosure to school officials of court services data on juveniles adjudicated delinquent is governed by section 260.161, subdivision 3a.</u>

Sec. 3. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purposes of this section, "patient" means a person who is admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental health of that person. "Patient" also means a minor who is admitted to a residential program as defined in section 253C.01. For purposes of subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving mental health treatment on an outpatient basis or in a community support program or other community-based program. "Resident" means a person who is admitted to a nonacute care facility including extended care facilities, nursing homes, and boarding care homes for care required because of prolonged mental or physical illness or disability, recovery from injury or disease, or advancing age. For purposes of all subdivisions except subdivisions 28 and 29, "resident" also means a person who is admitted to a facility licensed as a board and lodging facility under Minnesota Rules, parts 4665.0100 to 4665.9900, and which operates a rehabilitation program licensed under Minnesota Rules, parts 9530.4100 to 9530.4450. <u>Although a patient or resident or the legal guardian or conservator of a patient or</u>

resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident.

Sec. 4. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 21, is amended to read:

Subd. 21. [COMMUNICATION PRIVACY.] Patients and residents may associate and communicate privately with persons of their choice and enter and, except as provided by the Minnesota Commitment Act, leave the facility as they choose. Patients and residents shall have access, at their expense, to writing instruments, stationery, and postage. Personal mail shall be sent without interference and received unopened unless medically or programmatically contraindicated and documented by the physician in the medical record. There shall be access to a telephone where patients and residents can make and receive calls as well as speak privately. Facilities which are unable to provide a private area shall make reasonable arrangements to accommodate the privacy of patients' or residents' calls. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility. Although a patient or resident or the legal guardian or conservator of a patient or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident. This right is limited where medically inadvisable, as documented by the attending physician in a patient's or resident's care record. Where programmatically limited by a facility abuse prevention plan pursuant to section 626.557, subdivision 14, clause 2, this right shall also be limited accordingly.

Sec. 5. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 26, is amended to read:

Subd. 26. [RIGHT TO ASSOCIATE.] Residents may meet with visitors and participate in activities of commercial, religious, political, as defined in section 203B.11 and community groups without interference at their discretion if the activities do not infringe on the right to privacy of other residents or are not programmatically contraindicated. This includes the right to join with other individuals within and outside the facility to work for improvements in long-term care. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident.

Sec. 6. Minnesota Statutes 1992, section 242.31, subdivision 1, is amended to read:

Subdivision 1. Whenever a person who has been committed to the custody of the commissioner of corrections upon conviction of a crime following reference for prosecution <u>certification to district court</u> under the provisions of section 260.125 is finally discharged by order of the commissioner, that discharge shall restore the person to all civil rights and, if so ordered by the commissioner of corrections, also shall have the effect of setting aside the conviction, nullifying it and purging the person of it. The commissioner shall file a copy of the order with the district court of the county in which the conviction occurred; upon receipt, the court shall order the conviction set aside.

Sec. 7. Minnesota Statutes 1992, section 242.32, is amended to read:

### 242.32 [CONSTRUCTIVE PROGRAMS; COOPERATION, OTHER AGENCIES SECURE PLACEMENT.]

<u>Subdivision 1.</u> [COMMUNITY-BASED PROGRAMMING.] The commissioner of corrections shall be charged with the duty of developing constructive programs for the prevention and decrease of delinquency and crime among youth and. To that end, the commissioner shall cooperate with counties and existing agencies and to encourage the establishment of new agencies programming, both local and statewide, having as their object the prevention and decrease of delinquency and erime among youth; and to provide a continuum of services for serious and repeat

juvenile offenders who do not require secure placement. The commissioner shall assist local authorities of any county or municipality when so requested by the governing body thereof, in planning, developing and coordinating their educational, welfare, recreational and health activities or other constructive community programs, which have as their object the conservation of youth work jointly with the commissioner of human services and counties and municipalities to develop and provide community-based services for residential placement of juvenile offenders and community-based services for nonresidential programming for juvenile offenders and their families.

<u>Subd. 2.</u> [SECURE PLACEMENT OF JUVENILE OFFENDERS.] <u>Beginning December 1, 1994, the commissioner</u> <u>shall license and assist in the operational funding of several small regional facilities providing secure capacity</u> <u>programming for juveniles who have been adjudicated delinquent or convicted as serious youthful offenders and</u> <u>require secure placement.</u> The programming <u>shall be tailored to the types of juveniles being served, including their</u> <u>offense history, age, gender, cultural and ethnic heritage, chemical dependency problems, and other characteristics.</u> <u>Services offered shall include but not be limited to:</u>

(1) intensive general educational programs, with an individual educational plan for each juvenile;

(2) specific educational components in the management of anger and nonviolent conflict resolution;

(3) treatment for chemical dependency; and

(4) programming to educate offenders about sexuality and address issues specific to victims and perpetrators of sexual abuse.

The facilities shall collaborate with facilities providing nonsecure residential programming and with community-based aftercare programs.

<u>Subd. 3.</u> [LICENSURE.] The commissioner shall shall establish licensing criteria for secure placement programming for juvenile offenders. The criteria must ensure that the programming is distributed throughout the state. The commissioner is authorized to license secure programming up to a maximum of 50 beds statewide.

Sec. 8. Minnesota Statutes 1993 Supplement, section 253B.03, subdivision 3, is amended to read:

Subd. 3. [VISITORS AND PHONE CALLS.] Subject to the general rules of the treatment facility, a patient has the right to receive visitors and make phone calls. The head of the treatment facility may restrict visits and phone calls on determining that the medical welfare of the patient requires it. Any limitation imposed on the exercise of the patient's visitation and phone call rights and the reason for it shall be made a part of the clinical record of the patient. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident.

Sec. 9. Minnesota Statutes 1993 Supplement, section 253B.03, subdivision 4, is amended to read:

Subd. 4. [SPECIAL VISITATION; RELIGION.] A patient has the right to meet with or call a personal physician, spiritual advisor, and counsel at all reasonable times. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient or resident's presence in the facility. Although a patient or resident or the legal guardian or conservator of a patient or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident. The patient has the right to continue the practice of religion.

Sec. 10. Minnesota Statutes 1992, section 260.015, subdivision 5, is amended to read:

Subd. 5. [DELINQUENT CHILD.] (a) Except as otherwise provided in paragraph (b), "delinquent child" means a child:

(a) (1) who has violated any state or local law, except as provided in section 260.193, subdivision 1, and except for juvenile offenders as described in subdivisions 19 to 23;

(b) (2) who has violated a federal law or a law of another state and whose case has been referred to the juvenile court if the violation would be an act of delinquency if committed in this state or a crime or offense if committed by an adult;

(c) (3) who has escaped from confinement to a state juvenile correctional facility after being committed to the custody of the commissioner of corrections; or

(d) (4) who has escaped from confinement to a local juvenile correctional facility after being committed to the facility by the court.

(b) The term delinquent child does not include a child alleged to have committed murder in the first degree or criminal sexual conduct in the first degree after becoming 16 years of age.

Sec. 11. Minnesota Statutes 1992, section 260.111, is amended by adding a subdivision to read:

Subd. 1a. [NO JUVENILE COURT JURISDICTION OVER CERTAIN OFFENDERS.] Notwithstanding any other law to the contrary, the juvenile court lacks jurisdiction over proceedings concerning a child described in section 260.015, subdivision 5, paragraph (b). The district court has original and exclusive jurisdiction in criminal proceedings concerning a child described in section 260.015, subdivision 5, paragraph (b).

Sec. 12. Minnesota Statutes 1992, section 260.115, subdivision 1, is amended to read:

Subdivision 1. Except where a juvenile court has referred <u>certified</u> an alleged violation to a prosecuting authority <u>district court</u> in accordance with the provisions of section 260.125 or a court has original jurisdiction of a child who has committed a <u>minor nonfelony</u> traffic offense, as defined in section 260.193, subdivision 1, clause (c), a court other than a juvenile court shall immediately transfer to the juvenile court of the county the case of a minor who appears before the court on a charge of violating any state or local law or ordinance and who is under 18 years of age or who was under 18 years of age at the time of the commission of the alleged offense.

Sec. 13. Minnesota Statutes 1992, section 260.121, subdivision 3, is amended to read:

Subd. 3. Except when a child is alleged to have committed a minor <u>nonfelony</u> traffic offense, as defined in section 260.193, subdivision 1, clause (c), if it appears at any stage of the proceeding that a child before the court is a resident of another state, the court may invoke the provisions of the interstate compact on juveniles or, if it is in the best interests of the child or the public to do so, the court may place the child in the custody of the child's parent, guardian, or custodian, if the parent, guardian, or custodian agrees to accept custody of the child and return the child to their state.

Sec. 14. Minnesota Statutes 1992, section 260.125, is amended to read:

#### 260.125 [REFERENCE FOR PROSECUTION CERTIFICATION TO DISTRICT COURT.]

Subdivision 1. When a child is alleged to have violated a state or local law or ordinance <u>committed</u>, after becoming 14 years of age, an <u>offense that would be a felony if committed by an adult</u>, the juvenile court may enter an order referring certifying the alleged violation proceeding to the appropriate prosecuting authority <u>district court</u> for action under <u>the criminal</u> laws in force governing the commission of and punishment for violations of statutes or local laws or ordinances. The prosecuting authority to whom the matter is referred shall within the time specified in the order of reference, which time shall not exceed 90 days, file with the court making the order of reference notice of intent to prosecute or not to prosecute. If the prosecuting authority files notice of intent not to prosecute or fails to act within the time specified, the court shall proceed as if no order of reference had been made. If such prosecuting authority files with the court in the matter is terminated.

Subd. 2. [ORDER OF REFERENCE CERTIFICATION; REQUIREMENTS.] Except as provided in subdivision 3a or <u>3b</u>, the juvenile court may order a reference certification to district court only if:

(a) (1) a petition has been filed in accordance with the provisions of section 260.131;

(b) (2) a motion for certification has been filed by the prosecuting authority;

(3) notice has been given in accordance with the provisions of sections 260.135 and 260.141;

(e) (<u>4</u>) a hearing has been held in accordance with the provisions of section 260.155 within 30 days of the filing of the reference certification motion, unless good cause is shown by the prosecution or the child as to why the hearing should not be held within this period in which case the hearing shall be held within 90 days of the filing of the motion; and

(d) (5) the court finds that

(1) there is probable cause, as defined by the rules of criminal procedure promulgated pursuant to section 480.059, to believe the child committed the offense alleged by delinquency petition; and

## (2) (6) the court finds either:

(i) that the presumption of certification created by subdivision 2a applies and the child has not rebutted the presumption by clear and convincing evidence demonstrating that retaining the proceeding in the juvenile court serves public safety; or

(ii) that the presumption of certification does not apply and the prosecuting authority has demonstrated by clear and convincing evidence that the child is not suitable to treatment or that the retaining the proceeding in the juvenile court does not serve public safety is not served under the provisions of laws relating to juvenile courts. If the court finds that the prosecutor has not demonstrated by clear and convincing evidence that retaining the proceeding in juvenile court does not serve public safety, the court shall retain the proceeding in juvenile court.

Subd. 2a. [PRESUMPTION OF CERTIFICATION.] It is presumed that a proceeding involving an offense committed by a child will be certified to district court if:

(1) the child was 16 or 17 years old at the time of the offense; and

(2) the delinquency petition alleges that the child committed an offense that would result in a presumptive commitment to prison under the sentencing guidelines and applicable statutes.

If the court determines that probable cause exists to believe the child committed the alleged offense, the burden is on the child to rebut this presumption by demonstrating by clear and convincing evidence that retaining the proceeding in the juvenile court serves public safety. If the court finds that the child has not rebutted the presumption by clear and convincing evidence, the court shall certify the child to district court.

Subd. 2b. [PUBLIC SAFETY.] In determining whether the public safety is served by certifying a child to district court, the court shall consider the following factors:

(1) the seriousness of the alleged offense in terms of community protection, including the existence of any aggravating factors recognized by the sentencing guidelines, the use of a firearm, and the impact on any victim;

(2) the culpability of the child in committing the alleged offense, including the level of the child's participation in planning and carrying out the offense and the existence of any mitigating factors recognized by the sentencing guidelines;

(3) whether the child committed the alleged offense as a member of a group whose members have been involved in repeated, joint, adjudicated felony-level behavior;

(4) the child's prior record of delinquency;

(5) the child's programming history, including the child's past willingness to participate meaningfully in available programming;

(6) the adequacy of the punishment available in the juvenile justice system; and

#### (7) the dispositional options available for the child.

In considering these factors, the court shall give greater weight to the seriousness of the alleged offense and the child's prior record of delinquency than to the other factors listed in this subdivision.

Subd. 3. [PRIMA FACIE CASE.] A prima facie case that the public safety is not served or that the child is not suitable for treatment shall have been established if the child was at least 16 years of age at the time of the alleged offense and:

(1) is alleged by delinquency petition to have committed an aggravated felony against the person and (a) in committing the offense, the child acted with particular cruelty or disregard for the life or safety of another; or (b) the offense involved a high degree of sophistication or planning by the juvenile; or (c) the juvenile, at the time of the offense, used, whether by brandishing, displaying, threatening with, or otherwise employing, a firearm; or

(2) is alleged by delinquency petition to have committed murder in the first degree; or

(3) is alleged by delinquency petition (a) to have committed the delinquent act of escape from confinement to a state juvenile correctional facility and (b) to have committed an offense as part of, or subsequent to, escape from custody that would be a felony listed in section 609.11, subdivision 9, if committed by an adult; or

(4) has been found by the court, pursuant to an admission in court or after trial, to have committed an offense within the preceding 24 months which would be a felony if committed by an adult, and is alleged by delinquency petition to have committed murder in the second or third degree, manslaughter in the first degree, criminal sexual conduct in the first degree or assault in the first degree; or

(5) has been found by the court, pursuant to an admission in court or after trial, to have committed two offenses, not in the same behavioral incident, within the preceding 24 months which would be felonies if committed by an adult, and is alleged by delinquency petition to have committed manslaughter in the second degree, kidnapping, criminal sexual conduct in the second degree, arson in the first degree, aggravated robbery, or assault in the second degree; or

(6) has been found by the court, pursuant to an admission in court or after trial, to have committed two offenses, not in the same behavioral incident, within the preceding 24 months, one or both of which would be the felony of burglary of a dwelling if committed by an adult, and the child is alleged by the delinquency petition to have committed another burglary of a dwelling. For purposes of this subdivision, "dwelling" means a building which is, in whole or in part, usually occupied by one or more persons living there at night; or

(7) has previously been found by the court, pursuant to an admission in court or after trial, to have committed three offenses, none in the same behavioral incident, within the preceding 24 months which would be felonies if committed by an adult, and is alleged by delinquency petition to have committed any felony other than those described in clause (2), (4), or (5); or

(8) is alleged by delinquency petition to have committed an aggravated felony against the person, other than a violation of section 609.713, in furtherance of criminal activity by an organized gang; or

(9) has previously been found by the court, pursuant to an admission in court or after trial, to have committed an offense which would be a felony if committed by an adult, and is alleged by delinquency petition to have committed a felony level violation of chapter 152 involving the unlawful sale or possession of a schedule I or II controlled substance, while in a park zone or a school zone as defined in section 152.01, subdivisions 12a and 14a. This clause does not apply to a juvenile alleged to have unlawfully possessed a controlled substance in a private residence located within the school zone or park zone; or

(10) is alleged by delinquency petition to have committed a violation of section 624.713, subdivision 1, clause (a), and has been previously found by the court, pursuant to an admission in court or after trial, to have committed a violation of section 624.713, subdivision 1, clause (a).

For the purposes of this subdivision, "aggravated felony against the person"-means a violation of any of the following provisions: -section 609.185; 609.19; 609.20; subdivision 1 or 2; 609.221; 609.222; 609.223; 609.245; 609.25; 609.342; 609.343; 609.344, subdivision 1, clause (c) or (d); 609.345, subdivision 1, clause (c) or (d); 609.582, subdivision 1, clause (b) or (c); or 609.713.

For the purposes of this subdivision, an "organized gang" means an association of five or more persons, with an established hierarchy, formed to encourage members of the association to perpetrate crimes or to provide support to members of the association who do commit crimes.

Subd. 3a. [PRIOR <u>REFERENCE CERTIFICATION</u>; EXCEPTION.] Notwithstanding the provisions of subdivisions 2, and 3 2a, and 2b, the court shall order a reference certification in any felony case where if the prosecutor shows that the child has been previously referred for prosecution prosecuted on a felony charge by an order of reference certification issued pursuant to either a hearing held under subdivision 2 or pursuant to the waiver of the right to such a hearing, other than a prior reference certification in the same case.

This subdivision only applies if the child is convicted of the offense or offenses for which the child was prosecuted pursuant to the order of reference <u>certification</u> or of a lesser included lesser-included offense which is a felony.

This subdivision does not apply to juvenile offenders who are subject to criminal court jurisdiction under section 609.055.

<u>Subd.</u> <u>3b.</u> [ADULT CHARGED WITH JUVENILE OFFENSE.] <u>The juvenile court has jurisdiction to hold a</u> <u>certification hearing on motion of the prosecuting authority to certify the matter to district court if:</u>

(1) an adult is alleged to have committed an offense before the adult's 18th birthday; and

(2) a petition is filed under section 260.131 after the adult's 19th birthday and before expiration of the time for filing under section 628.26.

The court may not certify the matter to district court under this subdivision if the adult demonstrates that the delay was purposefully caused by the state in order to gain an unfair advantage.

Subd. 4. [EFFECT OF ORDER.] When the juvenile court enters an order referring certifying an alleged violation to a prosecuting authority district court, the prosecuting authority shall proceed with the case as if the jurisdiction of the juvenile court had never attached.

Subd. 5. [WRITTEN FINDINGS; OPTIONS.] The court shall decide whether to order certification to district court within 15 days after the certification hearing was completed, unless additional time is needed, in which case the court may extend the period up to another 15 days. If the juvenile court orders a reference for prosecution certification, and the presumption described in subdivision 2a does not apply, the order shall contain in writing, findings of fact and conclusions of law as to why the child is not suitable to treatment or the public safety is not served under by retaining the provisions of laws relating to proceeding in the juvenile courts court. If the juvenile court, after a hearing conducted pursuant to subdivision 2, decides not to order a reference for prosecution certification to district court, the decision shall contain, in writing, findings of fact and conclusions of law as to why a reference for prosecution certification is not ordered. If the juvenile court decides not to order certification in a case in which the presumption described in subdivision 2a applies, the court shall designate the child a serious youthful offender and include in its decision written findings of fact and conclusions of law as to why the proceeding in juvenile court serves public safety, with specific reference to the factors listed in subdivision 2b. If the court decides not to order certification in a case in which the presumption described in subdivision 2a does not apply, the court may designate the child a serious youthful offender.

Subd. 6. [FIRST-DEGREE MURDER.] When a motion for certification has been filed in a case in which the petition alleges that the child committed murder in the first degree, the prosecuting authority shall present the case to the grand jury for consideration of indictment under chapter 628 within 14 days after the petition was filed.

<u>Subd.</u> 7. [INAPPLICABILITY TO CERTAIN OFFENDERS.] This section does not apply to a child described in section 260.015, subdivision 5, paragraph (b).

Sec. 15. [260.126] [SERIOUS YOUTHFUL OFFENDER PROCEEDINGS.]

Subdivision 1. [DESIGNATION.] A child alleged to have committed a felony offense is a serious youthful offender if:

(1) the child was 14 to 17 years old at the time of the alleged offense, a certification hearing was held, and the court designated the child a serious youthful offender; or

(2) the child was 16 or 17 years old at the time of the alleged offense, the offense would result in a presumptive commitment to prison under the sentencing guidelines and applicable statutes, other than murder in the first degree or criminal sexual conduct in the first degree, and the prosecutor has designated in the delinquency petition that the child is a serious youthful offender.

Subd. 2. [PROCEEDINGS.] A child who is a serious youthful offender has the right to a trial by jury and to the effective assistance of counsel, as described in section 260.155, subdivision 2.

Subd. 3. [DISPOSITION.] (a) If a serious youthful offender proceeding results in a guilty plea or finding of guilt, the court shall:

(1) impose one or more juvenile dispositions under section 260.185; and

(2) impose an adult criminal sentence, the execution of which shall be stayed on the condition that the offender not violate the provisions of the disposition order and not commit a new offense.

(b) If a child designated as a serious youthful offender in the delinquency petition is convicted of an offense that would not result in a presumptive commitment to prison under the sentencing guidelines and applicable statutes, the court shall adjudicate the child delinquent and order a disposition under section 260.185.

<u>Subd. 4.</u> [EXECUTION OF ADULT SENTENCE.] When it appears that a person convicted as a serious youthful offender has violated the conditions of the stayed sentence, or is alleged to have committed a new offense, the court may, without notice, revoke the stay and probation and direct that the offender be taken into immediate custody. The court shall notify the offender in writing of the reasons alleged to exist for revocation of the stay of execution of the adult sentence. If the offender challenges the reasons, the court shall hold a summary hearing on the issue at which the offender is entitled to be heard and represented by counsel. After the hearing, if the court finds that reasons exist to revoke the stay of execution of sentence, the court shall treat the offender as an adult and order any of the adult sanctions authorized by section 609.14, subdivision 3. If the offender was convicted of an offense described in subdivision 1, clause (2), and the court finds that reasons exist to revoke the stay, the court must order execution of the previously-imposed sentence unless the court makes written findings regarding the mitigating factors that justify continuing the stay.

Sec. 16. Minnesota Statutes 1992, section 260.131, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [DELINQUENCY PETITION; SERIOUS YOUTHFUL OFFENDER.] <u>When a prosecutor files a delinquency</u> <u>petition alleging that a child committed a felony offense after reaching the age of 16 years, the prosecutor shall</u> <u>indicate in the petition whether the prosecutor designates the child a serious youthful offender.</u>

Sec. 17. Minnesota Statutes 1992, section 260.132, is amended to read:

260.132 [PROCEDURE; HABITUAL TRUANTS, RUNAWAYS, JUVENILE PETTY AND MISDEMEANOR OFFENDERS.]

Subdivision 1. [NOTICE.] When a peace officer, or attendance officer in the case of a habitual truant, has probable cause to believe that a child:

(1) is in need of protection or services under section 260.015, subdivision 2a, clause (11) or (12), or,

(2) is a juvenile petty offender; or

(3) has committed a delinquent act that would be a petty misdemeanor or misdemeanor if committed by an adult;

the officer may issue a notice to the child to appear in juvenile court in the county in which the child is found or in the county of the child's residence or, in the case of a juvenile petty offense, <u>or a petty misdemeanor or misdemeanor</u> <u>delinquent act</u>, the county in which the offense was committed. The officer shall file a copy of the notice to appear with the juvenile court of the appropriate county. If a child fails to appear in response to the notice, the court may issue a summons notifying the child of the nature of the offense alleged and the time and place set for the hearing. If the peace officer finds it necessary to take the child into custody, sections 260.165 and 260.171 shall apply.

Subd. 2. [EFFECT OF NOTICE.] Filing with the court a notice to appear containing the name and address of the child, specifying the offense alleged and the time and place it was committed, has the effect of a petition giving the juvenile court jurisdiction. In the case of running away, the place where the offense was committed may be stated

in the notice as either the child's custodial parent's or guardian's residence or lawful placement or where the child was found by the officer. In the case of truancy, the place where the offense was committed may be stated as the school or the place where the child was found by the officer.

Subd. 3. [NOTICE TO PARENT.] Whenever a notice to appear or petition is filed alleging that a child is in need of protection or services under section 260.015, subdivision 2a, clause (11) or (12), or is a juvenile petty offender, or has committed a delinquent act that would be a petty misdemeanor or misdemeanor if committed by an adult, the court shall summon and notify the person or persons having custody or control of the child of the nature of the offense alleged and the time and place of hearing. This summons and notice shall be served in the time and manner provided in section 260.135, subdivision 1.

Sec. 18. Minnesota Statutes 1993 Supplement, section 260.155, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] (a) Except for hearings arising under section 260.261, hearings on any matter shall be without a jury and may be conducted in an informal manner, except that a child who is a serious youthful offender has the right to a jury trial on the issue of guilt. The rules of evidence promulgated pursuant to section 480.0591 and the law of evidence shall apply in adjudicatory proceedings involving a child alleged to be delinquent, a serious youthful offender, or a juvenile petty offender, and hearings conducted pursuant to section 260.125 except to the extent that the rules themselves provide that they do not apply. In all adjudicatory proceedings involving a child alleged to be in need of protection or services, the court shall admit only evidence that would be admissible in a civil trial. To be proved at trial, allegations of a petition alleging a child to be in need of protection or services must be proved by clear and convincing evidence.

(b) Except for proceedings involving a child alleged to be in need of protection or services and petitions for the termination of parental rights, hearings may be continued or adjourned from time to time. In proceedings involving a child alleged to be in need of protection or services and petitions for the termination of parental rights, hearings may not be continued or adjourned for more than one week unless the court makes specific findings that the continuance or adjournment is in the best interests of the child. If a hearing is held on a petition involving physical or sexual abuse of a child who is alleged to be in need of protection or services or neglected and in foster care, the court shall file the decision with the court administrator as soon as possible but no later than 15 days after the matter is submitted to the court. When a continuance or adjournment is ordered in any proceeding, the court may make any interim orders as it deems in the best interests of the minor in accordance with the provisions of sections 260.011 to 260.301.

(c) Except as otherwise provided in this paragraph, the court shall exclude the general public from these hearings <u>under this chapter</u> and shall admit only those persons who, in the discretion of the court, have a direct interest in the case or in the work of the court; except that. The court shall open the hearings to the public in delinquency or serious youthful offender proceedings where the child is alleged to have committed an offense or has been proven to have committed an offense that would be a felony if committed by an adult and the child was at least 16 years of age at the time of the offense, except that the court may exclude the public from portions of a certification hearing to discuss psychological material or other evidence that would not be accessible to the public in an adult proceeding.

(d) In all delinquency cases a person named in the charging clause of the petition as a person directly damaged in person or property shall be entitled, upon request, to be notified by the court administrator in writing, at the named person's last known address, of (1) the date of the <u>reference certification</u> or adjudicatory hearings, and (2) the disposition of the case.

(e) Adoption hearings shall be conducted in accordance with the provisions of laws relating to adoptions.

Sec. 19. Minnesota Statutes 1992, section 260.155, subdivision 2, is amended to read:

Subd. 2. [APPOINTMENT OF COUNSEL.] (a) The minor child, parent, guardian or custodian have the right to effective assistance of counsel in connection with a proceeding in juvenile court. Before a child who is charged by delinquency petition with a misdemeanor offense waives the right to counsel or enters a plea, the child shall consult in person with counsel who shall provide a full and intelligible explanation of the child's rights. The court shall appoint counsel, or stand-by counsel if the child waives the right to counsel, for a child who is:

(1) charged by delinquency petition with a gross misdemeanor or felony offense; or

(2) the subject of a delinquency proceeding in which out-of-home placement has been proposed.

(b) If they desire counsel but are unable to employ it, the court shall appoint counsel to represent the <u>minor child</u> or the parents or guardian in any other case in which it feels that such an appointment is desirable.

Sec. 20. Minnesota Statutes 1992, section 260.155, is amended by adding a subdivision to read:

<u>Subd. 4b.</u> [PARENT OR GUARDIAN; PRESENCE AT HEARING REQUIRED.] In any proceedings concerning a minor alleged or found to be delinquent, the juvenile court may issue a subpoena requiring the presence of the minor's parent or guardian at any or all hearings held during the delinquency proceedings. The failure of a parent or guardian to comply with the subpoena may be punished as provided in section 260.145.

Sec. 21. Minnesota Statutes 1993 Supplement, section 260.161, subdivision 1, is amended to read:

Subdivision 1. [RECORDS REQUIRED TO BE KEPT.] (a) The juvenile court judge shall keep such minutes and in such manner as the court deems necessary and proper. Except as provided in paragraph (b), the court shall keep and maintain records pertaining to delinquent adjudications until the person reaches the age of 23 26 years and shall release the records on an individual to another juvenile court that has jurisdiction of the juvenile, to a requesting adult court for purposes of sentencing, or to an adult court or juvenile court as required by the right of confrontation of either the United States Constitution or the Minnesota Constitution. The juvenile court shall provide, upon the request of any other juvenile court, copies of the records concerning adjudications involving the particular child. The court also shall provide copies of records concerning delinquency adjudications, on request, to law enforcement agencies, probation officers, and corrections agents.

The court shall also keep an index in which files pertaining to juvenile matters shall be indexed under the name of the child. After the name of each file shall be shown the file number and, if ordered by the court, the book and page of the register in which the documents pertaining to such file are listed. The court shall also keep a register properly indexed in which shall be listed under the name of the child all documents filed pertaining to the child and in the order filed. The list shall show the name of the document and the date of filing thereof. The juvenile court legal records shall be deposited in files and shall include the petition, summons, notice, findings, orders, decrees, judgments, and motions and such other matters as the court deems necessary and proper. Unless otherwise provided by law, all court records shall be open at all reasonable times to the inspection of any child to whom the records relate, and to the child's parent and guardian.

(b) The court shall retain records of the court finding that a juvenile committed an act that would be a violation of, or an attempt to violate, section 609.342, 609.343, 609.344, or 609.345, until the offender reaches the age of  $25 \ 28$ . If the offender commits another violation of sections 609.342 to 609.345 as an adult, or the court convicts a child as a serious youthful offender, the court shall retain the juvenile records for as long as the records would have been retained if the offender had been an adult at the time of the juvenile offense. This paragraph does not apply unless the juvenile was represented by an attorney when the petition was admitted or proven provided counsel as required by section 260.155, subdivision 2.

Sec. 22. Minnesota Statutes 1992, section 260.161, subdivision 1a, is amended to read:

Subd. 1a. [RECORD OF ADJUDICATIONS; NOTICE TO BUREAU OF CRIMINAL APPREHENSION.] (a) The juvenile court shall forward to the bureau of criminal apprehension the following data on juveniles adjudicated delinquent for having committed an act described in subdivision 1, paragraph (b) felony-level criminal sexual conduct:

(1) the name and birth date of the juvenile;

(2) the type of act for which the juvenile was adjudicated delinquent and date of the offense; and

(3) the date and county of the adjudication.

(b) The bureau shall retain data on a juvenile until the offender reaches the age of 25 28. If the offender commits another violation of sections 609.342 to 609.345 as an adult, the bureau shall retain the data for as long as the data would have been retained if the offender had been an adult at the time of the juvenile offense.

(c) The juvenile court shall forward to the bureau the following data on individuals convicted as serious youthful offenders:

(1) the name and birthdate of the offender;

(2) the crime committed by the offender and the date of the crime; and

# (3) the date and county in which the offender was convicted.

<u>The bureau shall retain the serious youthful offender data until 15 years have elapsed since the disposition order</u> <u>expired. If the offender's stayed adult sentence is executed under section 260.126, subdivision 4, the bureau shall</u> <u>retain the data for as long as the data would have been retained if the offender had been an adult at the time of the</u> <u>offense.</u>

Sec. 23. Minnesota Statutes 1992, section 260.161, subdivision 2, is amended to read:

Subd. 2. Except as provided in this subdivision and in subdivision 1, and except for legal records arising from proceedings or portions of proceedings that are public under section 260.155, subdivision 1, none of the records of the juvenile court and none of the records relating to an appeal from a nonpublic juvenile court proceeding, except the written appellate opinion, shall be open to public inspection or their contents disclosed except (a) by order of a court or (b) as required by sections 245A.04, 611A.03, 611A.04, 611A.06, and 629.73. The records of juvenile probation officers and county home schools are records of the court for the purposes of this subdivision. Court services data relating to delinquent acts that are contained in records of the juvenile court may be released as allowed under section 13.84, subdivision 5a. This subdivision applies to all proceedings under this chapter, including appeals from orders of the juvenile court, except that this subdivision does not apply to proceedings under section 260.255, 260.261, or 260.315 when the proceeding involves an adult defendant. The court shall maintain the confidentiality of adoption files and records in accordance with the provisions of laws relating to adoptions. In juvenile court proceedings any report or social history furnished to the court shall be open to inspection by the attorneys of record and the guardian ad litem a reasonable time before it is used in connection with any proceeding before the court.

When a judge of a juvenile court, or duly authorized agent of the court, determines under a proceeding under this chapter that a child has violated a state or local law, ordinance, or regulation pertaining to the operation of a motor vehicle on streets and highways, except parking violations, the judge or agent shall immediately report the violation to the commissioner of public safety. The report must be made on a form provided by the department of public safety and must contain the information required under section 169.95.

Sec. 24. Minnesota Statutes 1993 Supplement, section 260.161, subdivision 3, is amended to read:

Subd. 3. [PEACE OFFICER RECORDS OF CHILDREN.] (a) Except for records relating to an offense where proceedings are public under section 260.155, subdivision 1, peace officers' records of children who are or may be delinquent or who may be engaged in criminal acts shall be kept separate from records of persons 18 years of age or older and are private data but shall be disseminated: (1) by order of the juvenile court, (2) as required by section 126.036, (3) as authorized under section 13.82, subdivision 2, (4) to the child or the child's parent or guardian unless disclosure of a record would interfere with an ongoing investigation, or (5) as provided in paragraph paragraphs (d) and (e). Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court unless the child is alleged to have violated section 169.121 or 169.129. Peace officers' records containing data about children who are victims of crimes or witnesses to crimes must be administered consistent with section 13.82, subdivisions 2, 3, 4, and 10. Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor.

In the case of computerized records maintained about juveniles by peace officers, the requirement of this subdivision that records about juveniles must be kept separate from adult records does not mean that a law enforcement agency must keep its records concerning juveniles on a separate computer system. Law enforcement agencies may keep juvenile records on the same computer as adult records and may use a common index to access both juvenile and adult records so long as the agency has in place procedures that keep juvenile records in a separate place in computer storage and that comply with the special data retention and other requirements associated with protecting data on juveniles.

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary to the requesting agency in initiating, furthering, or completing a criminal investigation.

(c) A photograph may be taken of a child taken into custody pursuant to section 260.165, subdivision 1, clause (b), provided that the photograph must be destroyed when the child reaches the age of 19 years. The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes, case supervision by parole agents, and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles in the same manner as juvenile court records and names under this section.

(d) Traffic investigation reports are open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Identifying information on juveniles who are parties to traffic accidents may be disclosed as authorized under section 13.82, subdivision 4, and accident reports required under section 169.09 may be released under section 169.09, subdivision 13, unless the information would identify a juvenile who was taken into custody or who is suspected of committing an offense that would be a crime if committed by an adult, or would associate a juvenile with the offense, and the offense is not a minor petty misdemeanor-level traffic offense under section 260.193.

(e) Peace officer records of children who are or may be delinquent or who may be engaged in criminal activity may be disseminated to school officials without a juvenile court order when the information in the records is pertinent and necessary to maintaining order and safety in the school building and on school property.

<u>A school official who receives peace officer records under this paragraph may use the information only for the purpose of maintaining order and safety in the school building and on school property. The classification of the data while in the hands of the school official is governed by section 13.03, subdivision 4.</u>

When records are disseminated under this paragraph, the law enforcement agency must notify the parent or guardian of the subject of the record that the information has been shared with school officials.

As used in this paragraph, "school" means a public or private elementary, middle, or secondary school.

Sec. 25. Minnesota Statutes 1992, section 260.161, is amended by adding a subdivision to read:

<u>Subd.</u> 3a. [COURT SERVICES DATA ON JUVENILES; DISCLOSURE TO SCHOOL OFFICIALS.] <u>Private or</u> <u>confidential court services data on juveniles who have been adjudicated delinquent may be disseminated to school</u> <u>officials without a juvenile court order when the information in the records is pertinent and necessary to maintaining</u> <u>order and safety in the school building and on school property.</u>

<u>A school official who receives court services data under this subdivision may use the information only for the purpose of maintaining order and safety in the school building and on school property. The classification of the data while in the hands of the school official is governed by section 13.03, subdivision 4.</u>

<u>When data are disseminated under this subdivision, the court services agency must notify the parent or guardian</u> of the subject of the data that the information has been shared with school officials.

As used in this subdivision, "school" means a public or private elementary, middle, or secondary school.

Sec. 26. Minnesota Statutes 1992, section 260.181, subdivision 4, is amended to read:

Subd. 4. [TERMINATION OF JURISDICTION.] The court may dismiss the petition or otherwise terminate its jurisdiction on its own motion or on the motion or petition of any interested party at any time. Unless terminated by the court, and except as otherwise provided in this subdivision, the jurisdiction of the court shall continue until the individual becomes 19 23 years of age if the court determines it is in the best interest of the individual to do so. Court jurisdiction under section 260.015, subdivision 2a, clause (12), may not continue past the child's 17th birthday.

Sec. 27. Minnesota Statutes 1992, section 260.185, subdivision 3, is amended to read:

Subd. 3. [CONTINUANCE.] When it is in the best interests of the child to do so and when <u>the</u> child has admitted the allegations contained in the petition before the judge or referee, or when a hearing has been held as provided for in section 260.155 and the allegations contained in the petition have been duly proven but, in either case, before a finding of delinquency has been entered, the court may continue the case for a period not to exceed 90 days on any one order. Such a continuance may be extended for one additional successive period not to exceed 90 days and only after the court has reviewed the case and entered its order for an additional continuance without a finding of delinquency. During this continuance the court may enter an order in accordance with, the provisions of subdivision 1, clauses (a) or (b) or enter an order to hold the child in detention for a period not to exceed 15 days on any one order for the purpose of completing any consideration, or any investigation or examination ordered in accordance with the provisions of section 260.151. This subdivision does not apply to a serious youthful offender proceeding.

Sec. 28. Minnesota Statutes 1992, section 260.193, subdivision 1, is amended to read:

Subdivision 1. (a) For purposes of this section, the following terms have the meanings given them.

(b) "Major traffic offense" includes any violation of a state or local traffic law, ordinance, or regulation, or a federal, state, or local water traffic law not included within the provisions of clause (c).

(c) "Minor Nonfelony traffic offense" means a petty misdemeanor, misdemeanor, or gross misdemeanor violation of a state or local traffic law, ordinance, or regulation, or a petty misdemeanor, misdemeanor, or gross misdemeanor violation of a federal, state, or local water traffic law constituting an offense punishable only by fine of not more than \$100.

Sec. 29. Minnesota Statutes 1992, section 260.193, subdivision 3, is amended to read:

Subd. 3. Except as provided in subdivision 4, a child who commits a <u>minor nonfelony</u> traffic offense and at the time of the offense was at least 16 years old shall be subject to the laws and court procedures controlling adult traffic violators and shall not be under the jurisdiction of the juvenile court. When a child is alleged to have committed a <u>minor nonfelony</u> traffic offense and is at least 16 years old at the time of the offense, the peace officer making the charge shall follow the arrest procedures prescribed in section 169.91 and shall make reasonable effort to notify the child's parent or guardian of the nature of the charge.

Sec. 30. Minnesota Statutes 1992, section 260.193, subdivision 4, is amended to read:

Subd. 4. The juvenile court shall have original jurisdiction if the child is alleged to have committed both major and minor <u>nonfelony</u> traffic offenses in the same behavioral incident.

Sec. 31. Minnesota Statutes 1992, section 260.193, subdivision 6, is amended to read:

Subd. 6. Before making a disposition of any child found to be a juvenile major traffic offender or to have violated a misdemeanor- or gross misdemeanor-level traffic law before reaching the age of 16 years, the court shall obtain from the department of public safety information of any previous traffic violation by this juvenile. In the case of a juvenile water traffic offender, the court shall obtain from the office where the information is now or hereafter may be kept information of any previous water traffic violation by the juvenile.

Sec. 32. Minnesota Statutes 1992, section 260.193, is amended by adding a subdivision to read:

<u>Subd.</u> 7a. [CRIMINAL COURT DISPOSITIONS; NONFELONY TRAFFIC OFFENDERS.] (a) <u>A juvenile who is</u> charged with a nonfelony traffic offense in district court shall be treated as an adult before trial, except that the juvenile may be held in secure, pretrial custody only in a secure juvenile detention facility.

(b) A juvenile who is convicted of a nonfelony traffic offense in district court shall be treated as an adult for sentencing purposes, except that the court may order the juvenile placed out of the home only in a residential treatment facility or in a juvenile correctional facility.

Sec. 33. Minnesota Statutes 1992, section 260.211, subdivision 1, is amended to read:

Subdivision 1. No adjudication upon the status of any child in the jurisdiction of the juvenile court shall operate to impose any of the civil disabilities imposed by conviction, nor shall any child be deemed a criminal by reason of this adjudication, nor shall this adjudication be deemed a conviction of crime, except that a serious youthful offender conviction shall be treated in the same manner as an adult felony criminal conviction for purposes of the sentencing guidelines. The disposition of the child or any evidence given by the child in the juvenile court shall not be admissible as evidence against the child in any case or proceeding in any other court, except that an adjudication may later be used to determine a proper sentence, nor shall the disposition or evidence disqualify the child in any future civil service examination, appointment, or application.

Sec. 34. Minnesota Statutes 1992, section 260.215, subdivision 1, is amended to read:

Subdivision 1. A violation of a state or local law or ordinance by a child before becoming 18 years of age is not a crime unless the juvenile court:

(1) refers certifies the matter to the appropriate prosecuting authority district court in accordance with the provisions of section 260.125; or

(2) transfers the matter to a court in accordance with the provisions of section 260.193; or

(3) convicts the child as a serious youthful offender.

Sec. 35. Minnesota Statutes 1992, section 260,291, is amended to read:

260.291 [APPEAL.]

Subdivision 1. [PERSONS ENTITLED TO APPEAL; PROCEDURE.] (a) An appeal may be taken by the aggrieved person from a final order of the juvenile court affecting a substantial right of the aggrieved person, including but not limited to an order adjudging a child to be in need of protection or services, neglected and in foster care, delinquent, or a juvenile traffic offender. The appeal shall be taken within 30 days of the filing of the appealable order. The court administrator shall notify the person having legal custody of the minor of the appeal. Failure to notify the person having legal custody of the appealable court. The order of the juvenile court shall stand, pending the determination of the appeal, but the reviewing court may in its discretion and upon application stay the order.

(b) An appeal may be taken by an aggrieved person from an order of the juvenile court on the issue of certification of a child to district court. Certification appeals shall be expedited as provided by applicable rules.

Subd. 2. [APPEAL.] The appeal from a juvenile court is taken to the court of appeals as in other civil cases, except as provided in subdivision 1.

Sec. 36. Minnesota Statutes 1993 Supplement, section 299A.35, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS.] The commissioner shall, in consultation with the chemical abuse prevention resource council, administer a grant program to fund community-based programs that are designed to enhance the community's sense of personal security and to assist the community in its crime control efforts. Examples of qualifying programs include, but are not limited to, the following:

(1) programs to provide security systems for residential buildings serving low-income persons, elderly persons, and persons who have physical or mental disabilities;

(2) community-based programs designed to discourage young people from involvement in unlawful drug or street gang activities;

(3) neighborhood block clubs and innovative community-based crime watch programs;

(4) community-based programs designed to enrich the educational, cultural, or recreational opportunities of at-risk elementary or secondary school age youth, including programs designed to keep at-risk youth from dropping out of school and encourage school dropouts to return to school;

(5) support services for a municipal curfew enforcement program including, but not limited to, rent for drop-off centers, staff, supplies, equipment, and the referral of children who may be abused or neglected; and

(6) <u>community-based programs designed to intervene with juvenile offenders who are identified as likely to engage</u> in repeated criminal activity in the future unless intervention is undertaken;

(7) community-based collaboratives that coordinate five or more programs designed to enrich the educational, cultural, or recreational opportunities of at-risk elementary or secondary school age youth, including programs designed to keep at-risk youth from dropping out of school and to encourage school dropouts to return to school; and

(8) other community-based crime prevention programs that are innovative and encourage substantial involvement by members of the community served by the program.

Sec. 37. Minnesota Statutes 1993 Supplement, section 299A.35, subdivision 2, is amended to read:

Subd. 2. [GRANT PROCEDURE.] A local unit of government or a nonprofit community-based entity may apply for a grant by submitting an application with the commissioner. The applicant shall specify the following in its application:

(1) a description of each program for which funding is sought;

(2) the amount of funding to be provided to the program;

(3) the geographical area to be served by the program;

(4) statistical information as to the number of arrests in the geographical area for violent crimes and for crimes involving schedule I and II controlled substances. "Violent crime" includes a violation of or an attempt or conspiracy to violate any of the following laws: sections 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.221; 609.222; 609.223; 609.228; 609.235; 609.24; 609.245; 609.255; 609.2661; 609.2662; 609.2663; 609.2664; 609.2665; 609.267; 609.2671; 609.268; 609.342; 609.343; 609.344; 609.345; 609.498, subdivision 1; 609.561; 609.562; 609.582, subdivision 1; 609.687; or any provision of chapter 152 that is punishable by a maximum sentence greater than ten years; and

(5) the number of economically disadvantaged youth in the geographical areas to be served by the program.

The commissioner shall give priority to funding programs that demonstrate substantial involvement by members of the community served by the program and either serve the geographical areas that have the highest crime rates, as measured by the data supplied under clause (4), or serve geographical areas that have the largest concentrations of economically disadvantaged youth. The maximum amount that may be awarded to an applicant is \$50,000, except that if the applicant is a community-based collaborative under subdivision 1, clause (7), the maximum amount that can be awarded is \$50,000 for each program participating in the collaborative.

Sec. 37. [299A.60] [SCHOOL-RELATED CRIME TELEPHONE LINE.]

The commissioner shall operate at least one statewide toll-free 24-hour telephone line for the purpose of receiving reports from students and school employees regarding suspected criminal activity occurring in school zones, as defined in section 152.01, subdivision 14a. The commissioner shall promptly forward reports received through the telephone line to the appropriate local law enforcement agency. The commissioner may pay a reward in an amount not to exceed \$100 for information leading to the arrest or prosecution of an adult or juvenile offender for committing or attempting to commit an offense in a school zone.

Sec. 38. Minnesota Statutes 1993 Supplement, section 299C.65, subdivision 1, is amended to read:

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 <u>gross misdemeanor-level</u> and 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;

(12) the collection of data on race and ethnicity in criminal justice information systems;

(13) the development of a tracking system for domestic abuse orders for protection;

(14) processes for expungement, correction of inaccurate records, destruction of records, and other matters relating to the privacy interests of individuals; and

(15) the development of a data base for serious youthful offender records.

Sec. 39. [388.24] [PRETRIAL DIVERSION PROGRAMS FOR JUVENILES.]

Subdivision 1. [DEFINITION.] As used in this section:

(1) "offender" means a child under the jurisdiction of the juvenile court who:

(i) is or may be petitioned for a felony, gross misdemeanor, or misdemeanor offense, other than an offense against the person, but who has not yet entered a plea in the proceedings;

(ii) has not previously been adjudicated in Minnesota or any other state of any offense against the person; and

(iii) has not previously been adjudicated for an offense in Minnesota and then had the petition dismissed as part of a diversion program, including a program that existed before July 1, 1994; and

(2) "pretrial diversion" means the decision of a prosecutor to refer an offender to a diversion program on condition that the delinquency petition against the offender will be dismissed or the petition will not be filed after a specified period of time if the offender successfully completes the program.

<u>Subd. 2.</u> [ESTABLISHMENT OF PROGRAM.] By January 1, 1995, every county attorney shall establish a pretrial diversion program for offenders. If the county attorney's county participates in the community corrections act as part of a group of counties under section 401.02, the county attorney may establish a pretrial diversion program in conjunction with other county attorneys in that group of counties. The program must be designed and operated to further the following goals:

(1) to provide eligible offenders with an alternative to confinement and a delinquency adjudication;

(2) to reduce the costs and caseload burdens on juvenile courts and the juvenile justice system;

(3) to minimize recidivism among diverted offenders;

(4) to promote the collection of restitution to the victim of the offender's crime; and

(5) to develop responsible alternatives to the juvenile justice system for eligible offenders.

Subd. 3. [PROGRAM COMPONENTS.] A diversion program established under this section may:

(1) provide screening services to the court and the prosecuting authorities to help identify likely candidates for pretrial diversion;

(2) establish goals for diverted offenders and monitor performance of these goals;

(3) perform chemical dependency assessments of diverted offenders where indicated, make appropriate referrals for treatment, and monitor treatment and aftercare;

(4) provide individual, group, and family counseling services;

(5) oversee the payment of victim restitution by diverted offenders;

(6) assist diverted offenders in identifying and contacting appropriate community resources;

(7) provide educational services to diverted offenders to enable them to earn a high school diploma or GED; and

(8) provide accurate information on how diverted offenders perform in the program to the court, prosecutors, defense attorneys, and probation officers.

<u>Subd. 4.</u> [REPORTS.] By January 1, 1996, and biennially thereafter, each county attorney shall report to the department of corrections and the legislature on the operation of a pretrial diversion program required by this section. The report shall include a description of the program, the number of offenders participating in the program, the number and characteristics of the offenders who successfully complete the program, the number and characteristics of the offenders who successfully complete the program, the number and characteristics of the offenders who successfully complete the program, the number and characteristics of the offenders who fail to complete the program, and an evaluation of the program's effect on the operation of the juvenile justice system in the county.

Sec. 40. Minnesota Statutes 1993 Supplement, section 401.065, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] As used in this section:

(1) "offender" means a person who:

(i) is <u>or may be</u> charged with a felony, gross misdemeanor, or misdemeanor crime, other than a crime against the person, but who has not yet entered a plea in the proceedings;

(ii) has not previously been convicted as an adult in Minnesota or any other state of any crime against the person; and

(iii) has not previously been charged with a crime as an adult in Minnesota and then had charges dismissed as part of a diversion program, including a program that existed before July 1, 1994; and

(2) "pretrial diversion" means the decision of a prosecutor to refer an offender to a diversion program on condition that the criminal charges against the offender will be dismissed or the case will not be charged after a specified period of time if the offender successfully completes the program.

Sec. 41. Minnesota Statutes 1993 Supplement, section 401.065, is amended by adding a subdivision to read:

<u>Subd.</u> 3a. [REPORTING OF DATA TO CRIMINAL JUSTICE INFORMATION SYSTEM (CJIS).] <u>Every county</u> attorney who establishes a diversion program under this section shall report the following information to the bureau of criminal apprehension:

(1) the name and date of birth of each diversion program participant and any other identifying information the superintendent considers necessary;

(2) the date on which the individual began to participate in the diversion program;

(3) the date on which the individual is expected to complete the diversion program;

(4) the date on which the individual successfully completed the diversion program, where applicable; and

(5) the date on which the individual was removed from the diversion program for failure to successfully complete the individual's goals, where applicable.

The superintendent shall cause the information described in this subdivision to be entered into and maintained in the criminal history file of the Minnesota criminal justice information system.

Sec. 42. Minnesota Statutes 1992, section 609.055, subdivision 2, is amended to read:

Subd. 2. [ADULT PROSECUTION.] (a) Except as otherwise provided in paragraph (b), children of the age of 14 years or over but under 18 years may be prosecuted for a <u>eriminal</u> felony offense if the alleged violation is duly

5054

referred certified to the appropriate prosecuting authority district court or may be designated a serious youthful offender in accordance with the provisions of chapter 260. A child who is 16 years of age or older but under 18 years of age is capable of committing a crime and may be prosecuted for a felony if:

(1) the child has been previously referred for prosecution certified to the district court on a felony charge by an order of reference issued pursuant to a hearing under section 260.125, subdivision 2, or pursuant to the waiver of the right to such a hearing, or prosecuted pursuant to this subdivision; and

(2) the child was convicted of the felony offense or offenses for which the child was prosecuted or of a lesser included felony offense.

(b) A child who is alleged to have committed murder in the first degree or criminal sexual conduct in the first degree after becoming 16 years of age is capable of committing a crime and may be prosecuted for the felony.

Sec. 43. Minnesota Statutes 1993 Supplement, section 609.11, subdivision 9, is amended to read:

Subd. 9. [APPLICABLE OFFENSES.] The crimes for which mandatory minimum sentences shall be served as provided in this section are: murder in the first, second, or third degree; assault in the first, second, or third degree; burglary; kidnapping; false imprisonment; manslaughter in the first or second degree; aggravated robbery; simple robbery; criminal sexual conduct under the circumstances described in sections 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); and 609.344, subdivision 1, clauses (a) to (e) and (h) to (j); escape from custody; arson in the first, second, or third degree; drive-by shooting under section 609.66, subdivision 1e; a felony violation of chapter 152; or any attempt to commit any of these offenses.

Sec. 44. [609.484] [FAILURE TO APPEAR FOR JUVENILE DISPOSITION.]

Subdivision 1. [FELONY.] A person is guilty of a felony if:

(1) the person was prosecuted in juvenile court for an offense that would have been a felony if committed by an adult;

(2) the juvenile court made findings pursuant to an admission in court or after trial; and

(3) the person failed to appear in juvenile court for a disposition after having been notified that a failure to appear for a disposition is a criminal offense.

Subd. 2. [SENTENCE.] A person who violates this section 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.

Sec. 45. Minnesota Statutes 1993 Supplement, section 609.66, subdivision 1d, is amended to read:

Subd. 1d. [FELONY; POSSESSION ON SCHOOL PROPERTY IN SCHOOL ZONE.] (a) Whoever possesses, stores, or keeps a dangerous weapon as defined in section 609.02, subdivision 6, on or uses or brandishes a replica firearm or a <u>BB gun in a</u> school property zone is guilty of a felony and may be sentenced to imprisonment for not more than two years or to payment of a fine of not more than \$5,000, or both.

(b) Whoever possesses, stores, or keeps a replica firearm or a BB gun in a school zone is guilty of a gross misdemeanor.

(c) As used in this subdivision<sub>7</sub>:

(1) "BB gun" means a device that fires or ejects a shot measuring .18 of an inch or less in diameter;

(2) "dangerous weapon" has the meaning given it in section 609.02, subdivision 6;

(3) <u>"replica firearm" has meaning given it in section 609.713; and</u>

(4) "school property" means:

(1) a public or private elementary, middle, or secondary school building and its grounds, whether leased or owned by the school; and

(2) the area within a school bus when that bus is being used to transport one or more elementary, middle, or secondary school students <u>zone</u>" means:

(i) any property used for educational, extracurricular, or cocurricular purposes that is owned, leased, or controlled by a school district, an entity operating a nonpublic school, as defined in section 123.932, subdivision 3, or a public or private postsecondary educational institution;

(ii) the area surrounding school property as described in clause (i) to a distance of 300 feet or one city block, whichever distance is greater, beyond the school property; and

(iii) the area within a school bus when that bus is being used to transport one or more elementary, middle, or secondary school students.

(c) (d) This subdivision does not apply to:

(1) licensed peace officers, military personnel, or students participating in military training, who are performing official duties;

(2) persons who carry pistols according to the terms of a permit;

(3) persons who keep or store in a motor vehicle pistols in accordance with sections 624.714 and 624.715 or other firearms in accordance with section 97B.045;

(4) firearm safety or marksmanship courses or activities conducted on school property;

(5) possession of dangerous weapons or <u>replica firearms</u> by a ceremonial color guard;

(6) a gun or knife show held on school property; or

(7) possession of dangerous weapons or replica firearms with written permission of the principal; or

(8) possession of dangerous weapons or replica firearms on residential or commercial premises within a school zone by an owner, tenant, or invitee for a lawful purpose with respect to those premises.

Sec. 46. Minnesota Statutes 1992, section 611.15, is amended to read:

611.15 [NOTIFICATION OF RIGHT TO REPRESENTATION.]

In every criminal case or proceeding, including a juvenile delinquency or serious youthful offender proceeding, in which any person entitled by law to representation by counsel shall appear without counsel, the court shall advise such person of the right to be represented by counsel and that counsel will be appointed to represent the person if the person is financially unable to obtain counsel.

Sec. 47. Minnesota Statutes 1992, section 611.19, is amended to read:

611.19 [WAIVER OF APPOINTMENT OF COUNSEL.]

Where counsel is waived by a defendant, the waiver shall in all instances be made in writing, signed by the defendant, except that in such situation if the defendant refuses to sign the written waiver, then the court shall make a record evidencing such refusal of counsel. <u>Waiver of counsel by a child who is the subject of a delinquency or serious youthful offender proceeding is governed by section 260.155, subdivisions 2 and 8.</u>

Sec. 48. Minnesota Statutes 1992, section 611.25, subdivision 1, is amended to read:

Subdivision 1. [REPRESENTATION.] (a) The state public defender shall represent, without charge;

(1) a defendant or other person appealing from a conviction of a felony or gross misdemeanor. The state public defender shall represent, without charge,;

(2) a person convicted of a felony or gross misdemeanor who is pursuing a postconviction proceeding and who has not already had a direct appeal of the conviction; and

# (3) a child who is appealing from a delinquency adjudication or from a serious youthful offender conviction.

(b) The state public defender may represent, without charge, all other persons pursuing a postconviction remedy under section 590.01, who are financially unable to obtain counsel.

(c) The state public defender shall represent any other person, who is financially unable to obtain counsel, when directed to do so by the supreme court or the court of appeals, except that the state public defender shall not represent a person in any action or proceeding in which a party is seeking a monetary judgment, recovery or award. When requested by a district public defender or appointed counsel, the state public defender may assist the district public defender, appointed counsel, or an organization designated in section 611.216 in the performance of duties, including trial representation in matters involving legal conflicts of interest or other special circumstances, and assistance with legal research and brief preparation. When the state public defender is directed by a court to represent a defendant or other person, the state public defender may assign the representation to any district public defender.

Sec. 49. Minnesota Statutes 1992, section 611A.02, is amended by adding a subdivision to read:

Subd. 3. [NOTICE OF THE RIGHTS OF VICTIMS IN JUVENILE COURT.] (a) The crime victim and witness advisory council shall develop a notice of the rights of victims in juvenile court that explains:

(1) the rights of victims in the juvenile court;

(2) when a juvenile matter is public;

(3) the procedures to be followed in juvenile court proceedings; and

(4) other relevant matters.

(b) The juvenile court shall distribute a copy of the notice to each victim of juvenile crime who attends a juvenile court proceeding, along with a notice of services for victims available in that judicial district.

Sec. 50. Minnesota Statutes 1992, section 611A.77, subdivision 1, is amended to read:

Subdivision 1. [GRANTS.] The state court administrator shall award grants to nonprofit organizations to create or expand mediation programs for crime victims and offenders. For purposes of this section, "offender" means an adult charged with a nonviolent crime or a juvenile with respect to whom who has been referred to a mediation program before or after a petition for delinquency has been filed in connection with a nonviolent offense, and "nonviolent crime" and "nonviolent offense" exclude any offense in which the victim is a family or household member, as defined in section 518B.01, subdivision 2.

Sec. 50. Minnesota Statutes 1993 Supplement, section 624.713, subdivision 1, is amended to read:

Subdivision 1. [INELIGIBLE PERSONS.] The following persons shall not be entitled to possess a pistol or semiautomatic military-style assault weapon:

(a) a person under the age of 18 years except that a person under 18 may carry or possess a pistol or semiautomatic military-style assault weapon (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol or semiautomatic military-style assault weapon and approved by the commissioner of natural resources;

(b) a person who has been convicted <u>or adjudicated delinquent</u> in this state or elsewhere of a crime of violence unless ten years have elapsed since the person has been restored to civil rights or the sentence <u>or delinquency</u> <u>disposition</u> has expired, whichever occurs first, and during that time the person has not been convicted <u>or adjudicated</u> <u>delinquent</u> of any other crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(c) a person who is or has ever been confined or committed in Minnesota or elsewhere as a "mentally ill," "mentally retarded," or "mentally ill and dangerous to the public" person as defined in section 253B.02, to a treatment facility,

unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof that the person is no longer suffering from this disability;

(d) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or gross misdemeanor violation of chapter 152, or a person who is or has ever been hospitalized or committed for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof, that the person has not abused a controlled substance or marijuana during the previous two years;

(e) a person who has been confined or committed to a treatment facility in Minnesota or elsewhere as "chemically dependent" as defined in section 253B.02, unless the person has completed treatment. Property rights may not be abated but access may be restricted by the courts;

(f) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts;

(g) a person who has been charged with committing a crime of violence and has been placed in a pretrial diversion program by the court before disposition, until the person has completed the diversion program and the charge of committing the crime of violence has been dismissed; or

(h) a person who has been convicted in another state of committing an offense similar to the offense described in section 609.224, subdivision 3, against a family or household member, unless three years have elapsed since the date of conviction and, during that time, the person has not been convicted of any other violation of section 609.224, subdivision 3, or a similar law of another state.

A person who issues a certificate pursuant to this subdivision in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

Sec. 51. Minnesota Statutes 1993 Supplement, section 624.7132, subdivision 15, is amended to read:

Subd. 15. [PENALTIES.] (a) Except as otherwise provided in paragraph (b), a person who does any of the following is guilty of a gross misdemeanor:

(a) (1) transfers a pistol or semiautomatic military-style assault weapon in violation of subdivisions 1 to 13;

(b) (2) transfers a pistol or semiautomatic military-style assault weapon to a person who has made a false statement in order to become a transferee, if the transferor knows or has reason to know the transferee has made the false statement;

(c) (3) knowingly becomes a transferee in violation of subdivisions 1 to 13; or

(d) (4) makes a false statement in order to become a transferee of a pistol or semiautomatic military-style assault weapon knowing or having reason to know the statement is false.

## (b) A person who does either of the following is guilty of a felony:

(1) transfers a pistol or semiautomatic military-style assault weapon to a person under the age of 18 in violation of subdivisions 1 to 13; or

(2) transfers a pistol or semiautomatic military-style assault weapon to a person under the age of 18 who has made a false statement in order to become a transferee, if the transferor knows or has reason to know the transferee has made the false statement.

Sec. 52. Minnesota Statutes 1993 Supplement, section 624.7181, subdivision 2, is amended to read:

Subd. 2. [GROSS MISDEMEANOR PENALTIES.] Whoever carries a rifle or shotgun on or about the person in a public place is guilty of a gross misdemeanor. A person under the age of 21 who carries a semiautomatic military style assault weapon, as defined in section 624.712, subdivision 7, on or about the person in a public place is guilty of a felony.

# Sec. 53. [JUDICIAL DISTRICT DELINQUENCY DISPOSITION PRINCIPLES.]

By January 1, 1996, the chief judge in each judicial district shall publish the written criteria used by judges in the district in determining juvenile delinquency dispositions. The judges of the district shall develop the written criteria in consultation with local county attorneys, public defenders, local corrections personnel, victim advocates, and the public. Each chief judge shall submit a copy of the written criteria to the head of the conference of chief judges by September 1, 1995, who shall submit copies of the criteria to the chairs of the senate crime prevention committee and the house judiciary committee by November 1, 1995.

Sec. 54. [USE OF SERIOUS YOUTHFUL OFFENDER ADJUDICATIONS AS ADULT CRIMINAL HISTORY POINTS.]

The sentencing guidelines commission shall modify the guidelines to take effect August 1, 1994, to provide that a serious youthful offender conviction is treated under the guidelines in the same manner as a felony conviction of an adult.

Sec. 55. [SENTENCING GUIDELINES MODIFICATIONS.]

<u>Subdivision 1.</u> [MODIFICATIONS TO SENTENCING GUIDELINES REQUIRED.] <u>The sentencing guidelines</u> commission shall adopt the modifications described in subdivision 2 and shall apply them to persons whose crimes occur on or after August 1, 1994.

Subd. 2. [PRIOR JUVENILE OFFENSES; CRIMINAL HISTORY SCORE.] The commission shall modify sentencing guideline II.B.4 as follows:

(1) it shall change clause (c) to allow juvenile offenses occurring after the juvenile's 14th birthday to be included in the offender's criminal history score;

(2) it shall change clause (d) to permit juvenile offenses to be included in an offender's criminal history score if the offender was under 28 years of age at the time the current felony was committed; and

(3) it shall change clause (e) to exclude violent crimes, as defined in Minnesota Statutes, section 609.152, subdivision 1, from the maximum limit on the number of criminal history score points an offender may receive for prior juvenile offenses.

Sec. 56. [TASK FORCE ON JUVENILE PROGRAMMING EVALUATION AND PLANNING.]

<u>Subdivision 1.</u> [DUTIES; REPORT.] The task force on juvenile programming evaluation and planning shall report to the chairs of the senate committee on crime prevention and the house committee on judiciary and the legislative auditor by November 30, 1994, concerning the results of the tasks described in this section.

<u>Subd. 2.</u> [SURVEY OF PROGRAMMING.] (a) The commissioners of corrections and human services shall conduct a comprehensive survey of existing juvenile programming available across the state and report its findings to the task force. For purposes of the survey, juvenile programming includes all out-of-home placement and nonresidential programs in which juveniles are placed as part of a diversion from juvenile court or as the result of a juvenile court delinquency or serious youthful offender proceeding or children in need of protection or services proceeding.

(b) The survey shall determine for each program: whether juveniles were placed there through a child protection proceeding, a juvenile delinquency or serious youthful offender proceeding, or through diversion; whether payment is by the state, a local government entity, the child's family, or another source; the extent to which the program provides family and community reintegration services; the extent to which the program provides a comprehensive educational assessment of each child and an educational plan to address the child's educational needs during the placement and after reentry into the community, including critical skill thinking and conflict resolution; and the extent to which aftercare is provided.

(c) The survey shall determine for each program: the race and sex of juveniles placed there; the race and sex of staff members; the number of juveniles requiring special services; and the cultural appropriateness of the programming.

(d) The survey shall determine for each program the availability of special services including but not limited to:

programming for juvenile female offenders; resources for sex offenders; chemical dependency services; mental health assessments; suicide prevention services; services for abuse victims; and services for the developmentally disabled.

Subd. 3. [TASK FORCE DUTIES.] The task force shall make recommendations concerning:

(1) a full continuum of programming to fulfill the service needs identified by the survey conducted under subdivision 2 for serious youthful offenders adjudicated juveniles and the cost of providing those services;

(2) the location of secure juvenile capacity recommended by the supreme court advisory task force on the juvenile justice system;

(3) existing programs that counties and the state should not continue to fund and a specific list of priorities to be used at the state and county level in evaluating programs for juvenile offenders;

(4) the appropriate financial responsibility for serious youthful offenders and adjudicated juveniles placed out of their homes, the need for additional programming, and the circumstances, if any, under which the state should be responsible for the costs of programming;

(5) a planning process and time line to implement a full range of programming and services for adjudicated juveniles and serious youthful offenders;

(6) necessary changes in state rules, statutes, and licensing requirements, including changes in statutes and rules relating to the dispositional and discharge authority of the commissioner of corrections that are needed to implement the serious youthful offender category; and

(7) funding needs, including the short- and long-range costs to the following of implementing this act and the recommendations of the supreme court advisory task force on the juvenile justice system:

(i) the probation and correctional systems;

(ii) the public defender system;

(iii) the judiciary; and

(iv) other governmental entities.

<u>Subd. 4.</u> [MEMBERSHIP.] The task force consists of individuals who are representatives or designees of the following and have demonstrated experience in the juvenile justice field, appointed by the chairs of the senate crime prevention committee and the house judiciary committee:

(1) the commissioner of corrections;

(2) the commissioner of human services;

(3) the commissioner of education;

(4) the office of drug policy and violence prevention;

(5) probation officers;

(6) community corrections officers;

(7) public defenders;

(8) prosecutors;

(9) juvenile corrections specialists;

(10) law enforcement officials;

(11) chemical dependency counselors;

(12) mental health experts;

(13) children's services providers;

(14) victim advocates;

(15) district court judges;

(16) the council on Black Minnesotans;

(17) the office for Spanish-speaking people;

(18) the Asian-Pacific Minnesotans council;

(19) the Indian affairs council;

(20) the association of counties; and

(21) the council on the disabled.

The commissioner of corrections or the commissioner's designee shall serve as chair of the task force.

Sec. 57. [LEGISLATIVE AUDITOR.]

<u>Subdivision 1.</u> [EVALUATION OF CORRECTIONS PROGRAMMING.] <u>The legislative audit commission is</u> requested to direct the legislative auditor to conduct an evaluation of programming at existing state-run facilities serving youthful offenders, including those at Sauk Centre, St. Cloud, Thistledew, and Red Wing and report to the legislature by January 1, 1995, concerning its findings. The evaluation of the programming shall focus on the following factors:

(1) recidivism;

(2) participation by youthful offenders;

(3) subjective effectiveness among probation officials;

(4) subjective effectiveness among youthful offenders; and

(5) comparison with programming operating effectively in other states.

<u>Subd. 2.</u> [EVALUATION OF REPORT OF TASK FORCE ON JUVENILE PROGRAMMING EVALUATION AND PLANNING.] <u>The legislative audit commission is requested to direct the legislative auditor to receive and analyze the report of the task force on juvenile programming evaluation and planning submitted under section 56. The evaluation of the task force recommendations shall include a comprehensive independent assessment of relevant factors, including but not limited to those enumerated in section 56, subdivision 3. If the commission undertakes this evaluation, the legislative auditor shall report to the chairs of the senate committee on crime prevention and the house judiciary committee by February 15, 1995.</u>

Sec. 58. [SUPREME COURT.]

<u>Subdivision 1.</u> [DATA COLLECTION.] <u>The supreme court shall develop a sentencing form for use in serious</u> youthful offender proceedings and a procedure for data collection to ensure that serious youthful offender data will be compatible with other criminal justice data. The supreme court shall consult with the criminal and juvenile information policy group in carrying out this duty.

Subd. 2. [TRAINING.] By August 1, 1994, the supreme court shall prepare and conduct a training course for judges and members of their staffs concerning the provisions of this act. In particular, the course shall inform judges of the juvenile disposition options available, the procedural requirements of serious youthful offender proceedings, and the sentencing form to be used in those proceedings to ensure that serious youthful offender data will be compatible with other criminal justice data.

5061

Sec. 59. [APPROPRIATIONS.]

Subdivision 1. [FISCAL YEAR.] Unless otherwise specified the appropriations made in this section are for the fiscal year ending June 30, 1995.

<u>Subd. 2.</u> [CORRECTIONS.] <u>\$120,000 is appropriated to the commissioner of corrections from the general fund to develop and implement a plan for serious youthful offenders.</u>

\$100,000 is appropriated to the commissioner of corrections from the general fund to ensure that the race and cultural heritage of juvenile programming staff reflect the characteristics of the juvenile offender population.

\$1,090,000 is appropriated to the commissioner of corrections from the general fund for adult and juvenile diversion programs.

\$170,000 is appropriated to the commissioner of corrections from the general fund for training of corrections department and community corrections staff.

\$3,000,000 is appropriated to the commissioner of corrections from the general fund to be used to hire or fund the hiring of additional state and county probation officers and of community corrections officers under Minnesota Statutes, chapter 401. The funds shall be allocated by the commissioner for probation officers for offenders under age 23 based on weighted caseloads determined by the commissioner after consultation with those entities receiving the funds. The distributions shall be reported by the commissioner annually to the chairs of the senate crime prevention and house judiciary finance committees.

\$187,000 is appropriated to the commissioner of corrections from the general fund for independent evaluations of several residential treatment facilities or programs for juveniles.

\$1,534,000 is appropriated to the commissioner of corrections from the general fund to license and to assist in the operational funding of small, regionally based secure capacity for juvenile offenders.

\$70,000 is appropriated from the general fund to the commissioner of corrections, for the purpose of expanding the sentencing to service program to include work crews whose primary function is the removal of graffiti and other defacing signs or symbols from public property and from the property of requesting private property owners.

Subd. 3. [BOARD OF PUBLIC DEFENSE.] (a) \$3,905,000 is appropriated to the state board of public defense from the general fund for the provision of counsel for juveniles charged with delinquency.

(b) \$400,000 is appropriated from the general fund to the state board of public defense for the provision of appellate services for juveniles.

Subd. 4. [EDUCATION.] (a) \$1,000,000 is appropriated to the commissioner of education from the general fund in fiscal year 1995 for violence prevention education grants under Minnesota Statutes, section 126.78. One hundred percent of this appropriation must be paid according to the process established in Minnesota Statutes, section 124.195, subdivision 9. appropriation may be used for administration of the programs funded in this subdivision.

(b) \$2,500,000 is appropriated to the commissioner of education from the general fund in fiscal year 1995 for learning readiness programs under Minnesota Statutes, sections 121.831 and 124.2615. This amount is added to the appropriation for learning readiness in Laws 1991, chapter 224, article 4, section 44, subdivision 16. Notwithstanding Minnesota Statutes, section 124.195, subdivision 10, 100 percent of the appropriation in this paragraph must be paid in fiscal year 1995. This additional appropriation is available in fiscal year 1995 only.

Subd. 5. [PUBLIC SAFETY.] \$1,400,000 is appropriated to the commissioner of public safety from the general fund for community crime reduction grants under Minnesota Statutes, section 299A.35. In awarding grants for programs qualifying under section 299A.35, subdivision 1, clause (4), the commissioner shall give first priority to any application received from a nonprofit community-based entity with a demonstrated record of success in helping at-risk youth stay in school and encouraging school dropouts to return to school. A qualified applicant may be awarded a grant to operate such a program in a community other than the applicant's community if the commissioner determines that the community needs the program but that no qualified entity exists within the community to operate the program.

5062

\$307,000 is appropriated to the commissioner of public safety from the general fund for the costs of performing initial analysis and design work for the juvenile criminal history system, the statewide misdemeanor system, including violent and enhanceable crimes, and the domestic abuse orders for protection tracking system.

\$20,000 is appropriated from the general fund to the commissioner of public safety for the purpose of operating the statewide school-related crime telephone line and for paying rewards for information received over the statewide telephone line. Any unexpended funds in fiscal year 1995 do not cancel and carry forward to fiscal year 1996.

Subd. 6. [ATTORNEY GENERAL.] <u>\$20,000 is appropriated from the general fund to the office of the attorney</u> general to conduct training for county attorneys on juvenile laws and on the provisions of this act.

Subd. 7. [DISTRICT COURTS.] \$372,000 is appropriated from the general fund to the district courts to be used to fund four additional district court judgeships. The supreme court, in consultation with the state court administrator and the conference of chief judges, shall determine the districts in which these judgeships will be located, based on increased court caseloads resulting from the provisions of this act.

<u>Subd. 8.</u> [SUPREME COURT.] <u>\$245,000 is appropriated to the supreme court from the general fund for the costs of performing initial analysis and design work for the juvenile criminal history system, the statewide misdemeanor system, and the tracking system for domestic abuse orders for protection.</u>

Subd. 9. [HUMAN SERVICES.] \$10,000 is appropriated from the general fund to the commissioner of human services for the survey of existing juvenile programming.

Subd. 10. [DEPARTMENT OF JOBS AND TRAINING.] <u>\$2,000,000 is appropriated from the general fund to the</u> commissioner of jobs and training, to be used to award grants to cities for creating and expanding curfew enforcement, truancy prevention, and after-school and summer recreational programs for children and youth.

\$50,000 is appropriated from the general fund to the commissioner of jobs and training to fully match federal funds available to administer the juvenile justice program.

Sec. 60. [REPEALER.]

Minnesota Statutes 1992, section 260.125, subdivision 3, is repealed.

Sec. 61. [EFFECTIVE DATE.]

Sections 1 to 58 and 60 are effective August 1, 1994, and apply to violations occurring on or after that date. Section 59, subdivision 7, is effective March 1, 1995."

Delete the title and insert:

"A bill for an act relating to crime prevention; juvenile justice; providing for adult court jurisdiction over juveniles alleged to have committed first degree murder or first degree criminal sexual conduct after age 16; providing for presumptive certification to adult court for juveniles alleged to have committed other prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home delinguency placement is proposed; providing for adult court jurisdiction over juveniles alleged to have committed nonfelony-level traffic offenses after age 16; authorizing the juvenile court to require parents to attend delinquency hearings; providing for the sharing of certain data collected or maintained on juveniles; requiring county attorneys to establish juvenile diversion programs; providing mandatory minimum sentences for drive-by shooting crimes; expanding the crime relating to the possession of dangerous weapons on school property; increasing penalties for certain firearms offenses involving youth; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 242.31, subdivision 1; 242.32; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.125; 260.131, by adding a subdivision; 260.132; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a, 2, and by adding a subdivision; 260.181, subdivision 4; 260.185, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a subdivision; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; 611A.02,

by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.155, subdivision 1; 260.161, subdivisions 1 and 3; 299A.35, subdivisions 1 and 2; 299C.65, subdivision 1; 401.065, subdivision 1, and by adding a subdivision; 609.11, subdivision 9; 609.66, subdivision 1d; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 260; 299A; 388; and 609; repealing Minnesota Statutes 1992, section 260.125, subdivision 3."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2099, A bill for an act relating to change of name; altering procedural requirements for a change of name application; amending Minnesota Statutes 1992, section 259.10.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2130, A bill for an act relating to counties; St. Louis; assigned the former town of Payne to the 7th commissioner district.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2140, A bill for an act relating to public utilities; providing legislative authorization of the construction of a facility for the temporary dry cask storage of spent nuclear fuel at Prairie Island nuclear generating plant; providing conditions for any future expansion of storage capacity; approving the continued operation of pool storage at Monticello and Prairie Island nuclear generating plants; requiring development of wind power; regulating nuclear power plants; requiring increased conservation investments; providing low-income discounted electric rates; appropriating money; amending Minnesota Statutes 1992, sections 216B.16, by adding a subdivision; 216B.241, subdivision 1a; and 216B.243, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Pages 1 and 2, delete sections 1 to 4, and insert:

"Section 1. [116C.7201] [AUTHORIZATION FOR INDEPENDENT SPENT FUEL STORAGE INSTALLATION AT PRAIRIE ISLAND.]

Subdivision 1. [FINDINGS.] In regard to the proposal to construct and operate an independent spent fuel storage installation (dry cask storage facility) at Prairie Island, the legislature finds that:

(1) the environmental guality board, in compliance with chapter 116D, prepared and found adequate an environmental impact statement that found no significant adverse environmental effects from the construction and operation of the proposed dry cask storage facility;

69TH DAY]

(2) the public utilities commission, in compliance with section 216B.243, issued a limited certificate of need for the use of 17 casks to store spent nuclear fuel at the proposed dry cask storage facility; and

(3) the United States Nuclear Regulatory Commission reviewed and approved a safety analysis on the proposed dry cask storage facility and granted a license for the facility.

Subd. 2. [AUTHORIZATION.] Construction and operation of the proposed dry cask storage facility is hereby expressly authorized under the terms and conditions contained in the certificate of need issued by the public utilities commission, docket number E002/CN-91-91, without further environmental review under chapter 116D or further administrative review under section 216B.243.

Subd. 3. [ADDITIONAL CASKS; AUTHORIZATION AND LIMITATION.] (a) The use of additional casks to store waste generated at the Prairie Island nuclear generating plant beyond the 17 casks authorized under the certificate of need is hereby expressly authorized only upon:

(1) completion of environmental review under chapter 116D that finds no significant adverse environmental effects associated with use of the additional casks and that is found adequate by the environmental quality board; and

(2) issuance of a certificate of need by the public utilities commission, under section 216B.243, for use of the additional casks.

(b) The public utilities commission may not issue a certificate of need for more than 17 dry casks without express authorization of the legislature under section 116C.72.

Sec. 2. [116C.7202] [NUCLEAR GENERATING PLANTS; STORAGE POOLS; AUTHORIZATION.]

The continued operation of the spent nuclear fuel pool storage facilities at the Monticello and Prairie Island nuclear generating plants is hereby expressly authorized."

Page 2, line 33, delete "5" and insert "3"

Page 3, line 19, delete "nuclear"

Page 3, line 20, delete everything before "facility" and delete "wastes" and insert "spent nuclear fuel or other high-level radioactive waste"

Page 3, line 24, after "disposal" insert "or long-term storage"

Page 3, line 26, after "storage" insert "or disposal"

Page 6, delete section 2

Page 6, line 25, delete "3" and insert "2"

Page 6, line 26, delete everything after the period

Page 6, delete line 27

Amend the title as follows:

Page 1, lines 12 and 13, delete "appropriating money;"

Page 1, delete line 17, and insert "chapters 116C; and 216B."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2171, 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 efforts of cities and towns to comply with the allocation; establishing penalties for noncompliance; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2207, A bill for an act relating to local government; authorizing the board of county commissioners of Benton county to establish an economic development authority.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

# Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2249, A bill for an act relating to agricultural businesses; providing an interest buy-down program for farmers and small businesses; creating a program of farm disaster property tax relief payments; providing supplemental funding for certain emergency employment programs; creating a crop disaster insurance program; increasing funding for the farm advocates program, agricultural resource centers, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; expanding research on grain diseases and genetics; appropriating money.

Reported the same back with the following amendments:

Page 9, line 2, delete "\$15,000,000" and insert "\$30,000,000"

Page 10, after line 27, insert:

# "ARTICLE 5

# PROTEIN ANALYSIS EQUIPMENT LEASE PILOT PROGRAM

# Section 1. [17B.042] [PROTEIN ANALYSIS EQUIPMENT; COMMISSIONER MAY PROVIDE BY LEASE.]

<u>Subdivision 1.</u> [EQUIPMENT LEASING PROGRAM; PURPOSE.] The legislature finds that Minnesota wheat producers face a critical problem because country elevators currently use a wide variety of technologies, brands, and models of wheat protein analysis equipment. Inaccurate and inconsistent protein readings on wheat samples result in the loss of millions of dollars of income each year for farmers, and contribute to further decline in the economic base of Minnesota's rural communities. The legislature further finds that country elevators often lack the resources to acquire adequate, reliable protein testing equipment on their own. It is therefore found to be in the public interest for the commissioner of agriculture to establish a voluntary program to lease to country elevators, at cost, high quality wheat protein testing equipment.

<u>Subd. 2.</u> [SELECTION OF EQUIPMENT; PILOT LEASING PROGRAM.] Not later than April 1, 1995, the commissioner shall evaluate available wheat protein analysis equipment and determine a brand and model to be used in the pilot lease program. Selection may be made on the basis of competitive bid price but must also take into consideration operational factors such as reliability, replicability, durability, ease of calibration and use, and the availability of comprehensive operator training.

<u>Subd. 3.</u> [PARTICIPATION IN PILOT EQUIPMENT LEASE PROGRAM; ELIGIBILITY.] <u>The commissioner shall</u> designate up to eight counties in which to implement the pilot equipment lease program.

Subd. 4. [TERMS OF LEASE.] The commissioner shall establish terms and conditions of the protein equipment test program so that the cost of equipment will be amortized over the estimated useful life of the equipment.

<u>Subd. 5.</u> [MANDATORY EQUIPMENT OPERATOR TRAINING.] <u>The principal protein test equipment operator</u> in <u>each country elevator that participates in the pilot equipment lease program must undergo comprehensive training</u> as determined appropriate by the commissioner.

Sec. 2. [APPROPRIATION.]

\$2,000,000 is appropriated from the general fund to the commissioner of agriculture for purposes of the pilot equipment lease program in section 1. Of this appropriation, not more than \$25,000 may be used for costs of administering the program.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Page 10, line 28, delete "5" and insert "6"

Page 10, line 32, delete "\$3,000,000" and insert "\$5,000,000"

Page 10, line 36, after the period, insert "<u>The commissioner may allow projects that would not have been funded</u> by the federal government in order to fund public projects, employing flood victims, that are not necessarily related to flood damage, but which local governments are unable to undertake because of flood expenses. The commissioner may also fund the leasing or other use of specialized equipment and services for projects undertaken with this appropriation."

Page 11, delete lines 20 to 25 and insert:

"Sec. 5. [APPROPRIATION; WHEAT SCAB RESEARCH.]

\$430,000 is appropriated from the general fund to the commissioner of agriculture for the fiscal biennium ending June 30, 1995, to make grants to the University of Minnesota or other Minnesota educational institutions for research into the problem of wheat scab (vomitoxin) in Minnesota. The research should be designed to minimize the adverse effects of future wheat scab infestations in the short term while seeking to fully eliminate the problem in the long term.

Before making grants under this section, the commissioner shall develop grant criteria including:

(1) locating a small grains specialist in the wheat growing area of the state;

(2) long-term variety development and short-term marketing solutions;

(3) alternative agronomic and management techniques for wheat production that minimize scab and describe the biology and the pathology of wheat scab infestation; and

(4) alternative uses for scabby wheat that minimize the adverse effects of mycotoxin produced by the scab infestation."

Page 11, after line 30, insert:

"Sec. 7. [APPROPRIATION; HIGH OIL SOYBEANS RESEARCH.]

\$200,000 is appropriated from the general fund to the commissioner of agriculture for the fiscal biennium ending June 30, 1995, to make research grants to the University of Minnesota or other educational institutions in Minnesota to develop higher protein, higher oil content varieties of soybeans that would grow in Minnesota."

Page 11, line 31, delete "7" and insert "8"

Amend the title as follows:

Page 1, line 5, after the semicolon insert "authorizing a protein analysis equipment lease pilot program,"

Page 1, line 11, after "diseases" insert ", soybean varieties"

Page 1, line 12; before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 17B"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes. The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 423, 613, 1835, 1845, 1891, 1914, 1934, 1957, 1965, 1966, 2007, 2099 and 2130 were read for the second time.

# **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Weaver introduced:

H. F. No. 2517, A bill for an act relating to game and fish; allowing nonresidents to take rough fish by harpooning; amending Minnesota Statutes 1992, section 97C.381.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Neary, Long, Abrams, Dawkins and Kelso introduced:

H. F. No. 2518, A bill for an act relating to taxation; property; changing the method of determining tax capacity for residential homesteads; amending Minnesota Statutes 1992, section 273.13, subdivision 22; and Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Mariani, Bishop, Dawkins, Wejcman and Pugh introduced:

H. F. No. 2519, A bill for an act relating to prostitution; creating a civil cause of action for persons who are coerced into prostitution; proposing coding for new law in Minnesota Statutes, chapter 611A.

The bill was read for the first time and referred to the Committee on Judiciary.

Weaver, Lynch and Pugh introduced:

H. F. No. 2520, A bill for an act relating to the environment; authorizing a person who wishes to construct or expand an air emission facility to reimburse certain costs of the pollution control agency; amending Minnesota Statutes 1992, section 116.07, subdivision 4d.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Pauly introduced:

H.'F. No. 2521, A bill for an act relating to liquor; authorizing the city of Eden Prairie to issue additional on-sale licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Molnau; Swenson; Brown, C.; McCollum and Johnson, V., introduced:

H. F. No. 2522, A bill for an act relating to natural resources; authorizing departmental sponsored competition in natural resources conservation related activities; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Brown, C., and Milbert introduced:

H. F. No. 2523, A bill for an act relating to occupations and professions; requiring that concrete and masonry workers be licensed as residential contractors; amending Minnesota Statutes 1993 Supplement, sections 326.83, subdivisions 7, 19, and by adding a subdivision; 326.842; and 326.94, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

### Beard and Sarna introduced:

H. F. No. 2524, A bill for an act relating to consumer protection; providing that certain application fees must be refunded; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Housing.

# Greenfield, Cooper, Leppik and Lourey introduced:

H. F. No. 2525, A bill for an act relating to health; MinnesotaCare; establishing and regulating community integrated service networks; defining terms; creating a reinsurance and risk adjustment association; classifying data; requiring reports; mandating studies; modifying provisions relating to the regulated all-payer option; requiring administrative rulemaking; setting timelines and requiring plans for implementation; designating essential community providers; establishing an expedited fact finding and dispute resolution process; requiring proposed legislation; establishing task forces; providing for demonstration models; mandating universal coverage; requiring insurance reforms; providing grant programs; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center for health care electronic data interchange; providing standards for the Minnesota health care identification card; appropriating money; providing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivision 1; 62A.303; 62D.04, by adding a subdivision; 62E.02, subdivisions 10, 18, 20, and 23; 62E.10, subdivisions 1, 2, and 3; 62E.141; 62E.16; 62J.03, by adding a subdivision; 62L.02, subdivisions 9, 13, 16, 17, 24, and by adding subdivisions; 62L.03, subdivision 1; 62L.05, subdivisions 1, 5, and 8; 62L.08, subdivisions 2, 5, 6, and 7; 62L.12; 62L.21, subdivision 2; 62M.02, subdivisions 5 and 21; 62M.03, subdivisions 1, 2, and 3; 62M.05, subdivision 3; 62M.06, subdivision 3; 62M.09, subdivision 5; and 295.50, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 43A.317, by adding a subdivision; 60K.14, subdivision 7; 61B.20, subdivision 13; 62A.011, subdivision 3; 62A.65, subdivisions 2, 3, 4, 5, and by adding a subdivision; 62D.12, subdivision 17; 62J.03, subdivision 6; 62J.04, subdivisions 1 and 1a; 62J.09, subdivision 2; 62J.33, by adding subdivisions; 62J.35, subdivisions 2 and 3; 62J.38; 62J.41, subdivision 2; 62J.45, by adding subdivisions; 62L.02, subdivisions 8, 11, 15, 19, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.04, subdivision 1; 62L.08, subdivisions 4 and 8; 62N.01; 62N.02, subdivisions 1, 8, and by adding a subdivision; 62N.06, subdivision 1; 62N.065, subdivision 1; 62N.10, subdivisions 1 and 2; 62N.22; 62N.23; 62P.01; 62P.03; 62P.04; 62P.05; 144.1486; 151.21, subdivisions 7 and 8; 256.9352, subdivision 3; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, and 12b; 295.53, subdivisions 1, 2, and 5; 295.54; 295.58; and 295.582; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 62N; and 62P; proposing coding for new law as Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 1992, sections 62A.02, subdivision 5; 62E.51; 62E.52; 62E.53; 62E.531; 62E.54; 62E.55; and 256.362, subdivision 5; Minnesota Statutes 1993 Supplement, sections 62J.04, subdivision 8; 62N.07; 62N.075; 62N.08; 62N.085; and 62N.16;

# JOURNAL OF THE HOUSE

## Beard and Battaglia introduced:

H. F. No. 2526, A bill for an act relating to transportation; providing that cities with a combined population of at least 5,000 may qualify for municipal state aid if certain conditions are met; amending Minnesota Statutes 1992, section 162.09, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Kinkel and Solberg introduced:

H. F. No. 2527, A bill for an act relating to education; authorizing school district No. 118, Remer-Longville, to transfer funds from bus purchase fund to capital expenditure fund.

The bill was read for the first time and referred to the Committee on Education.

Haukoos, by request, introduced:

H. F. No. 2528, A bill for an act relating to traffic regulations; regulating operation of recreational vehicle combinations; amending Minnesota Statutes 1993 Supplement, section 169.81, subdivision 3c.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Haukoos introduced:

H. F. No. 2529, A bill for an act relating to Freeborn county; permitting the appointment of the recorder and auditor/treasurer; authorizing the reorganization of county offices.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Molnau, Vickerman and Lourey introduced:

H. F. No. 2530, A bill for an act relating to insurance; health; restricting termination or reductions of coverage for fibrocystic conditions; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Seagren, Vickerman, Van Engen, Knight and Tompkins introduced:

H. F. No. 2531, A bill for an act relating to human services; providing for the restructuring of certain public assistance programs; amending Minnesota Statutes 1992, sections 256.73, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Erhardt; Anderson, R.; Wolf; Dehler and Ness introduced:

H. F. No. 2532, A bill for an act relating to human services; providing for the restructuring of certain public assistance programs; amending Minnesota Statutes 1992, sections 256.73, by adding a subdivision; 256.74, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; proposing coding for new law in Minnesota Statutes, chapter 256.

Koppendrayer and Cooper introduced:

H. F. No. 2533, A bill for an act relating to local government; removing notice requirements for emergency on-site inspections by town boards; amending Minnesota Statutes 1992, section 366.01, subdivision 11.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bauerly; Kelso; Johnson, A.; Skoglund and Weaver introduced:

H. F. No. 2534, A bill for an act relating to education; modifying the referendum revenue reduction; appropriating money; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 3b.

The bill was read for the first time and referred to the Committee on Education.

Wolf, Rukavina, Rhodes, Goodno and Perlt introduced:

H. F. No. 2535, A bill for an act relating to employment; modifying the definition of employer for personnel records review purposes; amending Minnesota Statutes 1992, section 181.960, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Greiling; Kahn; Reding; Johnson, R., and Knickerbocker introduced:

H. F. No. 2536, A bill for an act relating to family law; clarifying pension plan obligations; amending Minnesota Statutes 1992, section 518.581, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

**Bauerly introduced:** 

H. F. No. 2537, A bill for an act relating to Benton county; providing a sales tax exemption for construction materials and supplies purchased for use in constructing a correctional facility.

The bill was read for the first time and referred to the Committee on Taxes.

Weaver, Skoglund, Abrams, Lieder and Delmont introduced:

H. F. No. 2538, A bill for an act relating to elections; simplifying certain prerequisites to petitioning for a removal election of a county official; amending Minnesota Statutes 1992, sections 351.16, subdivision 1; 351.17; and 351.19, subdivisions 2 and 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

Lasley, Jennings, Murphy, Lourey and Koppendrayer introduced:

H. F. No. 2539, A bill for an act relating to human services; establishing, for persons with developmental disabilities, an integrated network of campus and community services in the catchment area served by the Cambridge regional human services center; authorizing a study; authorizing the issuance of bonds; appropriating money; amending Minnesota Statutes 1992, section 246.57, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 246 and 252.

Peterson; Brown, C.; Kalis; Johnson, V., and Anderson, R., introduced:

H. F. No. 2540, A bill for an act relating to traffic regulations; allowing implements of husbandry to travel to the left of the roadway center during daylight hours while displaying a flashing amber lamp as an alternative to an escort vehicle; amending Minnesota Statutes 1993 Supplement, section 169.18, subdivision 5.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Krueger, Nelson and Wenzel introduced:

H. F. No. 2541, A bill for an act relating to education; setting transportation aid for independent school district No. 793, Staples, for residents of independent school district No. 483, Motley.

The bill was read for the first time and referred to the Committee on Education.

Limmer introduced:

H. F. No. 2542, A bill for an act relating to corrections; modifying the intensive community supervision program to increase numbers of offenders participating in the program; amending Minnesota Statutes 1992, sections 244.12, subdivisions 1 and 2; and 244.15, subdivision 4; Minnesota Statutes 1993 Supplement, section 244.14, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Limmer introduced:

H. F. No. 2543, A bill for an act relating to corrections; authorizing the commissioner of corrections to limit placement of convicted felons awaiting completion of presentence investigation reports in state correctional facilities; amending Minnesota Statutes 1992, section 609.115, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Swenson, Wejcman, Carruthers, Skoglund and Limmer introduced:

H. F. No. 2544, A bill for an act relating to crimes; driving while intoxicated; permitting and, under certain circumstances, requiring consecutive sentences for multiple crimes committed by DWI offenders and DWI offenders who drive without insurance or without a valid driver's license; increasing minimum penalties and requiring intensive probation and treatment for chronic DWI offenders; increasing the bail limit for certain persons charged with driving after license revocation or cancellation; requiring chemical dependency treatment programs to contain certain elements to be eligible to receive court-ordered referrals of chronic DWI offenders; increasing the excise tax rate imposed on alcoholic beverages; reimbursing local and state agencies for costs incurred in apprehending, prosecuting, supervising, and treating chronic DWI offenders; requiring the commissioner of public safety to study the cost and feasibility of establishing a DWI offender tracking system; appropriating money; amending Minnesota Statutes 1992, sections 169.121, subdivision 3b; 169.126, subdivision 2; 169.797, subdivision 4; 171.043; 297C.02, subdivisions 1, 2, and 3; 297C.08; and 629.471, subdivision 2; Minnesota Statutes 1993 Supplement, sections 169.121, subdivisions 3 and 3a; 169.129; 171.24; and 609.035; proposing coding for new law in Minnesota Statutes, chapters 169; and 299A.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman introduced:

H. F. No. 2545, A bill for an act relating to health care; providing an additional payment to certain persons with mental retardation or related conditions; appropriating money; amending Minnesota Statutes 1992, section 256B.501, by adding a subdivision.

5073

Kelley, McGuire, Macklin, Skoglund and Perlt introduced:

H. F. No. 2546, A bill for an act relating to privacy; regulating the use and dissemination of personally identifiable information on videotape consumers; proposing coding for new law as Minnesota Statutes, chapter 3251.

The bill was read for the first time and referred to the Committee on Judiciary.

Gutknecht, Waltman, Limmer and Rodosovich introduced:

H. F. No. 2547, A bill for an act relating to the legislature; providing for the composition of the legislative audit commission; amending Minnesota Statutes 1993 Supplement, section 3.97, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Gutknecht; Brown, C.; Limmer; Carruthers and Delmont introduced:

H. F. No. 2548, A bill for an act relating to crime; prohibiting prosecutors from entering into plea or sentence negotiation agreements in certain cases involving the use or possession of a firearm; amending Minnesota Statutes 1993 Supplement, section 609.11, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary.

# Swenson, McGuire and Carruthers introduced:

H. F. No. 2549, A bill for an act relating to controlled substances; providing that marijuana penalties in sale and possession crimes may be based on number of marijuana plants; amending Minnesota Statutes 1992, sections 152.021, subdivisions 1 and 2; 152.022, subdivision 2; and 152.023, subdivision 1; Minnesota Statutes 1993 Supplement, sections 152.022, subdivision 1; and 152.023, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius, Rodosovich, Osthoff, Lasley and Haukoos introduced:

H. F. No. 2550, A bill for an act relating to elections; providing for access to broadcast facilities for state and local candidates; imposing penalties; amending Minnesota Statutes 1992, section 211B.05, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

## Pugh introduced:

H. F. No. 2551, A bill for an act relating to retirement; enabling certain retired members of the public employees retirement association to rescind a selection of a joint and survivor annuity and to receive a normal retirement annuity.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Wenzel; Workman; Anderson, R.; Rest and Anderson, I., introduced:

H. F. No. 2552, A bill for an act relating to taxation; exempting passenger restraint systems for children from the sales and use tax and the motor vehicle excise tax; amending Minnesota Statutes 1992, sections 297A.25, by adding a subdivision; and 297B.01, subdivision 8.

The bill was read for the first time and referred to the Committee on Taxes.

Reding introduced:

H. F. No. 2553, A bill for an act relating to retirement; public employees retirement association; permitting purchase of service credit by certain soil and water conservation district employees.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Winter, Lieder, Dauner, Goodno and Wenzel introduced:

H. F. No. 2554, A bill for an act relating to agriculture; providing for an agricultural processing facility loan program administered by the rural finance authority; providing for funding; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41B.

The bill was read for the first time and referred to the Committee on Agriculture.

Winter, Steensma, Reding and Goodno introduced:

H. F. No. 2555, A bill for an act relating to the environment; providing for a limitation on water quality fee increases; providing for a report to the legislature.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark, Long, Workman, Winter and Rest introduced:

H. F. No. 2556, A bill for an act relating to taxation; income; allowing a lead abatement credit; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Olson, E., and Johnson, R., introduced:

H. F. No. 2557, A bill for an act relating to taxation; allowing accelerated depreciation for certain property on Indian reservations; allowing a subtraction from federal taxable income for wages claimed under the Indian employment credit; amending Minnesota Statutes 1992, section 290.01, subdivisions 19b and 19d; Minnesota Statutes 1993 Supplement, section 290.01, subdivision 19.

The bill was read for the first time and referred to the Committee on Taxes.

Weaver, Van Dellen, Kahn and Dempsey introduced:

H. F. No. 2558, A bill for an act relating to local government; requiring publicly owned or leased motor vehicles to be identified; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bettermann introduced:

H. F. No. 2559, A bill for an act relating to employment; modifying provisions relating to payment of wages; amending Minnesota Statutes 1992, sections 181.032; 181.13; and 181.14.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

5074

# THURSDAY, MARCH 10, 1994

Bettermann introduced:

H. F. No. 2560, A bill for an act relating to workers' compensation; permitting a collective bargaining agreement to address certain obligations and procedures relating to workers' compensation; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kelso and Vellenga introduced:

H. F. No. 2561, A bill for an act relating to education; transferring responsibilities of head start program from the department of jobs and training to the department of education.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Bettermann introduced:

H. F. No. 2562, A bill for an act relating to employment; modifying experience requirements for the labor and industry boiler inspection division chief; amending Minnesota Statutes 1992, section 183.375, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

# McGuire introduced:

H. F. No. 2563, A bill for an act relating to health; modifying provisions for nursing home moratorium exceptions; amending Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hasskamp introduced:

H. F. No. 2564, A bill for an act relating to wetlands; providing an exemption to replacement plans for wetlands within certain cities; amending Minnesota Statutes 1993 Supplement, section 103G.2241.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Nelson; Krueger; Anderson, I.; Rodosovich and Jaros introduced:

H. F. No. 2565, A bill for an act relating to education; appropriating money for the Northwest Technical College Center for International Training.

The bill was read for the first time and referred to the Committee on Education.

Onnen, Leppik, Lynch, Greenfield and Vellenga introduced:

H. F. No. 2566, A bill for an act relating to health; requiring a program to promote the long-term development of children and to prevent abuse; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pauly and Mosel introduced:

H. F. No. 2567, A bill for an act relating to state government; permitting state employees to donate vacation leave for the benefit of a certain state employee.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

5075

Molnau, Mariani and Lynch introduced:

H. F. No. 2568, A bill for an act relating to crimes; prohibiting possession of tobacco by minors; prescribing penalties; amending Minnesota Statutes 1993 Supplement, section 609.685, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Finseth, Swenson, Pugh, McGuire and Delmont introduced:

H. F. No. 2569, A bill for an act relating to corrections; requiring inspection of correctional facilities and lockups at least once every biennium; amending Minnesota Statutes 1992, sections 241.021, subdivision 2; and 642.09; Minnesota Statutes 1993 Supplement, section 241.021, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

## McGuire introduced:

H. F. No. 2570, A bill for an act relating to recreational vehicles; authorizing off-road vehicle decal registration system for those off-road vehicles not operated on highways; imposing misdemeanor penalty for violation of rules; amending Minnesota Statutes 1993 Supplement, sections 84.798, subdivision 3; and 84.805; repealing Minnesota Statutes 1993 Supplement, section 5.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Wejcman, Carlson, Morrison, Vellenga and Clark introduced:

H. F. No. 2571, A bill for an act relating to education; specifying that certain opportunities industrialization centers are eligible institutions for the purposes of the post-secondary enrollment options program; amending Minnesota Statutes 1992, section 124.3514, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Waltman introduced:

H. F. No. 2572, A bill for an act relating to natural resources; authorizing the exchange of certain state lands in Wabasha and Fillmore counties under certain conditions.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, A.; Kahn; Garcia; Trimble and Mariani introduced:

H. F. No. 2573, A bill for an act relating to state government; requiring the attorney general to provide affirmative action officers for the state university system; amending Minnesota Statutes 1992, section 43A.191, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Orenstein and Limmer introduced:

H. F. No. 2574, A bill for an act relating to ethics in government; specifying permitted and prohibited gifts to legislators and legislative employees; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Ethics.

69TH DAY]

H. F. No. 2575, A bill for an act relating to economic development; appropriating money for the first phase development and infrastructure analysis of the Phalen corridor.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

### Dawkins introduced:

H. F. No. 2576, A bill for an act relating to taxation; providing an income tax credit for certain home mortgage interest paid by individuals; amending Minnesota Statutes 1992, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Rukavina and Beard introduced:

H. F. No. 2577, A bill for an act relating to employment; establishing a retraining and targeted training grants program for certain workers; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### Cooper; Pelowski; Solberg; Anderson, R., and Davids introduced:

H. F. No. 2578, A bill for an act relating to health; establishing reimbursement criteria for ambulance services; requiring negotiation of ambulance service rates in the integrated service network system; providing exemptions from growth limits and fee schedules for ambulance services; modifying the definition of volunteer ambulance service; requiring a rate regulation study; amending Minnesota Statutes 1993 Supplement, section 295.52, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 62J; 62N; and 62P.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jacobs, for the Committee on Regulated Industries and Energy, introduced:

H. F. No. 2579, A bill for an act relating to liquor; authorizing counties to issue off-sale licenses in certain towns; amending Minnesota Statutes 1992, section 340A.405, subdivision 2.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

## Wejcman and Jefferson introduced:

H. F. No. 2580, A bill for an act relating to education; adding opportunities industrialization centers to the post-secondary enrollment options program; amending Minnesota Statutes 1992, section 123.3514, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Clark, Neary, Cooper and Jennings introduced:

H. F. No. 2581, A bill for an act relating to health; giving the commissioner of administration authority to negotiate contracts for all prescription drugs sold in Minnesota; allowing correction orders to be issued; establishing a cause of action; establishing a formulary and a drug technology assessment committee; requiring price disclosure and cost savings; requiring a study of a statewide list of covered drugs; proposing coding for new law in Minnesota Statutes, chapters 16B; and 144.

### Cooper, Kalis, Mosel, Nelson and Brown, C., introduced:

H. F. No. 2582, A bill for an act relating to health; providing a definition of first responder; requiring the commissioner to adopt rules to regulate first responders; amending Minnesota Statutes 1992, sections 144.801, by adding a subdivision; and 144.804, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Winter, Steensma, Trimble, Girard and Olson, K., introduced:

H. F. No. 2583, A bill for an act relating to the history of the state; authorizing the southwest regional development commission to establish a historical display facility known as Prairieland Expo; providing a grant to the southwest regional development commission; appropriating money; authorizing the sale of bonds.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Jacobs; Tunheim; Bertram; Olson, E., and Onnen introduced:

H. F. No. 2584, A bill for an act relating to telecommunications; exempting independent, cooperative, and municipal telephone companies from rate regulation by public utilities commission; amending Minnesota Statutes 1992, sections 237.01, subdivision 3; 237.081, subdivisions 1 and 1a; and 237.22; proposing coding for new law in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Wejcman introduced:

H. F. No. 2585, A bill for an act relating to crime victims; strengthening the autonomy of the ombudsman; expanding the powers of the ombudsman to inspect records and premises; providing the ombudsman with subpoena powers; amending Minnesota Statutes 1992, sections 611A.73, subdivision 3; and 611A.74.

The bill was read for the first time and referred to the Committee on Judiciary.

Rice, Lourey and Brown, C., introduced:

H. F. No. 2586, A bill for an act relating to public safety; increasing fee for motor vehicle transfers and dedicating proceeds to pay for state patrol vehicles; establishing state patrol motor vehicle account and appropriating money in the account; amending Minnesota Statutes 1992, section 168A.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299D.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Seagren introduced:

H. F. No. 2587, A bill for an act relating to state departments and agencies; department of employee relations; providing for implementation of management training programs, authorizing the use of facsimile machines; abolishing the career executive service; amending Minnesota Statutes 1992, sections 13.67; 43A.21, subdivision 3; and 43A.32, subdivision 2; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Jacobs, for the Committee on Regulated Industries and Energy, introduced:

H. F. No. 2588, A bill for an act relating to energy; modifying provisions relating to liquefied petroleum gas sales; establishing an account; amending Minnesota Statutes 1993 Supplement, sections 239.785, subdivision 2, and by adding a subdivision; Laws 1993, chapter 369, section 11.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

# THURSDAY, MARCH 10, 1994

Jacobs, for the Committee on Regulated Industries and Energy, introduced:

H. F. No. 2589, A bill for an act relating to motor fuels; specifying ten-county area as carbon monoxide control area; requiring annual registration of oxygenate blenders; specifying records that must be maintained by oxygenate blenders and allowing for audits; making technical amendments relating to regulation of oxygenated fuels; amending Minnesota Statutes 1992, sections 239.05, subdivisions 6a and 10b; and 239.791, subdivisions 3, 4, 5, 7, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Jacobs, for the Committee on Regulated Industries and Energy, introduced:

H. F. No. 2590, A bill for an act relating to energy; classifying and requiring information on applications for the municipal energy conservation investment loan program; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 216C.37, subdivision 3, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 216C.37, subdivision 1; repealing Minnesota Statutes 1992, section 216C.37, subdivision 8.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Jacobs, for the Committee on Regulated Industries and Energy, introduced:

H. F. No. 2591, A bill for an act relating to utilities; eliminating duplicate reporting relating to energy demand forecasting information by public utilities; amending Minnesota Statutes 1992, sections 116C.57, subdivision 3; 216B.241, subdivision 1a; and 216C.17, subdivision 2; Minnesota Statutes 1993 Supplement, sections 216B.2422, by adding a subdivision; and 216C.17, subdivision 3; repealing Minnesota Statutes 1993 Supplement, section 116C.54.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Rukavina, Tomassoni, Battaglia, Solberg and Anderson, I., introduced:

H. F. No. 2592, A bill for an act relating to taxation; increasing certain mineral related taxes; amending Minnesota Statutes 1992, sections 273.165, subdivision 1; and 298.26.

The bill was read for the first time and referred to the Committee on Taxes.

Leppik, Simoneau, Rukavina, Winter and Gruenes introduced:

H. F. No. 2593, A bill for an act relating to state government; administrative procedure; regulating rulemaking; amending Minnesota Statutes 1992, sections 3.842, by adding a subdivision; 14.03, subdivision 3; 14.131; 14.15, subdivision 4; 14.16, by adding a subdivision; 14.18, subdivision 1; 14.19; 14.23; 14.365; 17.84; 43A.04, by adding a subdivision; and 84.027, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 3.984, subdivision 2; and 16A.1285, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 4; and 14; repealing Minnesota Statutes 1992, sections 3.846; 14.11; 14.115; 14.1311; 14.235; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; and 17.83.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Long, Lynch, Simoneau and Gruenes introduced:

H. F. No. 2594, A bill for an act relating to the environment; establishing a cleanup program for closed landfills; establishing an advisory committee; authorizing rulemaking; providing penalties; authorizing the sale of bonds; appropriating money; amending Minnesota Statutes 1992, section 115B.05, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 115B.42, subdivision 2; and 116.07, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 115B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Van Engen, Goodno, Solberg, Rukavina and Milbert introduced:

H. F. No. 2595, A bill for an act relating to taxation; property; reducing the time required for seasonal recreational property occupied by a relative to qualify for homestead treatment; amending Minnesota Statutes 1993 Supplement, section 273.124, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

McGuire and Swenson introduced:

H. F. No. 2596, A bill for an act relating to alcoholic beverages; extending the dram shop act to include illegal gifts of alcoholic beverages to persons under age 21; amending Minnesota Statutes 1992, section 340A.801, subdivision 1; repealing Minnesota Statutes 1992, section 340A.801, subdivision 6.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Pugh introduced:

H. F. No. 2597, A bill for an act relating to criminal procedure; requiring local correctional departments to perform pretrial bail evaluation for certain felonies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Evans; Anderson, I.; Murphy; Kahn and Van Dellen introduced:

H. F. No. 2598, A bill for an act relating to state government; board of government innovation and cooperation; authorizing local governments to apply to the board for waivers on behalf of nonprofit organizations providing services to the local governments; modifying certain powers and duties of the board; modifying grant programs administered by the board; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 465.795, subdivision 7; 465.796, subdivision 2; 465.797, subdivisions 1, 2, 3, 4, and 5; 465.798; and 465.799; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 1992, section 465.80, subdivision 3; Minnesota Statutes 1993 Supplement, section 465.80, subdivisions 1, 2, 4, and 5.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Van Engen, Cooper, Swenson, Beard and Steensma introduced:

H. F. No. 2599, A bill for an act relating to capital improvements; appropriating money for the Prairie Woods environmental learning center in Kandiyohi county; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance.

Rodosovich, for the Higher Education Finance Division, introduced:

H. F. No. 2600, 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; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Gruenes and Stanius introduced:

H. F. No. 2601, A bill for an act relating to game and fish; authorizing certain disabled permit holders to take deer of either sex; amending Minnesota Statutes 1992, section 97B.055, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

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#### Rodosovich introduced:

H. F. No. 2602, A bill for an act relating to elections; codifying and recodifying the legislative district boundaries used for the 1992 election, with adjustments to avoid dividing the cities of Willernie and New Hope and simplify the division of Ham Lake; providing for distribution and correction of redistricting plans; amending Minnesota Statutes 1992, sections 2.031, subdivision 2; 2.043; 2.053; 2.063; 2.073; 2.083; 2.093, subdivision 2; 2.103; 2.113; 2.123; 2.123; 2.133; 2.143; 2.153, subdivision 2; 2.163; 2.173; 2.183; 2.193; 2.203, subdivision 1; 2.213; 2.223; 2.233; 2.243; 2.253; 2.263; 2.273; 2.283; 2.293; 2.313; 2.323; 2.333; 2.343; 2.353; 2.363; 2.373; 2.383; 2.393; 2.403; 2.413; 2.433; 2.443; 2.453, subdivision 1; 2.463; 2.473, subdivision 2; 2.483, subdivision 2; 2.493; 2.503; 2.513, subdivision 1; 2.523; 2.533; 2.543, subdivision 1; 2.553; 2.563; 2.573; 2.583; 2.593, subdivision 2; 2.603; 2.613, subdivision 2; 2.623; 2.633, subdivision 2; 2.643; 2.653, subdivision 1; 2.663; 2.673; 2.683, subdivision 1; 2.693; and 2.703, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

## Pugh introduced:

H. F. No. 2603, A bill for an act relating to civil actions; consolidating and recodifying statutes providing limitations on private personal injury liability; amending Minnesota Statutes 1992, section 144.761, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 604A; repealing Minnesota Statutes 1992, sections 31.50; 87.021; 87.0221; 87.023; 87.024; 87.025; 87.026; 87.03; 604.05; 604.08; 604.09; and 609.662, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Clark, Lourey, Greenfield and Mariani introduced:

H. F. No. 2604, A bill for an act relating to insurance; requiring health plans and other forms of health coverage to cover sign and other language translations; requiring coverage of sign and other language translations under workers' compensation; requiring reimbursement for sign and other language translation services provided to enrollees of state health care programs; appropriating money; amending Minnesota Statutes 1992, sections 65B.44, subdivision 2; 176.011, subdivision 24; and 176.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 62A; 65A; and 256.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

## Dorn introduced:

H. F. No. 2605, A bill for an act relating to transportation; bonding; abolishing requirement that electorate approve bonds in excess of tax limitations for airports and authorizing issuance by 60 percent vote of governing body; allowing taxes to be levied by local governing body to pay bond principal or interest; allowing one municipality to issue bonds on behalf of other municipalities in a joint agreement; amending Minnesota Statutes 1992, sections 360.036, subdivisions 2 and 3; 360.037, subdivision 2; and 360.042, subdivision 10.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bettermann, Koppendrayer, Kelso, Bauerly and Sviggum introduced:

H. F. No. 2606, A bill for an act relating to education; preventing the prevailing wage law from applying to school district construction and debt service equalization; amending Minnesota Statutes 1992, section 124.95, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Winter, Reding and Farrell introduced:

H. F. No. 2607, A bill for an act relating to human services; clarifying the definition of insurer; amending Minnesota Statutes 1992, section 518.003, by adding a subdivision.

# Gruenes introduced:

H. F. No. 2608, A bill for an act relating to human services; directing the commissioner to seek waivers of federal restrictions on lump sum payments for medical services.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Pelowski, Carlson, Morrison, Dorn and Opatz introduced:

H. F. No. 2609, A bill for an act relating to education; defining higher education board authority for bargaining with certain employees; designating certain higher education board employees as unclassified; clarifying transfer provisions for the merger of community colleges, state universities, and technical colleges; transferring bonding authority for the state universities to the higher education board; clarifying the calculation of instructional appropriations; establishing the higher education board as the sole state agency for federal funding for vocational education; providing for appointments of additional student members on the higher education board; authorizing the higher education board to supervise and control construction, improvement, and repair of its facilities; amending Minnesota Statutes 1992, sections 43A.06, subdivision 1; 43A.08, subdivision 1; 43A.18, by adding a subdivision; 135A.03, subdivision 1; 136.31; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38; 136.41, by adding a subdivision; 136C.06; 136E.01, subdivisions 1 and 2; and 179A.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 43A.18, subdivision 4; and 136.41, subdivision 8; Laws 1991, chapter 356, article 9, sections 8, subdivision 1; 9; 12; and 13; proposing coding for new law in Minnesota Statutes, chapter 136E; repealing Minnesota Statutes 1992, sections 136.31, subdivision 6; 136.40; 136.41, subdivisions 1, 2, 3, 4, 5, 6, and 7; and 136.42.

The bill was read for the first time and referred to the Committee on Education.

## Pauly, Sekhon, Commers, Sviggum and Bergson introduced:

H. F. No. 2610, A bill for an act relating to the environment; making the field citation pilot project permanent law; authorizing penalties for unauthorized waste disposal; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Vellenga, Mariani, Wejcman, Dawkins and Carruthers introduced:

H. F. No. 2611, A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of bonds; authorizing assessment of debt service; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Anderson, R.; Solberg; Kelso; Skoglund and Johnson, R., introduced:

H. F. No. 2612, A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of bonds; authorizing assessment of debt service; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Luther introduced:

H. F. No. 2613, A bill for an act relating to crimes; enhancing penalty to gross misdemeanor for refusing to submit to testing to determine if violator is driving under influence of alcohol or controlled substance, when child under age of 16 is in vehicle; amending Minnesota Statutes 1993 Supplement, section 169.121, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

# THURSDAY, MARCH 10, 1994

Jefferson introduced:

H. F. No. 2614, A bill for an act relating to government data; classifying certain data obtained by the department of trade and economic development as nonpublic; amending Minnesota Statutes 1992, section 13.76, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

## Trimble introduced:

H. F. No. 2615, A bill for an act relating to commerce; regulating currency exchanges; expanding the definition of a currency exchange; providing for a national criminal history check on license applicants; requiring employees to register and undergo a background check; requiring a new owner to file an initial license application; increasing the required surety bond principal amount; prohibiting the issuance of money orders; prescribing penalties; amending Minnesota Statutes 1992, sections 53A.01; subdivision 1; 53A.05, subdivision 2; 53A.08; 53A.09; and 53A.10; Minnesota Statutes 1993 Supplement, section 53A.03; proposing coding for new law in Minnesota Statutes, chapter 53A.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

### Trimble introduced:

H. F. No. 2616, A bill for an act relating to wild animals; requiring permits from the commissioner of natural resources to administer chemical substances to wild animals; amending Minnesota Statutes 1992, section 97A.501, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jacobs, Osthoff and Gruenes introduced:

H. F. No. 2617, A bill for an act relating to alcoholic beverages; defining terms; prohibiting certain solicitations by retailers; authorizing consignment sales of beer by wholesalers to temporary licensees; removing requirement that retail licensees be citizens or resident aliens; authorizing counties to issue on-sale licenses; placing registered political committees in existence for less than three years to obtain temporary on-sale licenses; placing restrictions on the number of temporary licenses issued to any organization or for any location; imposing new restrictions on issuance of more than one off-sale license to any person in a municipality; regulating certain wine tastings; restricting use of coupons by retailers, wholesalers, and manufacturers; providing penalties; amending Minnesota Statutes 1992, sections 340A.101, subdivision 13; 340A.308; 340A.404, subdivisions 6 and 10; 340A.405, subdivision 4; 340A.410, by adding a subdivision; 340A.412, subdivision 3; and 340A.416, subdivision 3; Minnesota Statutes 1993 Supplement, sections 340A.402; and 340A.415; proposing coding for new law in Minnesota Statutes, chapter 340A.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Clark, Greenfield, Dawkins, Lourey and Rukavina introduced:

H. F. No. 2618, A bill for an act relating to health; changing the membership of regional coordinating boards; creating the Minnesota health assurance board; designating the board as the sole seller of insurance policies; requiring statewide and regional health care budgets; abolishing the Minnesota health care commission; appropriating money; amending Minnesota Statutes 1992, section 62J.09, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 1992, section 62J.09, section 62J.05, as amended; Minnesota Statutes 1993 Supplement, section 62J.09, subdivisions 2 and 8.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Winter, Vellenga and Steensma introduced:

H. F. No. 2619, A bill for an act relating to education; authorizing state bonding for construction of new residential facilities for the Lakeview school; authorizing issuance of bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Farrell, Mariani, Garcia and McCollum introduced:

H. F. No. 2620, A bill for an act relating to motor vehicles; authorizing commissioner of public safety to study motor vehicle safety standards and inspection programs and make recommendations to legislature; appropriating money.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Anderson, I., introduced:

H. F. No. 2621, A bill for an act relating to rural development finance authorities; authorizing a city-county rural development finance authority in Koochiching county; repealing Laws 1987, chapter 182.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Anderson, I., introduced:

H. F. No. 2622, A bill for an act relating to state lands; authorizing the department of natural resources to sell certain state land in the counties of Itasca and St. Louis.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Anderson, I., introduced:

H. F. No. 2623, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Itasca county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Reding, Knickerbocker, Rest, Solberg and Evans introduced:

H. F. No. 2624, A bill for an act relating to employee relations; ratifying labor agreements.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Mahon; Brown, C.; Long and Delmont introduced:

H. F. No. 2625, A bill for an act relating to the metropolitan waste control commission; reducing the salary range of the chair; providing for a part-time chair; amending Minnesota Statutes 1992, sections 15A.081, subdivision 7; and 473.503.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Wenzel introduced:

H. F. No. 2626, A bill for an act relating to retirement; authorizing purchase of prior service credit from the teachers retirement association by a certain member.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Hausman; Johnson, A.; Greiling; Carlson and Lasley introduced:

H. F. No. 2627, A bill for an act relating to libraries; establishing a grant program for library services to children and their families; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Battaglia and Rukavina introduced:

H. F. No. 2628, A bill for an act relating to state lands; authorizing the private sale of certain tax-forfeited lands bordering public waters in Cook county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Lourey introduced:

H. F. No. 2629, A bill for an act relating to civil commitment; clarifying the standards for emergency admissions; requiring notice; establishing a community care pilot project for certain committed patients in the catchment area served by the Moose Lake regional treatment center; amending Minnesota Statutes 1992, section 253B.05, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Carlson introduced:

H. F. No. 2630, A bill for an act relating to traffic regulations; increasing from \$500 to \$1,000 the threshold level of reportable motor vehicle accidents; amending Minnesota Statutes 1993 Supplement, section 169.09, subdivision 7.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Garcia; Johnson, A.; Jacobs; Weaver and McCollum introduced:

H. F. No. 2631, A bill for an act relating to taxation; exempting transit providers receiving reimbursement for transporting persons needing medical assistance from payment of excise tax on gasoline; amending Minnesota Statutes 1993 Supplement, section 296.02, subdivision 1a.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Gutknecht, Van Dellen and Hugoson introduced:

H. F. No. 2632, A bill for an act proposing an amendment to the Minnesota Constitution; adding a section to article IV; requiring a special vote on new taxes, tax increases, and tax extensions.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

#### McGuire introduced:

H. F. No. 2633, A bill for an act relating to recreational vehicles; imposing misdemeanor penalty for violation of off-road motorcycle registration laws and rules; amending Minnesota Statutes 1993 Supplement, section 84.796.

The bill was read for the first time and referred to the Committee on Judiciary.

Lourey introduced:

H. F. No. 2634, A bill for an act relating to transportation; requiring understandable notice of requirements for appealing town road damage awards; amending Minnesota Statutes 1992, section 164.07, subdivision 6.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Wagenius, Kahn, Munger, Trimble and Pauly introduced:

H. F. No. 2635, A bill for an act relating to the environment; requiring, as part of the environmental review of proposed projects and activities, an analysis of the effect of the projects or activities on total carbon dioxide emissions

in the state in order to minimize the burden on existing industry to reduce carbon dioxide emissions; proposing coding for new law in Minnesota Statutes, chapter 116D.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Jefferson introduced:

H. F. No. 2636, A bill for an act relating to the jobs and training department; making changes of a technical and housekeeping nature; amending Minnesota Statutes 1992, sections 248.011; 248.07, subdivisions 1, 2, 3, 4, 5, 13, 14a, and 16; 248.11; 268A.09; and 268A.11, subdivisions 1 and 3; Minnesota Statutes 1993 Supplement, sections 248.10; and 268A.02, subdivision 2; repealing Minnesota Statutes 1992, sections 268A.12.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Jefferson introduced:

H. F. No. 2637, A bill for an act relating to juvenile justice; requiring student participation and completion of courses in violence prevention and nonviolent conflict resolution; providing that juveniles who commit certain crimes have a right to trial by a jury of their peers; providing for implementation of a juvenile justice peer group jury system; amending Minnesota Statutes 1993 Supplement, section 260.155, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 126; and 260.

The bill was read for the first time and referred to the Committee on Judiciary.

### Sekhon, Munger, Trimble, Pauly and Bishop introduced:

H. F. No. 2638, A bill for an act relating to metropolitan waste control commission; authorizing the commission to enter into agreements to implement total watershed management; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Greiling, Carlson and Johnson, A., introduced:

H. F. No. 2639, A bill for an act relating to education; requiring school districts to provide staff development training for food service employees; appropriating money; proposing coding for new law in chapter 126.

The bill was read for the first time and referred to the Committee on Education.

#### Pugh introduced:

H. F. No. 2640, A bill for an act relating to courts; unauthorized practice of law; exempting certain conduct from the ban on unauthorized practice; amending Minnesota Statutes 1993 Supplement, section 481.02, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Leppik, Orenstein and Rukavina introduced:

H. F. No. 2641, A bill for an act relating to insurance; utilization review; making utilization review for workers' compensation health care subject to state regulation; amending Minnesota Statutes, sections 62M.01, subdivision 2; 62M.02, subdivisions 6, 12, and 21; and 62M.15.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Pugh introduced:

H. F. No. 2642, A bill for an act relating to crime prevention; juvenile mental health; requiring mental health assessments of all juveniles alleged or found to be delinquent and all children reported or found to be in need of protection or services; expanding youth intervention programs to underserved communities and populations; appropriating money; amending Minnesota Statutes 1992, section 260.152.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Murphy introduced:

H. F. No. 2643, A bill for an act relating to workers' compensation; providing coverage for certain civil air patrol volunteers; amending Minnesota Statutes 1992, section 176.011, subdivision 9.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### Dawkins introduced:

H. F. No. 2644, A bill for an act relating to companion animals; establishing a low-cost spaying and neutering program; imposing a tax on wholesale sales of dog and cat food; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 346; proposing coding for new law as Minnesota Statutes, chapter 297E.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greiling and McGuire introduced:

H. F. No. 2645, A bill for an act relating to counties; providing for the filling by appointment of certain offices previously elective; providing for conforming changes; amending Minnesota Statutes 1992, section 382.01; repealing Minnesota Statutes 1992, section 382.02.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

### Olson, E.; Tunheim and Lieder introduced:

H. F. No. 2646, A bill for an act relating to agriculture; expanding the restricted seed potato growing area; amending Minnesota Statutes 1992, section 21.1196, subdivision 1.

The bill was read for the first time and referred to the Committee on Agriculture.

Murphy and Lourey introduced:

H. F. No. 2647, A bill for an act relating to education; establishing a Time and Technology Enhanced Curriculum school pilot project; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

McCollum, Garcia, Lieder, Krinkie and Osthoff introduced:

H. F. No. 2648, A bill for an act relating to traffic regulations; applying inspection requirements for commercial motor vehicles to school buses; amending Minnesota Statutes 1992, section 169.781, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

### Hasskamp introduced:

H. F. No. 2649, A bill for an act relating to motor vehicles; requiring the registrar of motor vehicles to appoint a deputy registrar in the city of Crosby.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Bergson and Lieder introduced:

H. F. No. 2650, A bill for an act relating to elections; regulating certain political conduct of judges, appointees to judicial office, and candidates for judicial office; proposing coding for new law in Minnesota Statutes, chapter 211B.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

#### Reding; Johnson, R.; Knickerbocker and Kahn introduced:

H. F. No. 2651, A bill for an act relating to the state board of investment; management of funds under the board's control; amending Minnesota Statutes 1992, sections 11A.17, subdivisions 1, 4, 9, 10a, and 14; 11A.18, subdivision 9; 11A.24, subdivisions 3, 5, and 6; 353D.05, subdivision 2; and 354B.07, subdivision 2; Minnesota Statutes 1993 Supplement, sections 11A.24, subdivisions 1 and 4; 352D.04, subdivision 1; and 354B.05, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Jennings, Simoneau, Garcia and Stanius introduced:

H. F. No. 2652, A bill for an act relating to human services, adjusting reimbursement rates for special transportation services; amending Minnesota Statutes 1993 Supplement, section 256B.0625, subdivision 17.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dawkins; Reding; Johnson, R.; Knickerbocker and Mariani introduced:

H. F. No. 2653, A bill for an act relating to retirement; revising laws governing postretirement adjustments for the St. Paul teachers retirement fund association; proposing coding for new law in Minnesota Statutes, chapter 354A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Carruthers, Jacobs, Jaros, Simoneau and Workman introduced:

H. F. No. 2654, A bill for an act relating to tax increment financing; exempting redevelopment districts from certain reductions in state aids; amending Minnesota Statutes 1993 Supplement, section 273.1399, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Lasley; Olson, K., and Ness introduced:

H. F. No. 2655, A bill for an act relating to education; modifying the secondary vocational aid formula; amending Minnesota Statutes 1993 Supplement, section 124.573, subdivision 2b.

The bill was read for the first time and referred to the Committee on Education.

5088

Orenstein introduced:

H. F. No. 2656, A bill for an act relating to motor vehicles; allowing owners of passenger automobiles to register them for one or more quarters of the registration year; amending Minnesota Statutes; amending Minnesota Statutes 1992, sections 168.017, subdivisions 3, 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Vellenga, Winter and McCollum introduced:

H. F. No. 2657, A bill for an act relating to state parks; allowing handicapped persons to receive a special permit; amending Minnesota Statutes 1992, section 85.053, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kahn, Reding, Opatz, Gruenes and Johnson, R., introduced:

H. F. No. 2658, A bill for an act relating to retirement; waiving the annuity reduction for certain faculty in the state university system who return to teaching part-time after retirement; mandating employer-paid health insurance for these faculty; proposing coding for new law in Minnesota Statutes, chapters 136 and 354.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Hasskamp introduced:

H. F. No. 2659, A bill for an act relating to employment; providing for the payment of the minimum wage to an on-call employee; amending Minnesota Statutes 1992, section 177.24, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kinkel, Dauner and Nelson introduced:

H. F. No. 2660, A bill for an act relating to taxation; sales and use; expanding the definition of isolated and occasional sales; amending Minnesota Statutes 1992, section 297A.25, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, R., introduced:

H. F. No. 2661, A bill for an act relating to lawful gambling; regulating the deposit of gambling receipts; amending Minnesota Statutes 1992, section 349.19, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Lourey; Nelson; Brown, K.; Ostrom and Tompkins introduced:

H. F. No. 2662, A bill for an act relating to employment; appropriating money for the displaced homemaker program.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, A.; Bauerly; Jefferson and Vellenga introduced:

H. F. No. 2663, A bill for an act relating to information practices; providing for release of certain information on juvenile offenders to schools and victims; limiting release of records; requiring schools to designate juvenile liaison

officers; providing for the preparation of an information policy training plan; appropriating money; amending Minnesota Statutes 1992, sections 13.84, subdivision 5a; and 260.161, subdivision 2, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 123.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelso and Simoneau introduced:

H. F. No. 2664, A bill for an act relating to information practices; providing for release of certain information on juvenile offenders to schools and victims; limiting release of records; requiring schools to designate juvenile liaison officers; providing for the preparation of an information policy training plan; appropriating money; amending Minnesota Statutes 1992, sections 13.84, subdivision 5a; and 260.161, subdivision 2, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 123.

The bill was read for the first time and referred to the Committee on Judiciary.

McGuire, Battaglia, Munger, Swenson and Peterson introduced:

H. F. No. 2665, A bill for an act relating to parks and recreation; adding lands to certain state parks; converting certain recreation areas to state parks; deleting land from a recreation area; combining a trail and certain waysides into a recreation area; abolishing a state park; amending Minnesota Statutes 1992, section 85.054, by adding a subdivision; repealing Minnesota Statutes 1992, sections 85.012, subdivision 24; and 85.013, subdivisions 16, 18a, 24, 26, and 28.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Brown, C.; Nelson; Tompkins; Mariani and Johnson, V., introduced:

H. F. No. 2666, A bill for an act relating to local government; prohibiting the adoption of certain zoning ordinances by municipalities and counties; amending Minnesota Statutes 1992, sections 394.25, by adding a subdivision; and 462.357, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jefferson and Carruthers introduced:

H. F. No. 2667, A bill for an act relating to corrections; establishing the right step academy for African-American youths as an alternative to incarceration; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 244.

The bill was read for the first time and referred to the Committee on Judiciary.

Pauly introduced:

H. F. No. 2668, A bill for an act relating to ethics in government; providing a code of ethics for public servants; establishing an ethics and campaign practices board; imposing penalties; appropriating money; amending Minnesota Statutes 1992, sections 10A.01, subdivision 6; and 10A.02, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on Ethics.

Mosel, Peterson, Girard and Lieder introduced:

H. F. No. 2669, A bill for an act relating to water; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; amending Minnesota Statutes 1992, section 446A.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 446A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kahn, Sarna and Knickerbocker introduced:

H. F. No. 2670, A bill for an act relating to retirement; adding Hennepin county paramedics and emergency medical technicians to membership in the public employees police and fire fund; amending Minnesota Statutes 1992, section 353.64, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Rodosovich introduced:

H. F. No. 2671, A bill for an act relating to elections; codifying the congressional district plan adopted by the Minnesota special redistricting panel; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1992, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

#### Rodosovich introduced:

H. F. No. 2672, A bill for an act relating to elections; eliminating combined precincts but authorizing a combined polling place under the same conditions; adding three years to the time precinct boundaries may be changed; requiring separate precincts for each congressional district; limiting precinct boundary changes close to an election; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 2 and 3; 204B.22, subdivision 1; and 205A.11; Minnesota Statutes 1993 Supplement, section 204B.14, subdivisions 4 and 5; repealing Minnesota Statutes 1992, sections 204B.14, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

Pugh; Brown, C.; McGuire; Johnson, V., and Olson, K., introduced:

H. F. No. 2673, A bill for an act relating to government; providing that a public body may close one or more meetings for preliminary consideration of charges against an individual subject to its authority; amending Minnesota Statutes 1992, section 471.705, subdivision 1d.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Olson, K.; Bauerly; Kelso; Hausman and Brown, K., introduced:

H. F. No. 2674, A bill for an act relating to education; clarifying that special education aids and levies for school districts are not reduced by medical assistance and insurance payments; amending Minnesota Statutes 1992, section 124.90, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

### Lourey introduced:

H. F. No. 2675, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public waters in Aitkin county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

### Jacobs, Osthoff, Frerichs, Goodno and Anderson, I., introduced:

H. F. No. 2676, A bill for an act relating to alcoholic beverages; agreements between brewers and wholesalers; regulating refusals by brewers to supply beer to wholesalers; regulating assignments of brand extensions; specifying circumstances in which agreements between brewers and wholesalers may be terminated or not renewed; prohibiting certain practices by brewers; amending Minnesota Statutes 1992, sections 325B.02; 325B.04; 325B.05; 325B.12; proposing coding for new law in Minnesota Statutes, chapter 325B.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

### Brown, C.; Clark and Olson, E., introduced:

H. F. No. 2677, A bill for an act relating to burial grounds; modifying provisions for enforcement of certain civil actions; amending Minnesota Statutes 1993 Supplement, section 307.082.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

#### Dawkins introduced:

H. F. No. 2678, A bill for an act relating to education; making modifications to the Minnesota youth works act; providing for appointments; amending Minnesota Statutes 1993 Supplement, sections 121.702, subdivisions 2 and 9; 121.703; 121.705; 121.706; 121.707, subdivisions 1, 2, 3, 4, 5, 6, and 7; 121.708; 121.710; and 121.885, subdivisions 1, 2, and 4.

The bill was read for the first time and referred to the Committee on Education.

Dauner, Goodno and Nelson introduced:

H. F. No. 2679, A bill for an act relating to boilers and engines; modifying provisions relating to hobby boilers and show engines; amending Minnesota Statutes 1992, section 183.411, subdivision 2; repealing Minnesota Statutes 1992, section 183.411, subdivision 1a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### Jefferson, Trimble and Farrell introduced:

H. F. No. 2680, A bill for an act relating to charitable organizations; changing definitions; modifying registration and waiver requirements; amending Minnesota Statutes 1993 Supplement, section 309.501, subdivisions 1, 3, and 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

### Knight and Dempsey introduced:

H. F. No. 2681, A bill for an act relating to health; exempting dentists from the MinnesotaCare provider tax; amending Minnesota Statutes 1993 Supplement, section 295.53, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E.; Johnson, R.; Finseth; Kinkel and Tunheim introduced:

H. F. No. 2682, A bill for an act relating to wild animals; compensation to livestock owners for damage done by certain protected mammals; amending Minnesota Statutes 1992, section 3.737, subdivisions 1 and 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bergson; Winter; Wenzel; Johnson, V., and Johnson, A., introduced:

H. F. No. 2683, A bill for an act relating to the military; extending the date for the closure of national guard armories; amending Laws 1992, chapter 511, article 2, sections 49 and 50.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Knight, Wolf and Dempsey introduced:

H. F. No. 2684, A bill for an act proposing an amendment to the Minnesota Constitution, by adding a section to article XII requiring full funding of state mandates on local governments.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Wenzel introduced:

H. F. No. 2685, A bill for an act relating to the military; appropriating money for a day care center at Camp Ripley.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Knight, Wolf and Dempsey introduced:

H. F. No. 2686, A bill for an act relating to state government; placing limits on growth in the number of state employees; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Rukavina; Anderson, I.; Rodosovich and Kinkel introduced:

H. F. No. 2687, A bill for an act relating to capital improvements; appropriating money for capital improvements at Mesabi Community College; authorizing the sale of bonds.

The bill was read for the first time and referred to the Committee on Education.

Lourey, Murphy, Solberg, Ozment and Munger introduced:

H. F. No. 2688, A bill for an act relating to capital improvements, appropriating money for a scrap paper sorting facility operated by the department of corrections on prison grounds; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield introduced:

H. F. No. 2689, A bill for an act relating to civil commitment; clarifying certain procedures for hearings on the administration of neuroleptic medications; amending Minnesota Statutes 1992, section 253B.03, subdivision 6c.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McGuire, Long, Clark and Greenfield introduced:

H. F. No. 2690, A bill for an act relating to parentage; providing for assistance in correcting inaccurate birth certificate information about a person who was a state ward; requiring blood tests and sharing of medical records; proposing coding for new law in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Hasskamp introduced:

H. F. No. 2691, A bill for an act relating to natural resources; making violations of rules governing ecologically harmful species misdemeanors; amending Minnesota Statutes 1992, section 84.9691.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wenzel introduced:

H. F. No. 2692, A bill for an act relating to state lands; authorizing private sale of certain state land in Crow Wing county to resolve an encroachment situation.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pugh, McGuire, Wagenius, Battaglia and Weaver introduced:

H. F. No. 2693, A bill for an act relating to appropriations; appropriating money and authorizing the sale of bonds for contamination cleanup grants.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Lieder and Johnson, V., introduced:

H. F. No. 2694, A bill for an act relating to transportation; establishing a county state-aid dispute resolution board; modifying highway fund apportionment to counties; amending Minnesota Statutes 1992, sections 162.02, subdivisions 7, 8, and by adding a subdivision; and 162.07, subdivisions 1, 3, and 5.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Lieder, Rice, Dauner and Wenzel introduced:

H. F. No. 2695, A bill for an act relating to agriculture; appropriating money for a capital access program to facilitate construction of an agricultural product processing facility.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Olson, E.; Johnson, R., and Tunheim introduced:

H. F. No. 2696, A bill for an act relating to education; authorizing a fund transfer for independent school district No. 38, Red Lake.

The bill was read for the first time and referred to the Committee on Education.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1651, 1473, 1660 and 1752.

PATRICK E. FLAHAVEN, Secretary of the Senate

5095

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2081, 1898 and 1894.

PATRICK E. FLAHAVEN, Secretary of the Senate

# FIRST READING OF SENATE BILLS

S. F. No. 1651, A bill for an act relating to local government; requiring publicly owned or leased motor vehicles to be identified; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 1473, A bill for an act relating to civil commitment; modifying certain provisions concerning the petition and prepetition procedures; providing instructions to the revisor of statutes; amending Minnesota Statutes 1992, section 253B.07, subdivisions 1, 2, 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1660, A bill for an act relating to statutes of limitations; enacting the uniform conflict of laws-limitations act; proposing coding for new law in Minnesota Statutes, chapter 541.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1752, A bill for an act relating to highways; designating the Laura Ingalls Wilder historic highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

S. F. No. 2081, A bill for an act relating to state agencies; providing that the open appointments act applies to certain appointments made by the governor and by legislators; authorizing the secretary of state to collect data regarding appointments to multimember agencies by electronic means; requiring multimember agencies to register with the secretary of state; requiring the secretary of state to publish information collected through registration; requiring the secretary of state to furnish copies of registration data to the legislative reference library; extending the expiration date of certain advisory councils; eliminating the family and group family day care task force; amending Minnesota Statutes 1992, sections 15.0597, subdivisions 1 and 5; 115A.072, subdivision 1; and 115A.12; Minnesota Statutes 1993 Supplement, sections 15.0597, subdivisions 2 and 4; and 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 15; repealing Minnesota Statutes 1992, section 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 1898, A bill for an act relating to insurance; health; requiring coverage for equipment and supplies for the management and treatment of diabetes; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 1894, A bill for an act relating to administrative rules; repealing obsolete rules of the departments of agriculture, commerce, health, human services, public safety, public service, and revenue and the pollution control agency; removing internal references to repealed rules; amending Minnesota Rules, parts 1540.2140; 4400.4500, subpart

3; 7001.0140, subpart 2; 7001.0180; 7005.0100, subpart 8a; 7007.0100, subpart 7; 7009.0010, subpart 1; 7009.0030; 7009.0080; 7023.9050; 7035.2835, subpart 3; 7035.2835, subpart 6; 7035.2875, subpart 3; 7040.2800, subpart 1; 7045.0460, subpart 2; 8130.3500, subpart 3; and 8130.6500, subpart 5; repealing Minnesota Rules, parts 1540.0010, subparts 12, 18, 21, 22, and 24; 1540.0060; 1540.0070; 1540.0080; 1540.0100; 1540.0110; 1540.0120; 1540.0130; 1540.0140; 1540.0150; 1540.0160; 1540.0170; 1540.0180; 1540.0190; 1540.0200; 1540.0210; 1540.0220; 1540.0230; 1540.0240; 1540.0260; 1540.0320; 1540.0330; 1540.0340; 1540.0350; 1540.0370; 1540.0380; 1540.0390; 1540.0400; 1540.0410; 1540.0420; 1540.0440; 1540.0450; 1540.0460; 1540.0490; 1540.0500; 1540.0510; 1540.0520; 1540.0770; 1540.0780; 1540.0800; 1540.0810; 1540.0830; 1540.0880; 1540.0890; 1540.0900; 1540.0910; 1540.0920; 1540.0930; 1540.0940; 1540.0950; 1540.0960; 1540.0970; 1540.0980; 1540.0990; 1540.1000; 1540.1005; 1540.1010; 1540.1020; 1540.1030; 1540.1040; 1540.1050; 1540.1060; 1540.1070; 1540.1080; 1540.1090; 1540.1100; 1540.1110; 1540.1120; 1540.1130; 1540.1140; 1540.1150; 1540.1160; 1540.1170; 1540.1180; 1540.1190; 1540.1200; 1540.1210: 1540.1220: 1540.1230: 1540.1240: 1540.1250: 1540.1255: 1540.1260: 1540.1280: 1540.1290: 1540.1300: 1540.1310: 1540.1320; 1540.1330; 1540.1340; 1540.1350; 1540.1360; 1540.1380; 1540.1400; 1540.1410; 1540.1420; 1540.1430; 1540.1440; 1540.1450; 1540.1460; 1540.1470; 1540.1490; 1540.1500; 1540.1510; 1540.1520; 1540.1530; 1540.1540; 1540.1550; 1540.1560; 1549.1570; 1540.1580; 1540.1690; 1540.1600; 1540.1610; 1540.1620; 1540.1630; 1540.1640; 1540.1650; 1540.1660; 1540.1670; 1540.1680; 1540.1690; 1540.1700; 1540.1710; 1540.1720; 1540.1730; 1540.1740; 1540.1750; 1540.1760; 1540.1770; 1540.1780; 1540.1790; 1540.1800; 1540.1810; 1540.1820; 1540.1830; 1540.1840; 1540.1850; 1540.1860; 1540.1870; 1540.1880; 1540.1890; 1540.1900; 1540.1905; 1540.1910; 1540.1920; 1540.1930; 1540.1940; 1540.1950; 1540.1960; 1540.1970; 1540.1980; 1540.1990; 1540.2000; 1540.2010; 1540.2015; 1540.2020; 1540.2090; 1540.2100; 1540.2110; 1540.2120; 1540.2180; 1540.2190; 1540.2200; 1540.2210; 1540.2220; 1540.2230; 1540.2240; 1540.2250; 1540.2260; 1540.2270; 1540.2280; 1540.2290; 1540.2300; 1540.2310; 1540.2320: 1540.2325: 1540.2330: 1540.2340: 1540.2350: 1540.2360: 1540.2370: 1540.2380: 1540.2390: 1540.2400: 1540.2410; 1540.2420; 1540.2430; 1540.2440; 1540.2450; 1540.2490; 1540.2500; 1540.2510; 1540.2530; 1540.2540; 1540.2550; 1540.2560; 1540.2570; 1540.2580; 1540.2590; 1540.2610; 1540.2630; 1540.2640; 1540.2650; 1540.2660; 1540.2720; 1540.2730; 1540.2740; 1540.2760; 1540.2770; 1540.2780; 1540.2790; 1540.2800; 1540.2810; 1540.2820; 1540.2830; 1540.2840; 1540.3420; 1540.3430; 1540.3440; 1540.3450; 1540.3460; 1540.3470; 1540.3560; 1540.3600; 1540.3610; 1540.3620; 1540.3630; 1540.3700; 1540.3780; 1540.3960; 1540.3970; 1540.3980; 1540.3990; 1540.4000; 1540.4010; 1540.4020; 1540.4030; 1540.4040; 1540.4080; 1540.4190; 1540.4200; 1540.4210; 1540.4220; 1540.4320; 1540.4330; 1540.4340; 2642.0120, subpart 1; 2650.0100; 2650.0200; 2650.0300; 2650.0400; 2650.0500; 2650.0600; 2650.1100; 2650.1200; 2650.1300; 2650.1400; 2650.1500; 2650.1600; 2650.1700; 2650.1800; 2650.1900; 2650.2000; 2650.2100; 2650.3100; 2650.3200; 2650.3300; 2650.3400; 2650.3500; 2650.3600; 2650.3700; 2650.3800; 2650.3900; 2650.4000; 2650.4100; 2655.1000; 2660.0070; 2770.7400; 4610.2210; 7002.0410; 7002.0420; 7002.0430; 7002.0440; 7002.0450; 7002.0460; 7002.0470; 7002.0480; 7002.0490; 7011.0300; 7011.0305; 7011.0310; 7011.0315; 7011.0320; 7011.0325; 7011.0330; 7011.0400; 7011.0405; 7011.0410; 7011.2220, subpart 4; 7047.0010; 7047.0020; 7047.0030; 7047.0040; 7047.0050; 7047.0060; 7047.0070; 7100.0300; 7100.0310; 7100.0320; 7100.0330; 7100.0335; 7100.0340; 7100.0350; 7100.0360; 7510.6100; 7510.6200; 7510.6300; 7510.6350; 7510.6400; 7510.6500; 7510.6600; 7510.6700; 7510.6800; 7510.6900; 7510.6910; 7600.0100; 7600.0200; 7600.0300; 7600.0400; 7600.0500; 7600.0600; 7600.0700; 7600.0800; 7600.0900; 7600.1000; 7600.1100; 7600.1200; 7600.1300; 7600.1400; 7600.1500; 7600.1600; 7600.1700; 7600.1800; 7600.1900; 7600.2000; 7600.2100; 7600.2200; 7600.2300; 7600.2400; 7600.2500; 7600.2600; 7600.2700; 7600.2800; 7600.2900; 7600.3000; 7600.3100; 7600.3200; 7600.3300; 7600.3400; 7600.3500; 7600.3600; 7600.3700; 7600.3800; 7600.3900; 7600.4000; 7600.4100; 7600.4200; 7600.4300; 7600.4400; 7600.4500; 7600.4600; 7600.4700; 7600.4800; 7600.4900; 7600.5000; 7600.5100; 7600.5200; 7600.5300; 7600.5400; 7600.5500; 7600.5600; 7600.5700; 7600.5800; 7600.5900; 7600.6000; 7600.6100; 7600.6200; 7600.6300; 7600.6400; 7600.6500; 7600.6600; 7600.6700; 7600.6800; 7600.6900; 7600.7000; 7600.7100; 7600.7200; 7600.7210; 7600.7300; 7600.7400; 7600.7500; 7600.7600; 7600.7700; 7600.7750; 7600.7800; 7600.7900; 7600.8100; 7600.8200; 7600.8300; 7600.8400; 7600.8500; 7600.8600; 7600.8700; 7600.8800; 7600.8900; 7600.9000; 7600.9100; 7600.9200; 7600.9300; 7600.9400; 7600.9500; 7600.9600; 7600.9700; 7600.9800; 7600.9900; 7605.0100; 7605.0110; 7605.0120; 7605.0130; 7605.0140; 7605.0150; 7605.0160; 7625.0100; 7625.0110; 7625.0120; 7625.0200; 7625.0210; 7625.0220; 7625.0230; 8120.1100, subpart 3; 8121.0500, subpart 2; 8130.9500, subpart 6; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; 8130.9996; 9540.0100; 9540.0200: 9540.0300: 9540.0400: 9540.0500: 9540.1000: 9540.1100: 9540.1200: 9540.1300: 9540.1400: 9540.1500: 9540.2000: 9540.2100; 9540.2200; 9540.2300; 9540.2400; 9540.2500; 9540.2600; and 9540.2700.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

## **CONSENT CALENDAR**

H. F. No. 1890, A bill for an act relating to Lake of the Woods county; allowing the county to forgive the amount owing on a contract for deed.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos	Hausman Holsten Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight	Koppendrayer Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Lourey Luther Lynch Macklin Mahon McCollum McGuire Milbert Molnau Morrison Mosel	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt	Peterson Pugh Reding Rhodes Rice Rukavina Sarna Seagren Sekhon Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble	Tunheim Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, I.
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The bill was passed and its title agreed to.

H. F. No. 1955, A bill for an act relating to Wright county; permitting the transfer of a sheltered workshop facility to its operator without bids or consideration.

The bill was read for the third 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	Davids	Haukoos	Knight	Morrison	Pawlenty	Swenson
Anderson, R.	Dawkins	Hausman	Koppendraver	Mosel	Pelowski	Tomassoni
Asch	Dehler	Holsten	Krinkie	Munger	Perlt	Tompkins
Battaglia	Delmont	Hugoson	Krueger	Murphy	Peterson	Trimble
Bauerly	Dempsey	Huntley	Lasley	Neary	Pugh	Tunheim
Beard	Dorn	Jacobs	Leppik	Nelson	Reding	Van Engen
Bergson	Erhardt	Jaros	Lieder	Ness	Rest	Vellenga
Bertram	Evans	Jefferson	Limmer	Olson, E.	Rhodes	Vickerman
Bettermann	Farrell	Jennings	Lindner	Olson, K.	Rice	Wagenius
Bishop	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Waltman
Brown, C.	Frerichs	Johnson, R.	Luther	Onnen	Sarna	Weaver
Brown, K.	Garcia	Kahn	Lynch	Opatz	Seagren	Wejcman
Carlson	Goodno	Kalis	Macklin	Orenstein	Sekhon	Wenzel
Carruthers	Greenfield	Kelley	Mahon	Orfield	Skoglund	Winter
Clark	Greiling	Kelso	McCollum	Osthoff	Smith	Wolf
Commers	Gruenes	Kinkel	McGuire	Ostrom	Stanius	Worke
Cooper	Gutknecht	Klinzing	Milbert	Ozment	Steensma	Workman
Dauner	Hasskamp	Knickerbocker <sup>.</sup>	Molnau	Pauly	Sviggum	Spk. Anderson, I.
						-

The bill was passed and its title agreed to.

H. F. No. 1956, A bill for an act relating to local government; authorizing the public library systems of the county of Anoka and the city of Anoka to merge and the county to provide library services for the city.

### JOURNAL OF THE HOUSE

The bill was read for the third 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	Dawkins	Hausman	Koppendrayer	Munger	Peterson	Tompkins
Anderson, R.	Dehler	Holsten	Krinkie	Murphy	Pugh	Trimble
Asch	Delmont	Hugoson	Krueger	Neary	Reding	Tunheim
Battaglia	Dempsey	Huntley	Lasley	Nelson	Rest	Van Dellen
Bauerly	Dom	Jacobs	Leppik	Ness	Rhodes	Van Engen
Beard	Erhardt	Jaros	Lieder	Olson, E.	Rice	Vellenga
Bergson	Evans	Jefferson	Limmer	Olson, K.	Rodosovich	Vickerman
Bertram	Farrell	Jennings	Lindner	Olson, M.	Rukavina	Wagenius
Bettermann	Finseth	Johnson, A.	Lourey	Onnen	Sama	Waltman
Bishop	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Weaver
Brown, C.	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Wejcman
Brown, K.	Girard	Kahn	Macklin	Orfield	Skoglund	Wenzel
Carlson	Goodno	Kalis	Mahon	Osthoff	Smith	Winter
Carruthers	Greenfield	Kelley	McCollum	Ostrom	Solberg	Wolf
Clark	Greiling	Kelso	McGuire	Ozment	Stanius	Worke
Commers	Gruenes	Kinkel	Milbert	Pauly	Steensma	Workman
Cooper	Gutknecht	Klinzing	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Dauner	Hasskamp	Knickerbocker	Morrison	Pelowski	Swenson	-
Davids	Haukoos	Knight	Mosel	Perlt	Tomassoni	

The bill was passed and its title agreed to.

# CALENDAR

H. F. No. 1885, A bill for an act relating to financial institutions; regulating administrative hearings on bank applications, certain bank mergers, certain emergency notices, certain credit union accounts, and motor vehicle sales finance contracts; making technical and clarifying changes; amending Minnesota Statutes 1992, sections 46.041, subdivision 4; 47.0153, subdivision 1; 47.0154; 48.47; 48.70; 52.191; 52.24, subdivision 2; 59A.03, subdivision 1; 168.69; Minnesota Statutes 1993 Supplement, sections 47.54, subdivision 4; and 56.155, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 48 and 52; repealing Minnesota Statutes 1992, sections 48.26; and 48.88, subdivision 2; Laws 1982, chapter 429, section 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Frerichs	Jacobs	Knight	McCollum	Onnen
Anderson, R.	Commers	Garcia	Jaros	Koppendrayer	McGuire	Opatz
Asch	Cooper	Girard	Jefferson	Krinkie	Milbert	Orenstein
Battaglia	Dauner	Goodno	Jennings	Krueger	Molnau	Orfield
Bauerly	Davids	Greenfield	Johnson, A.	Lasley	Morrison	Osthoff
Beard	Dawkins	Greiling	Johnson, R.	Leppik	Mosel	Ostrom
Bergson	Dehler	Gruenes	Johnson, V.	Lieder	Munger	Ozment
Bertram	Delmont	Gutknecht	Kahn	Limmer	Murphy	Pauly
Bettermann	Dempsey	Hasskamp	Kalis	Lindner	Neary	Pawlenty
Bishop	Dorn	Haukoos	Kelley	Lourey	Nelson	Pelowski
Brown, C.	Erhardt	Hausman	Kelso	Luther	Ness	Perlt
Brown, K.	Evans	Holsten	Kinkel	Lynch	Olson, E.	Peterson
Carlson	Farrell	Hugoson	Klinzing	Macklin	Olson, K.	Pugh
Carruthers	Finseth	Huntley	Knickerbocker	Mahon	Olson, M.	Reding

5098

Rest Rhodes Rice Rodosovich Rukavina	Sarna Seagren Sekhon Skoglund Smith	Solberg Stanius Steensma Sviggum Swenson	Tomassoni Tompkins Trimble Tunheim Van Dellen	Van Engen Vellenga Vickerman Wagenius Waltman	Weaver Wejcman Wenzel Winter Wolf	Worke Workman Spk. Anderson, I.
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The bill was passed and its title agreed to.

H. F. No. 1886, A bill for an act relating to insurance; regulating insurers, investments, rehabilitations and liquidations, policy loans, and alternative coverage mechanisms; amending Minnesota Statutes 1992, sections 60A.052, subdivision 2; 60A.11, subdivision 13; 60A.111, subdivision 2; 60A.13, subdivision 8; 60B.60, subdivisions 2 and 3; 61A.28, subdivisions 11 and 12; 62F.02, subdivision 1; and 62F.03, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 60A.23, subdivision 4; 60D.20, subdivision 2; and 62B.12; repealing Minnesota Statutes 1992, section 60D.19, subdivision 5.

The bill was read for the third 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 Anderson, R. Asch	Dawkins Dehler Delmont	Hausman Holsten Hugoson	Koppendrayer Krinkie Krueger	Mosel Munger Murphy	Perlt Peterson Pugh	Tomassoni Tompkins Trimble
Battaglia	Dempsey	Huntley	Lasley	Neary	Reding	Tunheim
Bauerly	Dorn	Jacobs	Leppik	Nelson	Rest	Van Dellen
Beard	Erhardt	Jaros	Lieder	Ness	Rhodes	Van Engen
Bergson	Evans	Jefferson	Limmer	Olson, E.	Rice	Vellenga
Bertram	Farrell	Jennings	Lindner	Olson, K.	Rodosovich	Vickerman
Bettermann	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Wagenius
Bishop	Frerichs	Johnson, R.	Luther	Onnen	Sarna	Waltman
Brown, C.	Garcia	Johnson, V.	Lynch	Opatz	Seagren	Weaver
Brown, K.	Girard	Kahn	Macklin	Orenstein	Sekhon	Wejcman
Carlson	Goodno	Kalis	Mahon	Orfield	Skoglund	Wenzel
Carruthers	Greenfield	Kelley	Mariani	Osthoff	Smith	Winter
Clark	Greiling	Kelso	McCollum	Ostrom	Solberg	Wolf
Commers	Gruenes	Kinkel	McGuire	Ozment	Stanius	Worke
Cooper	Gutknecht	Klinzing	Milbert	Pauly	Steensma	Workman
Dauner	Hasskamp	Knickerbocker	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Davids	Haukoos	Knight	Morrison	Pelowski	Swenson	1

The bill was passed and its title agreed to.

H. F. No. 228, A bill for an act relating to local government; providing for annexation elections; changing conditions permitting annexation by ordinance; amending Minnesota Statutes 1992, sections 414.031, by adding a subdivision; and 414.033, subdivision 2; repealing Minnesota Statutes 1992, section 414.033, 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 77 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R.	Brown, C. Cooper	Farrell Finseth	Hasskamp Haukoos	Jennings Johnson, R.	Kelso Kinkel	Leppik Lieder
Battaglia	Dauner	Frerichs	Holsten	Johnson, V.	Klinzing	Limmer
Beard	Davids	Garcia	Huntley	Kahn	Koppendrayer	Lourey
Bertram	Delmont	Greenfield	Jacobs	Kalis	Krueger	Luther
Bishop	Erhardt	Gutknecht	Jaros	Kelley	Lasley	Macklin

## JOURNAL OF THE HOUSE

### [69TH DAY

	Mahon McCollum Milbert Molnau Mosel	Murphy Neary Ness Olson, E. Olson, M.	Onnen Orfield Ozment Perlt Peterson	Reding Rhodes Rice Rukavina Sama	Seagren Sekhon Smith Solberg Steensma	Sviggum Tomassoni Tompkins Tunheim Waltman	Weaver Wejcman Wenzel Winter Workman	
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Those who voted in the negative were:

Asch	Commers	Greiling	Krinkie	Opatz	Rodosovich	Vickerman
Bauerly	Dawkins	Gruenes	Lindner	Orenstein	Skoglund	Wagenius
Bergson	Dehler	Hausman	Lynch	Osthoff	Stanius	Wolf
Bettermann	Dempsey	Hugoson	Mariani	Ostrom	Swenson	Worke
Brown, K.	Dom	Jefferson	McGuire	Pawlenty	Trimble	Spk. Anderson, I.
Carlson	Evans	Johnson, A.	Morrison	Pelowski	Van Dellen	
Carruthers	Girard	Knickerbocker	Nelson	Pugh	Van Engen	<u>,</u>
Clark	Goodno	Knight	Olson, K.	Rest	Vellenga	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Anderson, I., in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 1496, 524, 1186, 1811 and 1906 were recommended to pass.

H. F. Nos. 1880 and 1964 were recommended for progress.

S. F. No. 1512 was recommended for progress.

H. F. No. 1788, the first engrossment, which it recommended to pass with the following amendment offered by Vellenga:

Page 2, line 21, delete "separate"

On the motion of Carruthers, the report of the Committee of the Whole was adopted.

### ROLL CALLS IN THE COMMITTEE OF THE WHOLE

Pursuant to rule 1.06, the following roll call was taken in the Committee of the Whole:

Weaver moved to amend H. F. No. 1811, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [SCHOOL BUS DRIVER APPRECIATION.]

It is the intent of the legislature to recognize the responsibilities borne and the dedication demonstrated by Minnesota's school bus drivers for the safe delivery of our school children. The public schools may offer instruction and programs honoring and fostering appreciation and respect for Minnesota's school bus drivers."

### 5100

Delete the title and insert:

"A bill for an act relating to education; recognizing the dedication of school bus drivers."

The question was taken on the Weaver amendment and the roll was called. There were 41 yeas and 86 nays as follows:

Those who voted in the affirmative were:

Abrams Bettermann Bishop Commers Dehler Erhardt	Finseth Frerichs Girard Goodno Gruenes Gutknecht	Haukoos Hausman Hugoson Kahn Kelley Knight	Koppendrayer Krinkie Leppik Lindner Lynch McCollum	Molnau Olson, M. Onnen Pawlenty Rhodes Seagren	Stanius Sviggum Van Dellen Van Engen Vellenga Vickerman	Waltman Weaver Wolf Worke Workman	
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Those who voted in the negative were:

Anderson, R.	Davids	laros	Lieder	Nelson	Reding	Tompkins
Asch	Dawkins	Jefferson	Lourey	Ness	Rest	Trimble
Battaglia	Delmont	Jennings	Luther	Opatz	Rice	Tunheim
Bauerly	Dempsey	Johnson, A.	Macklin	Orenstein	Rodosovich	Wagenius
Beard	Dorn	Johnson, R.	Mahon	Orfield	Rukavina	Wejcman
Bergson	Evans	Johnson, V.	Mariani	Osthoff	Sama	Wenzel ·
Bertrain	Farrell	Kalis	McGuire	Ostrom	Sekhon	Winter
Brown, K.	Garcia	Kelso	Milbert	Ozment	Skoglund	Spk. Anderson, I.
Carlson	Greenfield	Kinkel	Morrison	Pauly	Smith	· .
Carruthers	Greiling	Klinzing	Mosel	Pelowski	Solberg	
Clark	Holsten	Knickerbocker	Munger	Perlt	Steensma	-
Cooper	Huntley	Krueger	Murphy	Peterson	Swenson	
Dauner	Jacobs	Lasley	Neary	Pugh	Tomassoni	

The motion did not prevail and the amendment was not adopted.

### MOTIONS AND RESOLUTIONS

Koppendrayer moved that his name be stricken as an author on H. F. No. 423. The motion prevailed.

Jacobs moved that his name be stricken and the name of Frerichs be added as chief author on H. F. No. 834. The motion prevailed.

Garcia moved that the name of Anderson, I., be added as an author on H. F. No. 1215. The motion prevailed.

Lourey moved that the name of Asch be added as an author on H. F. No. 1316. The motion prevailed.

Anderson, I., moved that the name of Brown, C., be added as chief author on H. F. No. 1363. The motion prevailed.

Peterson moved that the name of Brown, C., be added as an author on H. F. No. 1966. The motion prevailed.

Molnau moved that the names of Trimble and Dawkins be added as authors on H. F. No. 2157. The motion prevailed.

Sekhon moved that the name of Brown, K., be added as an author on H. F. No. 2277. The motion prevailed.

Hasskamp moved that her name be stricken as an author on H. F. No. 2304. The motion prevailed.

Skoglund moved that the name of Mosel be added as an author on H. F. No. 2462. The motion prevailed.

Evans moved that H. F. No. 2078 be recalled from the Committee on Labor-Management Relations and be rereferred to the Committee on Judiciary. The motion prevailed.

Greenfield moved that H. F. No. 2102 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Dawkins moved that H. F. No. 2308 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Housing. The motion prevailed.

Clark moved that H. F. No. 2428 be recalled from the Committee on Taxes and be re-referred to the Committee on Housing. The motion prevailed.

Clark moved that H. F. No. 2432 be recalled from the Committee on Taxes and be re-referred to the Committee on Housing. The motion prevailed.

Dawkins moved that H. F. No. 2436 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Environment and Natural Resources Finance. The motion prevailed.

Lourey moved that H. F. No. 2452 be recalled from the Committee on Environment and Natural Resources Finance and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Clark moved that H. F. No. 2473 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Housing. The motion prevailed.

Greenfield moved that H. F. No. 2525 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Financial Institutions and Insurance. The motion prevailed.

McGuire moved that H. F. No. 2596 be recalled from the Committee on Regulated Industries and Energy and be re-referred to the Committee on Judiciary. The motion prevailed.

Bettermann moved that H. F. No. 2606 be recalled from the Committee on Labor-Management Relations and be re-referred to the Committee on Education. The motion prevailed.

Kahn moved that S. F. No. 788 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Regulated Industries and Energy. The motion prevailed.

Jaros moved that H. F. No. 2427 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. 936:

Vickerman, Beard and Bergson.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1094:

Stanius, Reding, Bertram, Osthoff and Farrell.

The Speaker announced the following House committee assignments for the 1994 session:

### **1994 HOUSE COMMITTEE ASSIGNMENTS**

### Agriculture —

Wenzel, Chair Steensma, Vice Chair Bauerly Bertram Cooper Dauner Mosel Nelson Olson, K. Peterson Trimble Winter

Capital Investment —

Kalis, Chair Trimble, Vice Chair Beard Jefferson Kelso Krueger Lieder Reding Rodosovich Simoneau Solberg, ex officio Steensma Bettermann Dehler Girard Hugoson Knight Koppendrayer Molnau Ness

Bishop Dempsey Girard Stanius Waltman

# Commerce and Economic Development —

Sarna, Chair Evans, Vice Chair Anderson, R. Asch Clark Farrell Hasskamp Jaros . Johnson, R. Kinkel Long Lourey Luther Milbert Murphy Opatz Perlt Rice Tunheim

Bishop Commers Erhardt Haukoos Holsten Knickerbocker Lindner Olson, M. Smith International Trade, Technology and Economic Development Division/ Commerce and Economic Development

Jaros, Chair Milbert, Vice Chair Asch Clark Lourey Luther Rice Sarna

Bishop Commers Erhardt Haukoos Smith

Tourism and Small Business Division/Commerce and Economic Development

Tunheim, Chair Hasskamp, Vice Chair Anderson, R. Evans Farrell Johnson, R. Kinkel Perlt Sarna

Holsten Knickerbocker Lindner Olson, M.

Economic Development, Infrastructure and Regulation Finance -

Rice, Chair Mariani, Vice Chair Farrell Kalis Lieder Mahon Mosel Sarna Solberg, ex officio Steensma

Dempsey Frerichs Molnau Waltman Wolf

Education —

Carlson, Chair Olson, K., Vice Chair Bauerly Bertram Brown, C. Dorn Greiling Hausman Johnson, A. Kahn Kelley Kelso Kinkel McCollum Murphy Orenstein Pelowski Rodosovich Skoglund Tomassoni Tunheim Vellenga

Bettermann Dehler Koppendrayer Leppik Limmer Morrison Ness Ozment Pawlenty Seagren Weaver Higher Education Finance Division/Education

Rodosovich, Chair Kinkel, Vice Chair Bertram Brown, C. Carlson Dorn Kahn Kalis, ex officio Kelley McCollum Orenstein Pelowski Solberg, ex officio Bettermann Dehler Limmer Morrison Pawlenty

K-12 Education Finance Division/Education

Vellenga, Chair Bauerly, Vice Chair Carlson Greiling Hausman Johnson, A. Kalis, ex officio Kelso Lasley Olson, K. Osthoff Skoglund Solberg, ex officio Tomassoni Tunheim Koppendrayer Leppik Ness Ozment Seagren Weaver

# Environment and Natural Resources -

Munger, Chair Hausman, Vice Chair Battaglia Dawkins Dorn Hasskamp McCollum Milbert Orfield Peterson Rukavina Sekhon Trimble Wagenius Winter Frerichs Johnson, V. Knight Leppik Limmer Morrison Ozment Pauly Waltman Weaver Wolf

Environment and Natural Resources Finance ----

Battaglia, Chair McGuire, Vice Chair Hasskamp Kalis, ex officio Commers Johnson, V. Lynch Pauly

### Environment and Natural Resources Finance — (Continued)

Munger Peterson Pugh Sekhon Solberg, ex officio Trimble Wenzel

Ethics —

Olson, E., Chair Pauly, Vice Chair Asch Clark Kelso Orfield Pugh Tunheim

Bettermann Bishop Davids Johnson, V. Knickerbocker Leppik

Swenson

Member Conduct Division/Ethics

Olson, E., Chair Pauly, Vice Chair Kelso Tunheim Bishop Leppik

### Financial Institutions and Insurance -

Reding, Chair Bertram, Vice Chair Asch Carlson Farrell Greenfield Huntley Jennings Lourey Osthoff Peterson Wenzel Winter Abrams Davids Girard Gruenes Onnen Stanius Worke

General Legislation, Veterans Affairs and Elections ----

Lieder, Chair Pelowski, Vice Chair Bergson Bertram Cooper Delmont Hasskamp Johnson, R. Lasley McCollum Opatz Orfield Ostrom Abrams Commers Gutknecht Haukoos Knight Seagren Waltman

### Governmental Operations and Gambling -

Kahn, Chair Johnson, R., Vice Chair Beard Bergson Evans Greiling Jefferson Kinkel Krueger Mosel Opatz Osthoff Reding Tomassoni Dehler Dempsey Haukoos Knickerbocker Krinkie Olson, M. Seagren Van Dellen

State Government Finance Division/Governmental Operations and Gambling

Krueger, Chair Jefferson, Vice Chair Beard Evans Johnson, R. Kahn Kalis, ex officio Kinkel Opatz Solberg, ex officio

### Health and Human Services -

Simoneau, Chair Cooper, Vice Chair Anderson, R. Asch Brown, K. Clark Garcia Greenfield Huntley Jennings Klinzing Lourey Luther Neary Nelson Haukoos Knickerbocker Krinkie Olson, M. Van Dellen

Davids Gruenes Gutknecht Lindner Onnen Stanius Tompkins Van Engen Vickerman Worke

Health and Housing Finance Division/Health and Human Services

Anderson, R., Chair Lourey, Vice Chair Asch Brown, K. Clark Greenfield Kalis, ex officio Klinzing Nelson Simoneau Solberg, ex officio Lindner Onnen Tompkins Worke Human Services Finance Division/Health and Human Services

Greenfield, Chair Jennings, Vice Chair Anderson, R. Cooper Garcia Huntley Kalis, ex officio Luther Neary Simoneau Solberg, ex officio Davids Gruenes Gutknecht Stanius Van Engen Vickerman

#### Housing —

Clark, Chair Dawkins, Vice Chair Brown, K. Dauner Evans Garcia Klinzing Luther Mariani Olson, K. Rest Tomassoni Wejcman

Judiciary —

Skoglund, Chair Orenstein, Vice Chair Bergson Brown, C. Carruthers, ex officio Dawkins Delmont Mariani McGuire Murphy Perlt Pugh Solberg Wejcman

Judiciary Finance Division/Judiciary

Murphy, Chair Pugh, Vice Chair Delmont Kalis, ex officio McGuire Orenstein Perlt Skoglund Solberg Wejcman Davids Finseth Koppendrayer Olson, M. Pawlenty Smith Workman

Bishop Finseth Holsten Limmer Lynch Macklin Rhodes Smith Swenson Van Engen

Bishop Finseth Holsten Macklin Rhodes Smith Swenson

### Labor-Management Relations -

Beard, Chair Rukavina, Vice Chair Battaglia Farrell Huntley Johnson, A. Murphy Perlt Rice Sarna Sekhon Wenzel Bettermann Goodno Leppik Ness Rhodes Vickerman Wolf

# Local Government and Metropolitan Affairs —

Brown, C., Chair Delmont, Vice Chair Bergson Cooper Dorn Greiling Kelley Klinzing Mahon Mariani Nelson Orenstein Orfield Pugh Wagenius Wejcman Finseth Johnson, V. Lynch Macklin Molnau Pawlenty Swenson Tompkins Van Engen Weaver

### Regulated Industries and Energy -

Jacobs, Chair Kelso, Vice Chair Anderson, R. Hausman Jennings Kelley Mahon Neary Olson, E. Osthoff Pelowski Sarna Tunheim Dempsey Erhardt Goodno Gruenes Lindner Onnen Ozment Vickerman Worke

# Rules and Legislative Administration —

Carruthers, Chair Greenfield, Vice Chair Anderson, I. Bauerly Carlson Delmont Abrams Gutknecht Hugoson Knickerbocker Koppendrayer Lynch

### Rules and Legislative Administration — (Continued)

Jacobs Kahn McGuire Milbert Munger Olson, K. Pugh Rest Rice Rukavina Simoneau Solberg Trimble Vellenga

### Pauly Sviggum

Taxes —

Rest, Chair Winter, Vice Chair Anderson, I. Carruthers. Dauner Dawkins Jacobs **Jaros** Lasley Long Milbert Olson, E. Orfield Osthoff Ostrom Peterson Rukavina Solberg, ex officio Wagenius

### Transportation and Transit -

Osthoff, Chair Lasley, Vice Chair Brown, K. Dauner Garcia Jefferson Johnson, A. Kelso Lieder Long Mariani McCollum Neary Olson, E. Olson, K. Ostrom Steensma Wagenius

Abrams Erhardt Girard Goodno Hugoson Krinkie Macklin Sviggum Van Dellen Workman

Frerichs Hugoson Johnson, V. Krinkie Morrison Pauly Rhodes Tompkins Workman 69TH DAY]

Ways and Means —

Solberg, Chair Jacobs, Vice Chair Anderson, I. Anderson, R. Battaglia Carlson Carruthers Greenfield Kahn Kalis Krueger Long Murphy Rest Rice Rodosovich Simoneau Skoglund Vellenga

Abrams Bishop Frerichs Gutknecht Pauly Stanius Sviggum Weaver

# ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 14, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 14, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION - 1994

### SEVENTIETH DAY

### SAINT PAUL, MINNESOTA, MONDAY, MARCH 14, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Pastor Ardis Ruth Wright, St. Philip's Lutheran-Hastings, Lake Elmo, 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:

Iacobs

Iaros

Kahn

Kalis

Kelley

Kelso

Kinkel

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids

Dawkins Dehler Delmont Dempsey Dom Erhardt Evans Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman

Holsten Krinkie Hugoson Krueger Lasley Huntley Leppik Lieder Jefferson Limmer Jennings Lindner Long Johnson, A. Johnson, R. Lourey Johnson, V. Luther Lynch Macklin Mahon Mariani McCollum Klinzing McGuire Knickerbocker Milbert Knight Molnau Koppendrayer Morrison

Mosel Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Ostrom Ozment Pauly Pawlenty Pelowski Perit

Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson

Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

Farrell was excused.

Osthoff was excused until 4:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Garcia 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. 1858, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; requiring that certain information be made available; requiring counties to provide the commissioner of revenue with certain data; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

Reported the same back with the following amendments:

Page 3, delete lines 4 to 15 and insert:

"(f) On or before May 2, 1994, each county shall notify the owner of each homestead parcel within the county of the retroactive change in eligibility made by this act. For the purpose of giving mailed notice, owners are those shown on the records of the county auditor. The notice may be in the form of a postcard or a notice may be inserted in the envelope containing the payable 1994 property tax statement, if the property tax statements have not yet been mailed. The notice to the homeowner must say the following:

<u>"Attention Homeowners! A new law increases the funding for special property tax refunds for taxes payable in 1994.</u> You may be eligible for a special property tax refund:

(1) If the 1994 property taxes on your homestead increased 12 percent or more and that increase was at least \$100; or

(2) If you received a refund last year under this program.

If you meet either of the above two criteria, obtain a copy of the M-1PR property tax refund form. On the back of that form is Schedule 1 for determining whether you are eligible to receive a special tax refund. The printed amount, however, shown on lines 25 and 27, has been changed by the new law from \$300 to \$100. Complete that schedule by comparing your qualifying property tax amount to a \$100 amount on lines 25 and 27, rather than the \$300 amount printed on the form.

If you qualify for a refund, send the completed M-1PR to the Department of Revenue. If you have already filed an M-1PR with the Minnesota Department of Revenue, you do not need to file a second form. The Commissioner of Revenue will recompute your refund based upon a \$100 minimum increase.

If you have any questions, call ...... county at (telephone number).""

Page 3, delete lines 28 to 33

Amend the title as follows:

Page 1, line 5, delete everything after "to" and insert "notify homeowners of certain eligibility changes;"

Page 1, line 6, delete "revenue with certain data;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1901, A bill for an act relating to local government; permitting the city of Hutchinson to incur debt for certain improvements; authorizing a reverse referendum on the issuance of city bonds.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 1925, A bill for an act relating to education; lowering the property tax revenue recognition shift; clarifying state aid payments; modifying the appeal process for school districts to revise the state-aid payment schedule; modifying the tax credit adjustment; amending Minnesota Statutes 1992, sections 121.904, subdivision 4e; and 124.195, subdivision 3a; Minnesota Statutes 1993 Supplement, section 121.904, subdivisions 4a and 4c; Laws 1993, chapter 224, article 1, section 38.

5114

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2016, A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2054, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands in the Gordy Yaeger wildlife management area in Olmsted county; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2064, A bill for an act relating to housing; modifying programs of the housing finance agency for low-income and tribal housing and for accessibility loans; amending Minnesota Statutes 1992, sections 462A.05, subdivision 14d, and by adding subdivisions; 462A.10, by adding a subdivision; 462A.201, by adding a subdivision; 462A.21, by adding a subdivision; 462A.30, subdivision 9; and 462A.31, subdivision 4; Minnesota Statutes 1993 Supplement, sections 462A.07, subdivision 14; 462A.202, subdivision 7; and 462A.222, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Solberg from the Committee on Ways and Means to which was referred:

H. F. No. 2074, A bill for an act relating to crime prevention; juvenile justice; providing for adult court jurisdiction over juveniles alleged to have committed first degree murder or first degree criminal sexual conduct after age 16; providing for presumptive certification to adult court for juveniles alleged to have committed other prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home delinquency placement is proposed; providing for adult court jurisdiction over juveniles alleged to have committed nonfelony-level traffic offenses after age 16; authorizing the juvenile court to require parents to attend delinquency hearings; providing for the sharing of certain data collected or maintained on juveniles; requiring county attorneys to establish juvenile diversion programs; providing mandatory minimum sentences for drive-by shooting crimes; expanding the crime relating to the possession of dangerous weapons on school property; increasing penalties for certain firearms offenses involving youth; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 242.31, subdivision 1; 242.32; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.125; 260.131, by adding a

subdivision; 260.132; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a, 2, and by adding a subdivision; 260.181, subdivision 4; 260.185, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a subdivision; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; 611A.02, by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.155, subdivision 1; 260.161, subdivisions 1 and 3; 299A.35, subdivisions 1 and 2; 299C.65, subdivision 1; 401.065, subdivision 1, and by adding a subdivision; 609.11, subdivision 9; 609.66, subdivision 1d; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 260; 299A; 388; and 609; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

Reported the same back with the following amendments:

Page 54, lines 10 and 13, delete "56" and insert "58"

Page 55, line 32, before the period insert "and community corrections centers established under Minnesota Statutes, section 241.31"

Page 56, delete lines 16 and 17

Page 58, line 13, delete "58 and 60" and insert "60 and 62"

Page 58, line 15, delete "59" and insert "61"

Renumber the sections in sequence.

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2082, A bill for an act relating to the city of Minneapolis; clarifying the procedures that may be used in assessing special assessments.

Reported the same back with the following amendments:

Page 1, line 6, delete "[ANY PROCEDURE IN LAW WILL DO.]" and insert "[SELECTION OF PROCEDURES.]"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2090, A bill for an act relating to local government; providing that the statutory procedure for tree removal does not apply to trees removed from town roads dedicated by plat; amending Minnesota Statutes 1992, section 160.22, subdivision 7a, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2142, A bill for an act relating to the city of Brooklyn Park; authorizing the city's economic development authority to make certain small business loans.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2158, A bill for an act relating to pollution; requiring that cities and counties adopt ordinances complying with pollution control agency rules regarding individual sewage treatment systems; requiring the agency to license sewage treatment professionals; requiring rulemaking; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the following amendments:

Page 2, line 3, delete "septic or aerobic"

Page 2, line 4, delete "tanks that are" and before the period, insert "including, but not limited to, septic, aerobic, and holding tanks"

Page 2, delete line 5

Page 2, line 16, after "permit" insert "or variance"

Page 2, line 17, after "for" insert "new construction or for"

Page 2, line 33, delete "Before" and insert "After August 31, 1994, before"

Page 2, line 36, before the period, insert "or serving the property"

Page 3, line 2, after "on" insert "or serving" -

Page 3, line 3, after "statement" insert "describing the system and"

Page 3, line 7, before the period, insert "and, to the seller's knowledge, in compliance with applicable sewage treatment laws and rules"

Page 3, line 31, delete "The" and insert "(a) Pursuant to section 115.03, subdivision 1, the"

Page 3, after line 33, insert:

"(b) The agency shall consult with the advisory committee on individual sewage treatment systems created under Minnesota Rules, part 7080.0100, before proposing any rules."

Page 4, after line 8, insert:

"(1) a qualified employee of state or local government who has passed the examination described in paragraph (d) or a similar examination;"

Page 4, line 9, delete "(1)" and insert "(2)"

Page 4, line 11, delete everything after the second "individual" and insert "solely as a"

Page 4, line 13, delete "(2)" and insert "(3)"

JOURNAL OF THE HOUSE

Page 4, line 19, after "<u>service</u>" insert "<u>or another higher education</u> institution" and delete "<u>conduct</u>" and insert <u>ensure adequate</u>" and after "<u>training</u>" insert "<u>exists</u>"

Page 4, lines 21 and 28, delete "written"

Page 4, line 33, delete everything after "by"

Page 4, line 34, delete everything before "the"

Page 5, line 19, delete "<u>\$.....</u>" and insert "<u>\$100 per year.</u>"

Page 5, after line 19, insert:

"Sec. 3. [APPROPRIATION.]

<u>\$...... is appropriated from the general fund to the commissioner of the pollution control agency for the purposes</u> of sections 1 and 2 to be available for the biennium ending June 30, 1995.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Amend the title as follows:

Page 1, after line 6, insert "appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2212, A bill for an act relating to the environment; genetically engineered organisms; authorizing the department of agriculture to exempt certain federally monitored releases; authorizing the environmental quality board to adopt rules relating to certain releases; providing for certain exemptions; amending Minnesota Statutes 1992, sections 18F.01; 18F.02, subdivisions 1, 5, and by adding a subdivision; 18F.04; 18F.07; 18F.12; 116C.91, subdivision 1; 116C.94; and 116C.96; proposing coding for new law in Minnesota Statutes, chapters 18F; and 116C; repealing Minnesota Statutes 1992, section 18F.02, subdivision 7.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2249, A bill for an act relating to agricultural businesses; providing an interest buy-down program for farmers and small businesses; creating a program of farm disaster property tax relief payments; authorizing a protein analysis equipment lease pilot program; providing supplemental funding for certain emergency employment programs; creating a crop disaster insurance program; increasing funding for the farm advocates program, agricultural resource centers, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; expanding research on grain diseases, soybean varieties and genetics; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17B.

Reported the same back with the following amendments:

Page 2, delete lines 2 to 36

Page 3, delete lines 1 to 36

Page 4, delete lines 1 to 36

Page 5, delete line 1

Page 5, line 2, delete "3" and insert "2"

Page 9, line 4, delete "\$30,000,000" and insert "\$44,000,000"

Page 9, line 7, delete "remains"

Page 9, delete line 8

Page 9, line 9, delete everything before the period, and insert "is transferred to and becomes additional funding for the emergency job creation program in article 5, section 1"

Page 9, line 18, delete "4" and insert "3"

Page 10, line 30, delete "5" and insert "4"

Page 12, line 5, delete "6" and insert "5"

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete "property tax relief payments;"

Page 1, line 13, before "and" insert a comma

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Financial Institutions and Insurance.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2255, A bill for an act relating to taxation; making technical corrections and administrative changes; amending Minnesota Statutes 1992, sections 103B.245, subdivision 1; 103D.911, subdivision 2; 103D.915, subdivision 1; 115A.919, subdivision 3; 115A.921, subdivision 1; 115A.923, subdivision 1; 270.12, subdivision 2; 272.025, subdivision 3; 273.111, subdivision 6; 273.13, subdivision 22; 273.134; 273.1399, subdivision 3; 275.065, subdivision 1; 278.05, subdivision 5; 279.37, subdivision 8; 282.01, subdivision 1; 282.014; 282.04, subdivision 2; 282.301; 289A.08, subdivision 7; 289A.25, subdivision 5; 290.17, subdivision 2; 290.371, subdivision 2; 290A.03, subdivision 5; 357.18, subdivision 2; 398.16; 398A.04, subdivision 5; 297A.021, subdivision 4; 297B.11; 297C.01, subdivision 5; 357.18, subdivision 5; 469.107, subdivision 9; 473.167, subdivision 3; 473.249, subdivision 1; 473.446, subdivision 1; 473.661, subdivision 2; 473.711, subdivision 2; 477A.011, subdivision 1b; 477A.0121, subdivision 4; 477A.014, subdivision 1; 473.661, subdivision 1; 273.11, subdivision 3; Minnesota Statutes 1993 Supplement, sections 124.2131, subdivision 1; 272.02, subdivision 1; 273.11, subdivision 13; 273.124, subdivisions 1 and 13; 273.13, subdivision 25; 273.1398, subdivisions 1 and 3; 273.166, subdivision 3; 275.065, subdivision 2; 297A.01, subdivision 3; 277.15; 278.04; 278.08; 290A.03, subdivision 8 and 13; 290.091, subdivision 2; 297A.01, subdivision 3; 297A.07, subdivision 1; 469.033, subdivision 6; and 473.13, subdivision 1; Laws 1989, chapter 211, section 4, subdivision 2; Laws 1992, chapter 511, article 4, section 29; Laws 1993, subdivision 2; Laws 1992, chapter 511, article 4, section 29; Laws 1993, subdivision 2; Laws 1993, chapter 511, article 4, section 29; Laws 1993, subdivision 2; 297A.01, subdivision 2; 297A.02, subdivision 2; 297A.03, subdivision 2; 297A.03, subdivision 2; 297A.04, subdivision 2; 297A.05, subdi

chapter 375, article 2, section 37; proposing coding for new law in Minnesota Statutes, chapters 273 and 275; repealing Minnesota Statutes 1992, sections 115A.923, subdivision 6; and 273.22; Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 2a; Laws 1993, First Special Session chapter 1, article 2, section 6.

Reported the same back with the following amendments:

Page 15, after line 33, insert:

"Sec. 8. Minnesota Statutes 1993 Supplement, section 272.12, is amended to read:

272.12 [CONVEYANCES, TAXES PAID BEFORE RECORDING.]

When:

(a) a deed or other instrument conveying land, or

(b) a plat of any town site or addition thereto, or

(c) a survey required pursuant to section 508.47,

(d) a condominium plat subject to chapter 515 or 515A or a declaration that contains such a plat, or

(e) a common interest community plat subject to chapter 515B or a declaration that contains such a plat,

is presented to the county auditor for transfer, the auditor shall ascertain from the records if there be taxes delinquent upon the land described therein, or if it has been sold for taxes. An assignment of a sheriff's or referee's certificate of sale, when the certificate of sale describes real estate, and certificates of redemption from mortgage or lien foreclosure sales, when the certificate of redemption encompasses real estate and is issued to a junior creditor, are considered instruments conveying land for the purposes of this section and section 272.121. If there are taxes delinquent, the auditor shall certify to the same; and upon payment of such taxes, or in case no taxes are delinquent, shall transfer the land upon the books of the auditor's office, and note upon the instrument, over official signature, the words, "no delinquent taxes and transfer entered," or, if the land described has been sold or assigned to an actual purchaser for taxes, the words "paid by sale of land described within;" and, unless such statement is made upon such instrument, the county recorder or the registrar of titles shall refuse to receive or record the same, provided, that sheriff's or referees' certificates of sale on execution or foreclosure of a lien or mortgage, certificates of redemption from mortgage or lien foreclosure sales issued to the redeeming mortgagor or lienee, deeds of distribution made by a personal representative in probate proceedings, decrees and judgments, receivers receipts, patents, and copies of town or statutory city plats, in case the original plat filed in the office of the county recorder has been lost or destroyed, and the instruments releasing, removing and discharging reversionary and forfeiture provisions affecting title to land and instruments releasing, removing or discharging easement rights in land or building or other restrictions, may be recorded without such certificate; and, provided that instruments conveying land and, as appurtenant thereto an easement over adjacent tract or tracts of land, may be recorded without such certificate as to the land covered by such easement; and provided further, that any instrument granting an easement made in favor of any public utility or pipe line for conveying gas, liquids or solids in suspension, in the nature of a right of way over, along, across or under a tract of land may be recorded without such certificate as to the land covered by such easement. Any instrument amending or restating the declarations, bylaws, plats, or other enabling documents governing homeowners associations of condominiums, townhouses, common interest ownership communities, and other planned unit developments may be recorded without the auditor's certificate.

A deed of distribution made by a personal representative in a probate proceeding, a decree, or a judgment that conveys land shall be presented to the county auditor, who shall transfer the land upon the books of the auditor's office and note upon the instrument, over official signature, the words, "transfer entered", and the instrument may then be recorded. A decree or judgment that affects title to land but does not convey land may be recorded without presentation to the auditor.

A violation of this section by the county recorder or the registrar of titles shall be a gross misdemeanor, and, in addition to the punishment therefor, the recorder or registrar shall be liable to the grantee of any instrument so recorded for the amount of any damages sustained.

When, as a condition to permitting the recording of deed or other instrument affecting the title to real estate previously forfeited to the state under the provisions of sections 281.16 to 281.27, county officials, after such real estate has been purchased or repurchased, have required the payment of taxes erroneously assumed to have accrued against such real estate after forfeiture and before the date of purchase or repurchase, the sum required to be so paid shall be refunded to the persons entitled thereto out of moneys in the funds in which the sum so paid was placed. Delinquent taxes are those taxes deemed delinquent under section 279.02."

Pages 36 and 37, delete section 17

Pages 56 to 59, delete sections 35 and 36

Pages 60 and 61, delete sections 38 and 39

Pages 75 to 77, delete section 52

Page 80, delete section 56

Page 80, after line 34, insert:

"Sec. 51. Minnesota Statutes 1993 Supplement, section 477A.013, subdivision 8, is amended 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 <del>must not exceed</del> is limited to an <u>amount such that the total aid to the city does not exceed</u> 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 the total aid it received in the previous year."

Page 83, line 32, delete "9" and insert "10" and delete "40, 56, and 62" and insert "36, and 57"

Page 83, line 33, delete "61" and insert "56"

Page 83, line 36, delete "10" and insert "11"

Page 84, line 1, delete "8, 11, 18, and 48" and insert "9, 12, 18, and 44"

Page 84, line 2, delete everything after "Sections" and insert "17, 19, 50, 52,"

Page 84, line 3, delete "58" and insert "53"

Page 84, line 5, delete "12" and insert "13"

Page 84, line 6, delete "13 to 15" and insert "14 to 16"

Page 84, line 7, delete "41 to 47, 49 to 54, and 60" and insert "37 to 43, 45 to 49, and 55"

Page 84, line 8, delete "37" and insert "35"

Page 84, line 10, delete everything after the period

Page 84, delete line 11

Page 84, line 12, delete everything before "Section" and delete "59" and insert "54"

Page 84, line 17, delete "59" and insert "54"

Renumber the sections in article 1 in sequence

Page 98, line 11, strike "chapter" and insert "chapters 289A and"

Pages 98 and 99, delete sections 1 and 2

Renumber the sections in article 4 in sequence

Amend the title as follows:

Page 1, line 5, delete "115A.919,"

Page 1, line 6, delete everything before "115A.923"

Page 1, line 14, delete everything after the semicolon

Page 1, line 15, delete "14; 290A.05;"

Page 1, line 22, delete "473.446, subdivision 1;"

Page 1, line 24, delete "477A.0121, subdivision 4;"

Page 1, line 27, after the first semicolon, insert "272.12;"

Page 1, line 28, delete "13" and insert "9"

Page 1, line 29, delete "subdivisions 1 and 3" and insert "subdivision 1"

Page 1, line 32, delete "subdivisions 8 and 13" and insert "subdivision 13"

Page 1, line 34, delete "and" and after the second semicolon, insert "and 477A.013, subdivision 8;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2279, A bill for an act relating to capital improvements; appropriating money to complete the Sakatah Singing Hills state trail; authorizing the sale of state bonds.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2285, A bill for an act relating to local government; permitting the establishment of a special service district in the city of Hopkins; providing taxing and other authority for the city.

Reported the same back with the following amendments:

Page 2, line 22, after the comma, insert "and"

Page 2, line 24, delete "and the designated area" and insert a period

Page 2, delete line 25

Page 2, line 27, after the period, insert "The ordinance may be amended by the governing body of the city provided the public hearing notice provisions under subdivision 2 are followed."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Housing.

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 2301, A bill for an act relating to cities; Minneapolis; appropriating money for Minneapolis convention center expansion; authorizing the sale of state bonds.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Capital Investment.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1858, 1901, 1925, 2016, 2074, 2090, 2142 and 2255 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Mosel, Skoglund, Lourey, Sekhon and Greiling introduced:

H. F. No. 2697, A bill for an act relating to crime prevention; child abuse; providing a separate definition of "mentally incapacitated" for certain victims under 18; expanding first-degree criminal sexual conduct to cover sexual contact with a child under 13; increasing the penalty for fifth-degree assault and malicious punishment of a child under three; amending Minnesota Statutes 1992, sections 609.224, by adding a subdivision; 609.341, subdivisions 7, 11, and 12; 609.342, subdivision 1; and 609.377; Minnesota Statutes 1993 Supplement, section 609.345, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Reding; Johnson, R.; Opatz; Dorn and Morrison introduced:

H. F. No. 2698, A bill for an act relating to retirement; offering options of coverage for employees of the higher education board upon merger of the state university system, community college board, and technical college board; amending Minnesota Statutes 1992, sections 136E.04, by adding a subdivision; 354.66, subdivision 2; 354B.07, subdivision 1; and 354B.08; Minnesota Statutes 1993 Supplement, sections 352.01, subdivision 2b; 353.01, subdivision 2a; 354B.02, subdivision 3c; and 354B.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 136C; and 136E.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Solberg and Anderson, I., introduced:

H. F. No. 2699, A bill for an act relating to education; independent school district No. 319, Nashwauk-Keewatin; permitting full amount of health and safety aid to be expended in fiscal year 1993, 1994, or 1995; providing for a variance for the use of health and safety revenue.

The bill was read for the first time and referred to the Committee on Education.

Farrell; Anderson, I.; Perlt; Beard and Rice introduced:

H. F. No. 2700, A bill for an act relating to workers' compensation; modifying provisions relating to independent contractors; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Mariani; Brown, C.; Delmont and Bergson introduced:

H. F. No. 2701, A bill for an act relating to the metropolitan waste control commission; clarifying the powers and duties of the board, the chief administrator, and the agency; requiring the commission to follow the bidding requirements of the uniform municipal contracting law; allowing the commission to hire the state auditor or a certified public accountant; amending Minnesota Statutes 1992, sections 473.501, by adding subdivisions; 473.503; 473.523; 473.535; and 473.543, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Kelley, Pauly, Skoglund, Mosel and Murphy introduced:

H. F. No. 2702, A bill for an act relating to crime prevention; requiring law enforcement agencies to adopt policies for investigating cases involving children who are missing and endangered; requiring that all cases of children who are missing and endangered be reported to the bureau of criminal apprehension, which may assist local law enforcement agencies; restricting access to data involving juvenile witnesses; requiring pretrial evaluations in felony and certain other cases; requiring mandated reporters to report instances of kidnapping; requiring the commissioner of public safety to develop a plan for a criminal alert network; appropriating money; amending Minnesota Statutes 1992, sections 299C.52, subdivision 1; 299C.53, subdivision 1, and by adding a subdivision; 299D.07; 626.556, subdivision 3a; and 629.73; Minnesota Statutes 1993 Supplement, sections 13.82, subdivision 10; 299C.065, subdivision 1; and 480.30; proposing coding for new law in Minnesota Statutes, chapters 626; and 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Brown, C.; Skoglund; McCollum; Rhodes and Carruthers introduced:

H. F. No. 2703, A bill for an act relating to crime; defining transit zones and enhancing penalties for crimes involving drugs and firearms in these zones; providing that certain contact occurring in public transit vehicles or facilities is criminal sexual conduct in the fifth degree; clarifying and enhancing penalties for crimes against public transit vehicles, facilities, operators, and passengers; amending Minnesota Statutes 1992, sections 152.01, subdivision 17, and by adding a subdivision; 152.021, subdivision 1; 152.024, subdivision 1; 609.321, subdivision 12; 609.3451, subdivision 1; 609.66, subdivision 1; and 609.855; Minnesota Statutes 1993 Supplement, sections 152.022, subdivision 1; 152.023, subdivision 2; 609.66, subdivision 1a; and 609.713, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Kahn, Carruthers, Skoglund, Krueger and Bishop introduced:

H. F. No. 2704, A bill for an act relating to crime; clarifying the elements of the computer theft and computer damage crimes; authorizing civil remedies for persons injured by the commission of a computer crime; requiring reporting of suspected computer crime violations; amending Minnesota Statutes 1992, sections 609.88, subdivision 1; and 609.89, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, Krueger, Goodno and Worke introduced:

H. F. No. 2705, A bill for an act relating to Wadena county; permitting the consolidation of the offices of auditor and treasurer.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Dorn, Ostrom, Greenfield and Worke introduced:

H. F. No. 2706, A bill for an act relating to human services; modifying certain provisions relating to moratorium exceptions for nursing homes; amending Minnesota Statutes 1992, section 256B.431, subdivision 17.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelley, McCollum, Asch, Rhodes and Evans introduced:

H. F. No. 2707, A bill for an act relating to education; restoring intermediate school districts and their funding for fiscal year 1996 and thereafter; amending Minnesota Statutes 1993 Supplement, section 124.2727, subdivision 6; and Laws 1992, chapter 499, article 6, section 39, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Bauerly, Lasley, Kelso, Erhardt and Carruthers introduced:

H. F. No. 2708, A bill for an act relating to taxation; property; providing for deferment of taxes of senior citizens who meet certain income requirements; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 275.065, subdivision 3; and 276.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McCollum, Clark, Lourey, Commers and Kelley introduced:

H. F. No. 2709, A bill for an act relating to human services; authorizing start work grants and supplemental payments in relation to the AFDC program; requiring the commissioner of human services to reformulate the state standard of need for AFDC; requiring a study; amending Minnesota Statutes 1992, section 256.74, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kahn, Carruthers, Krueger, Osthoff and Bishop introduced:

H. F. No. 2710, A bill for an act relating to state government; requiring use of state lottery terminals to provide citizens with electronic access to state agencies for the purpose of obtaining certain licenses and permits; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Bishop introduced:

H. F. No. 2711, A bill for an act relating to elections; providing for legislative candidates to run without party designation; amending Minnesota Statutes 1992, section 204D.08, subdivisions 4 and 6.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

Bishop, Pelowski, McCollum, Rodosovich and Frerichs introduced:

H. F. No. 2712, A bill for an act relating to capital improvements; appropriating money to the state board of technical colleges to plan and design the relocation of the Minnesota Riverland technical college, Rochester campus, to the university center at Rochester; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Education.

Dawkins introduced:

H. F. No. 2713, A bill for an act relating to public administration; capital improvements; authorizing sale of state bonds and appropriating money to finance expansion of two juvenile detention facilities in Ramsey county.

The bill was read for the first time and referred to the Committee on Judiciary.

Ness, Vellenga, Cooper, Koppendrayer and Bauerly introduced:

H. F. No. 2714, A bill for an act relating to education; advancing the final payment dates of school district state aid; amending Minnesota Statutes 1992, section 124.195, subdivisions 3 and 6.

The bill was read for the first time and referred to the Committee on Education.

Orfield, Mariani, Evans, Jefferson and Onnen introduced:

H. F. No. 2715, A bill for an act relating to state government; creating a legislative task force on equal access; assigning duties to the task force; 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.

Wejcman and Wagenius introduced:

H. F. No. 2716, A bill for an act relating to crime prevention; firearms; prohibiting the possession and transfer of pistols over .44 caliber; amending Minnesota Statutes 1992, section 609.67, as amended; proposing coding for new law in Minnesota Statutes, chapter 624.

The bill was read for the first time and referred to the Committee on Judiciary.

Peterson, Bishop, Girard, Winter and Wenzel introduced:

H. F. No. 2717, A bill for an act relating to water; creating programs to provide financial assistance to address nonpoint source water pollution in the departments of agriculture and trade and economic development and the pollution control agency; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; requiring rulemaking; providing for certain exemptions from rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, 10, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 17; 116; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

The bill was read for the first time and referred to the Committee on Agriculture.

Johnson, A.; Carlson; Morrison; Limmer and Mahon introduced:

H. F. No. 2718, A bill for an act relating to education; restoring intermediate school districts and their funding for fiscal year 1996 and thereafter; amending Minnesota Statutes 1993 Supplement, section 124.2727, subdivision 6; Laws 1992, chapter 499, article 6, section 39, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Wenzel, Pugh, Perlt, Workman and Anderson, I., introduced:

H. F. No. 2719, A bill for an act relating to crime; providing mandatory minimum sentences for persons convicted of first degree assault, first or second degree criminal sexual conduct, or promoting or profiting from the prostitution of a minor under the age of 16; eliminating juvenile court jurisdiction over juveniles who are 16 years old or older and accused of first degree murder; expanding the prima facie juvenile court reference law to include juveniles who are 14 years old or older; expanding the sex offender registration law; providing mandatory minimum felony penalties for certain sex offense convictions and recklessly discharging a firearm at a person, motor vehicle, or building; prescribing penalties; appropriating money; amending Minnesota Statutes 1992, sections 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 609.055, subdivision 2; 609.185; 609.221; 609.322, subdivision 1; 609.323, subdivision 1; 609.342, subdivision 2; and 609.343, subdivision 2; Minnesota Statutes 1993 Supplement, sections 243.166, subdivision 6; and 609.66, subdivision 1e.

The bill was read for the first time and referred to the Committee on Judiciary.

Kinkel; Lieder; Johnson, R., and Olson, E., introduced:

H. F. No. 2720, A bill for an act relating to human services; authorizing, in Beltrami, Hubbard, Mahnomen, and Clearwater counties, pilot projects relating to the basic sliding fee child care program; proposing coding for new law in Minnesota Statutes, chapter 256H.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kinkel introduced:

H. F. No. 2721, A bill for an act relating to capital improvements; appropriating money to the Minnesota historical society for a museum and center of American Indian history; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Anderson, R.; Dawkins; Ozment; Lourey and Nelson introduced:

H. F. No. 2722, A bill for an act relating to human services; providing funding for the Head Start program; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Peterson, Munger, Battaglia and Brown, C., introduced:

H. F. No. 2723, A bill for an act relating to capital improvements; authorizing issuance of bonds and appropriating money for Lac qui Parle wildlife management area; appropriating money for a study by pollution control agency and for the commissioner of natural resources to plan headquarters building and interpretive center at Lac qui Parle state park.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance.

Dorn, Ostrom, Swenson and Delmont introduced:

H. F. No. 2724, A bill for an act relating to criminal procedure; allowing probable cause arrests within school zones for certain offenses; proposing coding for new law in Minnesota Statutes, chapter 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Krinkie, Seagren, Limmer and Haukoos introduced:

H. F. No. 2725, A bill for an act relating to retirement; excluding future employees or officers of labor and professional organizations from participation in certain public pension plans; amending Minnesota Statutes 1992, sections 352.75, subdivision 1; and 422A.09, subdivision 2; repealing Minnesota Statutes 1992, sections 352.029; and 354.41, subdivisions 4, 5, 7, and 9; Minnesota Statutes 1993 Supplement, section 353.017; and Laws 1992, chapter 598, article 3, section 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Winter, Jennings, Gruenes, Bertram and Lourey introduced:

H. F. No. 2726, A bill for an act relating to insurance; accident and health; regulating assignments of benefits; amending Minnesota Statutes 1992, section 72A.201, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Olson, E., introduced:

H. F. No. 2727, A bill for an act relating to education; authorizing a retroactive increase in the amount of indebtedness authorized by the electors of independent school district No. 38, Red Lake.

The bill was read for the first time and referred to the Committee on Education.

Bertram introduced:

H. F. No. 2728, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Stearns county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, V.; Munger; Knight and McGuire introduced:

H. F. No. 2729, A bill for an act relating to snowmobiles; clarifying restrictions on operation by certain minors and responsibilities of owners; amending Minnesota Statutes 1993 Supplement, section 84.872.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Johnson, R., introduced:

H. F. No. 2730, A bill for an act relating to retirement; expanding the number of investments available for certain public supplemental pension or deferred compensation plans; amending Minnesota Statutes 1993 Supplement, section 356.24, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Peterson, Munger, Battaglia and Johnson, V., introduced:

H. F. No. 2731, A bill for an act relating to game and fish; modifying size limits for walleye; amending Minnesota Statutes 1993 Supplement, section 97C.401, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Peterson, by request, and Dauner introduced:

H. F. No. 2732, A bill for an act relating to retirement; the teachers retirement association; permitting a retired individual the benefits of previous early retirement legislation.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Stanius, McCollum, Swenson, Asch and Holsten introduced:

H. F. No. 2733, A bill for an act relating to capital improvements; appropriating money to the state board of technical colleges to construct the Northeast Metro technical college truck driving instructional support facility; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Education.

Carruthers; Anderson, I.; Lieder; Lasley and Kelso introduced:

H. F. No. 2734, A bill for an act relating to elections; providing for a local government election for election of county, municipal, and school district officers, and officers of all other political subdivisions except towns; superseding inconsistent general and special laws and home rule charter provisions; amending Minnesota Statutes 1992, sections 103C.301, subdivision 1; 103C.305, subdivisions 1, 2, and 6; 103C.311; 103C.315, subdivision 2; 122.23, subdivision 11; 122.25, subdivision 2; 123.34, subdivision 1; 128.01, subdivision 3; 200.01; 200.02, subdivision 10, and by adding a subdivision; 203B.05, subdivision 2; 204B.09; 204B.135, subdivision 4; 204B.14, by adding a subdivision; 204B.18, by adding a subdivision; 204B.19, subdivision 6; 204B.27, subdivisions 3 and 5; 204B.28, subdivision 1; 204B.32; 204B.34, subdivisions 2 and 4; 204B.35, subdivision 5; 204C.03, subdivision 4; 204C.28, subdivision 3; 204D.02; 204D.05, subdivisions 2 and 3; 204D.08, subdivision 6; 204D.09; 204D.10, subdivision 3; 205.02; 205.065, subdivisions 1, 2, 3, and 5; 205.07, subdivision 1; 205.13, subdivisions 1, 2, and 6; 205.175, subdivision 1; 205.185, subdivisions 2 and 3; 205A.03, subdivisions 2 and 4; 205A.04, subdivision 1; 205A.06, subdivisions 1, 2, and 5; 205A.09; 205A.10, subdivision 2; 205A.11; 375.101, by adding a subdivision; 382.01; 397.06; 397.07; 398.04; 412.02, subdivision 2; 412.021, subdivision 2; 412.571, subdivision 5; and 447.32, subdivisions 1 and 2; Minnesota Statutes 1993 Supplement, sections 122.23, subdivision 18; and 206.90, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 205; proposing coding for new law as Minnesota Statutes, chapter 204E; repealing Minnesota Statutes 1992, sections 205.07, subdivision 3; 205.18; 205.20; 205A.04, subdivision 2; 375.101, subdivisions 1 and 2; 410.21; and 447.32, subdivision 4.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

## Cooper introduced:

H. F. No. 2735, A bill for an act relating to human services; modifying coordinating team membership for seniors' agenda for independent living projects; amending Minnesota Statutes 1993 Supplement, section 256B.0917, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Cooper introduced:

H. F. No. 2736, A bill for an act relating to human services; modifying provisions concerning certain allowable plant and maintenance costs for nursing care facilities; amending Minnesota Statutes 1992, section 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kahn; Rodosovich; Johnson, R.; Knickerbocker and Sarna introduced:

H. F. No. 2737, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees retirement association by an employee of the city of Minneapolis.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Rest; Anderson, I.; Carruthers; Winter and Wagenius introduced:

H. F. No. 2738, A bill for an act relating to taxation; conforming income and corporate franchise taxes to changes in the federal income tax law; changing estimated tax rules; accelerating certain cost recovery subtractions; expanding individual income tax brackets; changing the definition of capital equipment for purposes of the sales and use tax and providing a phase-in of an exemption for replacement capital equipment; exempting special tooling from the sales and use tax; abolishing the capital equipment refund requirements; amending Minnesota Statutes 1992, sections 289A.02, by adding a subdivision; 289A.25, subdivision 5; 290.01, by adding a subdivision; 290.05, subdivision 3; 290.06, subdivisions 2c and 2d; 290.068, subdivision 2; 290.0802, subdivision 1; 290.0921, subdivision 2; 297.01, by adding a subdivision; 297A.02, subdivision 2, and by adding a subdivision; 297A.021, by adding a subdivision; 297A.15, subdivision 5; 297A.25, by adding a subdivision; 297A.44, subdivision 4; and 298.017, subdivision 2; Minnesota Statutes 1993 Supplement, sections 289A.26, subdivision 7; 290.01, subdivision 19; 290.091, subdivision 2; and 297A.01, subdivision 16, and by adding a subdivision; repealing Minnesota Statutes 1992, section 290.067, subdivision 6; Minnesota Statutes 1993 Supplement, section 289A.25, subdivision; 289A.25, subdivision 5a.

The bill was read for the first time and referred to the Committee on Taxes.

## Clark introduced:

H. F. No. 2739, A bill for an act relating to higher education; requiring the higher education coordinating board to develop a model instructional program in language interpreting and translator services; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

## Trimble and Wagenius introduced:

H. F. No. 2740, A bill for an act relating to the environment; toxic pollution prevention act; changing the definition of persons eligible for grants; changing fee requirements; amending Minnesota Statutes 1992, sections 115D.03, subdivision 5; 115D.05; and 115D.08, subdivision 1; Minnesota Statutes 1993 Supplement, section 115D.12, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Rodosovich introduced:

H. F. No. 2741, A bill for an act relating to waters; declaring legislative intent and requiring a specified level for Lake Frances in Le Sueur county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Kalis introduced:

H. F. No. 2742, A bill for an act relating to public administration; state general obligation bond authorizations; allowing the commissioner of finance to cancel miscellaneous bond authorizations when projects are completed or abandoned; proposing coding for new law in Minnesota Statutes, chapter 16A.

The bill was read for the first time and referred to the Committee on Capital Investment.

Peterson; Anderson, I.; Wenzel; Dauner and Johnson, V., introduced:

H. F. No. 2743, A bill for an act relating to agriculture; authorizing the commissioner of agriculture to lease certain grain testing equipment to country elevators; requiring training of equipment operators; requiring inspection of equipment for accuracy; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17B.

The bill was read for the first time and referred to the Committee on Agriculture.

Jacobs, Delmont, Bergson, Weaver and Johnson, A., introduced:

H. F. No. 2744, A bill for an act relating to taxation; sales and use; regulating exemptions for certain fundraising by nonprofit groups; modifying the exclusion for certain fundraising; amending Minnesota Statutes 1992, section 297A.256.

The bill was read for the first time and referred to the Committee on Taxes.

## Wagenius introduced:

H. F. No. 2745, A bill for an act relating to the environment; providing that local units of government may adopt ordinances relating to underground storage tanks that are more stringent than those of the state; amending Minnesota Statutes 1992, section 116.50.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Morrison, Frerichs and Trimble introduced:

H. F. No. 2746, A bill for an act relating to landlords and tenants; providing penalties for residential tenants who intentionally abscond without paying rent due; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Judiciary.

Wenzel, Kinkel and Hasskamp introduced:

H. F. No. 2747, A bill for an act relating to the Mississippi headwaters area; authorizing changes in the comprehensive land use plan relating to substandard lots, contiguous lots in common ownership, and limited clearing in restricted zones; amending Minnesota Statutes 1992, sections 103F.365, subdivision 4; and 103F.369, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Huntley, Murphy, Garcia and Simoneau introduced:

H. F. No. 2748, A bill for an act relating to human services; providing medical assistance coverage for inpatient psychiatric services for children; amending Minnesota Statutes 1992, section 256B.0625, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, R.; Kinkel; Solberg; Anderson, I., and Olson, E., introduced:

H. F. No. 2749, A bill for an act relating to amateur sports; appropriating money to support the 1995 Indigenous Games.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Tunheim; Johnson, R.; Lieder; Anderson, I., and Olson, E., introduced:

H. F. No. 2750, A bill for an act relating to natural resources; appropriating money for beaver damage control.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance.

Bergson; Delmont; Brown, C.; Mahon and Knickerbocker introduced:

H. F. No. 2751, A bill for an act relating to state government; reports to the legislature; prohibiting standing requirements for periodic reports; amending Minnesota Statutes 1992, section 3.302, subdivisions 3 and 3a; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 1992, section 3.195.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Asch and Pugh introduced:

H. F. No. 2752, A bill for an act relating to real property; requiring information concerning certain building code violations by residential contractors, remodelers, and specialty contractors in the metropolitan area to be reported and disclosed; imposing a penalty; providing for voidable contracts and restitution; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

#### Asch, Tomassoni, Evans and Luther introduced:

H. F. No. 2753, A bill for an act relating to human services; creating an exception to the intermediate care facility moratorium; creating a pilot program for temporary care for medically fragile children; appropriating money; amending Minnesota Statutes 1992, section 252.291, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Huntley, Murphy, Munger and Hausman introduced:

H. F. No. 2754, A bill for an act relating to education; exempting school districts with negative net unappropriated operating fund balances from the contract deadline penalty; amending Minnesota Statutes 1992, section 124A.22, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

Carruthers, Limmer, Luther, Bergson and Carlson introduced:

H. F. No. 2755, A bill for an act relating to crime; appropriating money for the Northwest Community Law Enforcement Project.

The bill was read for the first time and referred to the Committee on Judiciary.

Krueger, Kahn, Knickerbocker and Krinkie introduced:

H. F. No. 2756, A bill for an act relating to state and local government; authorizing governmental agencies and subdivisions to obtain copyright, trademark, trade secret, or patent protection for intellectual property; appropriating money; amending Minnesota Statutes 1992, section 13.03, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1992, section 16B.405.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

H. F. No. 2757, A bill for an act relating to state lands; expanding the scope of cooperative farming agreements on hunting, game refuge, or wildlife management lands; exempting agreements from treatment as leases for tax purposes; amending Minnesota Statutes 1992, section 97A.135, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

## Pawlenty, Van Dellen, Abrams, Workman and Lynch introduced:

H. F. No. 2758, A bill for an act relating to economic development; providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for the restructuring of certain public assistance programs; providing for the creation of enterprise zones; authorizing expenditures from the housing trust fund account; authorizing pilot projects and an urban homesteading program; appropriating money; amending Minnesota Statutes 1992, sections 161.123; 256.73, by adding a subdivision; 256.74, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; 290.06, by adding a subdivision; 297A.15, by adding a subdivision; 297A.25, by adding a subdivision; 462A.201, by adding a subdivision; 473.375, by adding a subdivision; 473.387, by adding a subdivision; 473.388, subdivision 2; and 473.405, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; and 462A.222, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 176C; 176D; 256; 469; and 473; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; 504.33, subdivisions 1, 2, 4, 6, and 8; and 504.34, subdivisions 3, 4, 5, and 6; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; 176.5401; 504.33, subdivisions 3, 5, and 7; and 504.34, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

## Battaglia; Anderson, I., and Tunheim introduced:

H. F. No. 2759, A bill for an act relating to natural resources; appropriating money for snowmobile trail maintenance and construction.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance.

Anderson, R., for the Health and Housing Finance Division, introduced:

H. F. No. 2760, A bill for an act relating to capital improvements; providing bond funds for the Minneapolis veterans home, the Silver Bay veterans home, transitional housing loans, and Head Start programs; authorizing the issuance of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Capital Investment.

Kelso introduced:

H. F. No. 2761, A bill for an act relating to education; allowing a public higher education institution to sponsor a charter school; increasing the permitted number of charter schools; changing requirements for converting an existing school; allowing the state board of education to assign sponsorship; amending Minnesota Statutes 1993 Supplement, section 120.064, subdivisions 3, 4, 4a, 8, and 21.

The bill was read for the first time and referred to the Committee on Education.

## Wagenius, Morrison and Lasley introduced:

H. F. No. 2762, A bill for an act relating to traffic regulations; regulating use and operation of Head Start school buses; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.28, subdivision 1; 169.441, subdivisions 2 and 4; 169.442, subdivision 5; 169.443, subdivisions 5 and 6; 169.447; 169.448, subdivisions 1 and 3; 169.451; 169.64, subdivision 8; 169.781, subdivision 1; 169.87, subdivision 3; 171.01, by adding a subdivision; 171.3215; 221.011, subdivision 21; and 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 171.321, subdivision 2; 221.025; and 221.031, subdivision 3b.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

## Cooper introduced:

H. F. No. 2763, A bill for an act relating to health; exempting registered audiologists from the examination requirement for hearing instrument dispenser certification; amending Minnesota Statutes 1993 Supplement, section 153A.14, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Winter and Steensma introduced:

H. F. No. 2764, A bill for an act relating to workers' compensation; regulating benefits; limiting supplementary benefits; eliminating certain lump sum payments; requiring safety programs; regulating coverage for independent contractors; abolishing apportionment; providing for a study of insurance; providing penalties; amending Minnesota Statutes 1992, sections 79.085; 176.041, subdivision 1; 176.081, subdivision 5; 176.101, subdivisions 3b, 3m, 3o, and 3q; 176.132, subdivisions 2 and 3; 176.194, subdivisions 1 and 4; 176.221, subdivision 1; 176.225, subdivision 1; 176.232; 176.261; 176.645, subdivision 1; and 176.66, subdivision 11; Minnesota Statutes 1993 Supplement, sections 176.041, subdivision 12; 176.041, subdivision 12; 176.261; 176.645, subdivision 13; proposing coding for new law in Minnesota Statutes, chapters 176; and 182.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Dawkins, Ostrom and Greenfield introduced:

H. F. No. 2765, A bill for an act relating to health care; limiting health care coverage of certain elected state officials; proposing coding for new law in Minnesota Statutes, chapter 10.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Dawkins introduced:

H. F. No. 2766, A bill for an act relating to capital improvements; authorizing the sale of bonds and appropriating money for the neighborhood land trust program.

The bill was read for the first time and referred to the Committee on Housing.

Neary, McGuire, Perlt, Swenson and Holsten introduced:

H. F. No. 2767, A bill for an act relating to family services; allowing sharing of certain information by family services and local children's mental health collaboratives; amending Minnesota Statutes 1993 Supplement, sections 121.8355, by adding a subdivision; and 245.493, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

## Stanius introduced:

H. F. No. 2768, A bill for an act relating to marriage dissolution; providing for share care of children; regulating support and other obligations after dissolution of marriage; amending Minnesota Statutes 1992, sections 144.224; 518.003, subdivision 3; 518.005, subdivision 2; 518.03; 518.10; 518.131, subdivisions 1, 2, 3, 6, and 7; 518.155; 518.156, subdivision 2; 518.165, subdivisions 1 and 2; 518.166; 518.167, subdivisions 1 and 2; 518.168; 518.17, subdivision 1, and by adding a subdivision; 518.175, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 518.1751; 518.176; 518.179, subdivision 1; 518.18; 518.185; 518.552, subdivisions 1 and 2; 518.612; 518.619, subdivisions 1, 3, and 4; 518.63; and 631.52; Minnesota Statutes 1993 Supplement, sections 518.156, subdivision 1; 518.17, subdivision 3; 518.171, subdivisions 4, 6, and 8; 518.175, subdivision 6; and 518.177; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1992, section 518.17, subdivisions 2 and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Bettermann, Skoglund, Vickerman, Van Engen and Wejcman introduced:

H. F. No. 2769, A bill for an act relating to domestic abuse; changing the area from which an abusing party may be excluded; amending Minnesota Statutes 1993 Supplement, section 518B.01, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Wejcman introduced:

H. F. No. 2770, A bill for an act relating to counties; Hennepin; changing the personnel system to a human resources system; making other changes to the system; amending Minnesota Statutes 1992, sections 383B.26; 383B.27; 383B.28; 383B.29; 383B.31; 383B.32, subdivisions 2, 3, and 4; 383B.34, subdivision 2; 383B.37, subdivision 1; 383B.38, subdivision 1; 383B.39; and 383B.41; repealing Minnesota Statutes 1992, sections 383B.33, subdivision 1; 383B.38, subdivisions 2, 3, and 4; and 383B.40.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Wagenius, Mariani, Kahn, Asch and McCollum introduced:

H. F. No. 2771, A bill for an act relating to crime prevention; requiring a license to sell firearms or ammunition in the metropolitan area; prohibiting assault weapons in the metropolitan area; requiring maintenance of records regarding firearms sales in the metropolitan area; allowing metropolitan city attorneys to obtain assistance from the attorney general in prosecuting firearms offenses; allowing law enforcement agencies to charge a fee to conduct firearms eligibility background checks; clarifying that weapons may be seized in connection with certain offenses; amending Minnesota Statutes 1992, sections 487.25, by adding a subdivision; 609.5315, subdivision 6; 609.5316, subdivision 3; 609.663; 624.7131, subdivision 3; and 624.714, subdivision 6; Minnesota Statutes 1993 Supplement, sections 609.531, subdivision 1; 624.713, by adding a subdivision; and 624.7132, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 1993 Supplement, section 624.7132, subdivision 10.

The bill was read for the first time and referred to the Committee on Judiciary.

## Orenstein and Kahn introduced:

H. F. No. 2772, A bill for an act relating to state government; public employment; establishing a pilot project in certain agencies; permitting the waiver of rules governing the classified and unclassified service of the state by joint committees.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Gruenes introduced:

H. F. No. 2773, A bill for an act relating to state government; administrative rulemaking; transferring the rule review functions of the office of the attorney general to the office of administrative hearings; regulating grants of rulemaking authority, and public hearing requirements; authorizing the governor to disapprove rules adopted after public hearing; eliminating the requirement that agencies review their rules and consider methods to reduce their impact on small business; making technical changes; requiring reports; appropriating money; amending Minnesota Statutes 1992, sections 14.05, subdivision 2, and by adding a subdivision; 14.08; 14.09; 14.115, subdivision 5; 14.15, subdivisions 3 and 4; 14.16, subdivision 1; 14.19; 14.22, subdivision 1; 14.24; 14.25; 14.26; 14.29, subdivisions 2 and 4; 14.30; 14.31; 14.32; 14.33; 14.34; 14.365; 14.48; and 14.51; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1992, sections 14.115, subdivision 6; and 14.225.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

## Asch and Pugh introduced:

H. F. No. 2774, A bill for an act relating to commerce; residential building contractors and remodelers; regulating certain coverage disclosures in loan agreements; amending Minnesota Statutes 1993 Supplement, section 326.951.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

#### Asch introduced:

H. F. No. 2775, A bill for an act relating to motor vehicles; emission control inspections; requiring contractors operating public inspection stations to make available the opportunity to renew motor vehicle registrations and obtain plates or tabs at inspection stations; amending Minnesota Statutes 1992, section 116.62, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 168.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

## Van Engen; Brown, K.; Pugh and Gruenes introduced:

H. F. No. 2776, A bill for an act relating to human services; clarifying the effect of a record of conviction of certain crimes on disqualification in connection with certain human services licenses; strengthening provisions concerning residential treatment programs; modifying certain child abuse reporting requirements; amending Minnesota Statutes 1992, sections 245A.04, subdivision 3a; 245A.12, subdivision 8; 245A.13, subdivisions 1, 3c, and by adding a subdivision; 256.0361, by adding a subdivision; 626.556, subdivisions 3 and 7; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 4; 245A.04, subdivisions 3 and 3b; 626.556, subdivision 10; and Laws 1993, chapter 171, section 6.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pugh, Solberg, Murphy, Rest and Swenson introduced:

H. F. No. 2777, A bill for an act relating to criminal justice; providing for public defense services; providing for public defense of persons charged with misdemeanors; providing for a reduction in aid to counties equal to public defense costs assumed by the state; providing for certain disclosure of data; appropriating money; amending Minnesota Statutes 1992, sections 477A.012, by adding a subdivision; and 611.26, subdivision 6; Minnesota Statutes 1993 Supplement, sections 611.17; 611.20, subdivision 2; and 611.27, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Murphy, Swenson, Pugh and Limmer introduced:

H. F. No. 2778, A bill for an act relating to corrections; authorizing the commissioner of corrections to impose disciplinary confinement periods comparable to periods in place for inmates sentenced before August 1, 1993; amending Minnesota Statutes 1993 Supplement, section 243.18, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Murphy, Swenson and Pugh introduced:

H. F. No. 2779, A bill for an act relating to corrections; appropriating money received from inmates for payment of correctional services to the use of the commissioner; amending Minnesota Statutes 1992, sections 243.23, subdivision 2; and 243.24, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Murphy, Swenson, Pugh and Limmer introduced:

H. F. No. 2780, A bill for an act relating to corrections; providing for good time reduction of sentences in local correctional facilities; amending Minnesota Statutes 1992, section 631.425, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Murphy, Swenson, Pugh and Limmer introduced:

H. F. No. 2781, A bill for an act relating to corrections; removing requirement that commissioner of corrections must report inmate board and room waivers to the commissioner of finance; amending Minnesota Statutes 1992, section 241.26, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary.

Brown, K.; Klinzing and Greenfield introduced:

H. F. No. 2782, A bill for an act relating to vocational rehabilitation; establishing a statewide grant program for special employment support services for persons with mental illness; requiring a reimbursement plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown, K.; Winter; Olson, K., and Greenfield introduced:

H. F. No. 2783, A bill for an act relating to health; expanding the integrated service network technical assistance program; appropriating money; amending Minnesota Statutes 1993 Supplement, section 62N.23.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Milbert and Sarna introduced:

H. F. No. 2784, A bill for an act relating to real estate; authorizing title insurance companies governed by chapter 68A, or their appointed agents to discharge, release, or satisfy mortgages; amending Minnesota Statutes 1992, section 507.40.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

## Pugh; Macklin; Rhodes; Brown, C., and Perlt introduced:

H. F. No. 2785, A bill for an act relating to judgments; providing for the withholding of conciliation court judgments from tax refunds; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; 270B.14, by adding a subdivision; and 289A.50, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 487.

The bill was read for the first time and referred to the Committee on Judiciary.

Solberg and Anderson, I., introduced:

H. F. No. 2786, A bill for an act relating to local government; authorizing establishment of Nashwauk area ambulance district.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Olson, K.; Girard; Winter; Peterson and Hugoson introduced:

H. F. No. 2787, A bill for an act relating to agriculture; changing the limitations on corporate farming; amending Minnesota Statutes 1992, section 500.24, subdivision 2.

The bill was read for the first time and referred to the Committee on Agriculture.

Murphy and Swenson introduced:

H. F. No. 2788, A bill for an act relating to crime prevention; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius, Rukavina, Murphy, Van Dellen and Ostrom introduced:

H. F. No. 2789, A bill for an act relating to taxation; property; providing for deferment of taxes of senior citizens who meet certain income requirements; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 275.065, subdivision 3; and 276.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Skoglund introduced:

H. F. No. 2790, A bill for an act relating to crime; requiring motor vehicle repair shops to report to the local law enforcement agency motor vehicle damage caused by bullets; prescribing penalties; amending Minnesota Statutes 1992, section 626.55, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the first time and referred to the Committee on Judiciary.

Brown, C., introduced:

H. F. No. 2791, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, by adding a section; prohibiting farming and ownership of farmland by certain corporate entities.

The bill was read for the first time and referred to the Committee on Agriculture.

## Sviggum, Macklin, Goodno and Van Dellen introduced:

H. F. No. 2792, A bill for an act relating to taxation; increasing the maximum income amounts that may be subtracted from federal taxable income by the elderly and disabled, and indexing certain income amounts for inflation; removing the appropriation limit for the 1994 additional property tax refund; changing the definition of capital equipment for purposes of the sales and use tax, and providing for a phase-in of an exemption of replacement equipment; exempting special tooling from the sales and use tax; abolishing the capital equipment refund requirements; requiring counties to provide the commissioner with certain data; amending Minnesota Statutes 1992, sections 290.0802, subdivision 2, and by adding a subdivision; 297A.01, by adding a subdivision; 297A.02, subdivision 2, and by adding a subdivision; 297A.15, subdivision 5; 297A.25, by adding a subdivision; and 297A.44, subdivision 4; Minnesota Statutes 1993 Supplement, sections 290A.04, subdivision 2h; and 297A.01, subdivision 16.

The bill was read for the first time and referred to the Committee on Taxes.

## Solberg introduced:

H. F. No. 2793, A bill for an act relating to education; authorizing a fund transfer; allowing independent school district No. 698, Floodwood, to expend health and safety revenue on new construction.

The bill was read for the first time and referred to the Committee on Education.

## Knight, Wolf and Olson, M., introduced:

H. F. No. 2794, A bill for an act relating to public safety; changing name of McGruff program; amending Minnesota Statutes 1992, section 299A.28.

The bill was read for the first time and referred to the Committee on Judiciary.

Goodno; Reding; Johnson, R.; Rukavina and Dorn introduced:

H. F. No. 2795, A bill for an act relating to state government; providing new impasse procedures for labor agreements involving faculty in the state university system; proposing coding for new law in Minnesota Statutes, chapter 179A.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### McCollum, Morrison and Trimble introduced:

H. F. No. 2796, A bill for an act relating to the environment; toxic pollution prevention act; adding a definition; clarifying applicability; modifying the schedule for submitting plans; amending Minnesota Statutes 1992, section 115D.03, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 115D.07, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Rhodes introduced:

H. F. No. 2797, A bill for an act relating to taxation; extending the availability of valuation exclusions for certain improvements made to property in 1992; amending Laws 1993, chapter 375, article 5, section 44.

The bill was read for the first time and referred to the Committee on Taxes.

Jaros, Rest, Munger, Huntley and Murphy introduced:

H. F. No. 2798, A bill for an act relating to motor vehicle registration; exempting unmarked police vehicles from registration requirements; amending Minnesota Statutes 1992, section 168.012, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Long, Kinkel, Sarna and Milbert introduced:

H. F. No. 2799, A bill for an act relating to securities; face-amount certificate companies, open-end management companies, and unit investment trusts; providing for the calculation of registration fees and uniform expiration, renewal, and reporting provisions; amending Minnesota Statutes 1992, sections 80A.12, subdivisions 2, 9, 10, and by adding a subdivision; 80A.13, subdivision 1; and 80A.28, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1992, section 80A.12, subdivision; repealing Minnesota Statutes 1992, section 80A.12, subdivision; repealing Minnesota Statutes 1992, section 80A.12, subdivision 9.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

## Pauly introduced:

H. F. No. 2800, A bill for an act relating to taxation; establishing indexing formula for calculating tax on gasoline; dedicating 17 percent of motor vehicle excise tax to transit assistance; removing obsolete language and making technical changes; amending Minnesota Statutes 1992, sections 296.02, subdivision 1b, and by adding a subdivision; and 297B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

#### Anderson, R., introduced:

H. F. No. 2801, A bill for an act relating to the city of Fergus Falls; providing for a tax increment financing district; requiring approval of the plan by Otter Tail county.

The bill was read for the first time and referred to the Committee on Taxes.

Jacobs introduced:

H. F. No. 2802, A bill for an act relating to taxation; altering the rental motor vehicle tax; imposing a fee on motor vehicle rentals; providing for retention of the fee by motor vehicle lessors to compensate for motor vehicle registration fees paid by lessors; amending Minnesota Statutes 1992, section 297A.135.

The bill was read for the first time and referred to the Committee on Taxes.

Neary, Macklin, McGuire, Huntley and Opatz introduced:

H. F. No. 2803, A bill for an act relating to adoptions; stating a policy on adoptions; changing adoption law and procedures; requiring an adoption task force to make a report; amending Minnesota Statutes 1992, sections 257.03; 259.21, by adding subdivisions; 259.24, by adding a subdivision; and 317A.907, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 259.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Peterson, Solberg and Rhodes introduced:

H. F. No. 2804, A bill for an act relating to agriculture; regulating the dissemination of false and defamatory statements about certain agricultural products and producers; imposing a penalty; proposing coding for new law as Minnesota Statutes, chapter 34A.

The bill was read for the first time and referred to the Committee on Judiciary.

Asch, Jaros, Beard and Smith introduced:

H. F. No. 2805, A bill for an act relating to commerce and economic development; appropriating money to establish a unit in the Humphrey Institute to study the North American Free Trade Agreement.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Huntley and Jaros introduced:

H. F. No. 2806, A bill for an act relating to the city of Duluth; establishing the powers and duties of the board of directors of trusts of Miller-Dwan Hospital in the establishment, administration, management, maintenance, improvement, and financing of the hospital; amending Laws 1969, chapter 224, sections 1, 2, and 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E.; Johnson, R.; Kinkel; Lieder and Johnson, V., introduced:

H. F. No. 2807, A bill for an act relating to beaver control; allowing local road authorities to remove beaver dams near public roads; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Steensma, Trimble and Morrison introduced:

H. F. No. 2808, A bill for an act relating to claims against the state; requiring verification of certain safety training and standards before payment by the state for injuries suffered by certain claimants supervised by local government agencies; amending Minnesota Statutes 1992, section 3.739, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Asch and Anderson, R., introduced:

H. F. No. 2809, A bill for an act relating to health; modifying procedures relating to nursing and boarding care home patient discharges; amending Minnesota Statutes 1992, section 144A.135.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau introduced:

H. F. No. 2810, A bill for an act relating to health; increasing funding for the nutritional supplement program known as WIC to expand services; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Mariani, Jefferson and Dawkins introduced:

H. F. No. 2811, A bill for an act relating to economic development; providing for creation of enterprise zones within the cities of Minneapolis and St. Paul; providing incentives for business to locate within an enterprise zone; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Rukavina; Johnson, R.; Sarna and Reding introduced:

H. F. No. 2812, A bill for an act relating to insurance; regulating claims practices; authorizing a private right of action for violations of certain auto claims standards; amending Minnesota Statutes 1992, section 72A.201, subdivision 6, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

## Simoneau introduced:

H. F. No. 2813, A bill for an act relating to human services; modifying provisions concerning rates for care of certain persons and recovery of medical assistance overpayments; modifying provisions concerning home care and alternative care; requiring changes in related rules; providing instructions to the revisor of statutes; amending Minnesota Statutes 1992, sections 256B.0641, subdivision 1; 256B.0913, subdivision 8; 256B.0915, subdivision 5; and 256B.501, subdivisions 1, 3, 3c, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256B.0911, subdivisions 2 and 7; 256B.0913, subdivision 1; 256B.0915, subdivision 1; 256B.0915, subdivisions 3g and 8; and 256I.06, subdivision 1; repealing Minnesota Statutes 1992, section 256B.501, subdivisions 3d, 3e, and 3f.

The bill was read for the first time and referred to the Committee on Health and Human Services.

## **MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1820, 2095, 1421, 1712 and 819.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1691, 1709, 844 and 1750.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1820, A bill for an act relating to counties; Olmsted; allowing the examiner of titles to be compensated as are examiners in counties of fewer than 75,000 population; amending Minnesota Statutes 1992, section 508.12, subdivision 1.

The bill was read for the first time.

Bishop moved that S. F. No. 1820 and H. F. No. 1965, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2095, A bill for an act relating to employment; modifying provisions relating to the public employee vacation donation program; amending Minnesota Statutes 1992, section 43A.181, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 1421, A bill for an act relating to state government; correcting erroneous, ambiguous, obsolete, and omitted text and obsolete references; eliminating redundant, conflicting, and superseded provisions in Minnesota Rules; making technical corrections; correcting Minnesota Rules, parts 1200.0300; 1400.0500; 3530.0200; 3530.1500; 3530.2614; 3530.2642; 4685.0100; 4685.3000; 4685.3200; 4692.0020; 5000.0400; 7045.0075; 7411.7100; 7411.7400; 7411.7700; 7883.0100;

8130.3500; 8130.6500; 8800.1200; 8800.1400; 8800.3100; 8820.0600; 8820.2300; 9050.1070; and 9505.2175; repealing Minnesota Rules, parts 1300.0100; 1300.0200; 1300.0300; 1300.0400; 1300.0500; 1300.0600; 1300.0700; 1300.0800; 1300.0900; 1300.0940; 1300.0942; 1300.0944; 1300.0946; 1300.0948; 1300.1000; 1300.1100; 1300.1200; 1300.1300; 1300.1400; 1300.1500; 1300.1600; 1300.1700; 1300.1800; 1300.1900; 1300.2000; 4685.2600; 4692.0020, subpart 2; 4692.0045; 7856.1000, subpart 5; 8017.5000; 8130.9500, subpart 6; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; and 8130.9996.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 1712, A bill for an act relating to towns; providing for financial audits in certain circumstances; amending Minnesota Statutes 1992, section 367.36, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 819, A bill for an act relating to telephone services; prohibiting collection of charges for information services as if they were charges for telephone services; providing for notice of certain call blocking options; amending Minnesota Statutes 1992, section 237.66, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

S. F. No. 1691, A bill for an act relating to real property; clarifying and making technical corrections to statutory provisions relating to real property; allowing the examiner of titles in Olmsted county to be compensated as are examiners in counties of fewer than 75,000 population; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 83.26, subdivision 2; 500.19, subdivision 4; 507.09; 507.332; 508.12, subdivision 1; 508.13; 508.23, subdivision 1; 508.35; 508.37, subdivision 1a; 508.38; 508.45; 508.47, subdivision 5; 508.51; 508.55; 508.68; 508.70; 508.71, subdivision 4; 508A.22, subdivision 1; 508A.35; 508A.45; 508A.47, subdivision 5; 508A.51; 508A.51; 508A.52; 508A.55; 508A.68; 508A.71, subdivision 4; 559.21, subdivisions 3, 4, and 8; and 580.12; Minnesota Statutes 1993 Supplement, section 256B.0595, by adding a subdivision; 508.71, subdivision 7; 515B.1-102; 515B.1-103; 515B.1-105; 515B.1-116; 515B.2-104; 515B.2-105; 515B.2-110; 515B.2-119; 515B.3-113; 515B.3-116; and 515B.3-117; proposing coding for new law in Minnesota Statutes, chapters 508; and 508A.

The bill was read for the first time.

Pugh moved that S. F. No. 1691 and H. F. No. 1891; now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1709, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; requiring counties to provide the commissioner of revenue with certain data; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

The bill was read for the first time.

Rest moved that S. F. No. 1709 and H. F. No. 1858, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 844, A bill for an act relating to public employees; requiring public employers to afford time off to appointed representatives of an exclusive representative of any Minnesota public employer; amending Minnesota Statutes 1992, section 179A.07, subdivision 6.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 1750, A bill for an act relating to commerce; expanding the scope of department enforcement authority to include additional areas over which it has responsibility; amending Minnesota Statutes 1992, section 45.027, subdivision 7; and Minnesota Statutes 1993 Supplement, section 45.011, subdivisions 1 and 4.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

## CONSENT CALENDAR

H. F. No. 1845, A bill for an act relating to education; permitting school boards to begin the 1994-1995 school year before Labor Day because a religious holiday is observed the day following Labor Day.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Krueger	Munger	Reding	Tunheim
Anderson, R.	Delmont	Huntley	Lasley	Murphy	Rest	Van Dellen
Asch	Dempsey	Jacobs	Leppík	Neary	Rhodes	Van Engen
Battaglia	Dorn	Jaros	Liêder	Nelsón	Rice	Vellenga
Bauerly	Erhardt	Jefferson	Limmer	Ness	Rodosovich	Vickerman
Beard	Evans	Jennings	Lindner	Olson, E.	Rukavina	Wagenius
Bergson	Finseth	Johnson, A.	Long	Olson, K.	Sarna	Waltman
Bertram	Frerichs	Johnson, R.	Lourey	Olson, M.	Seagren	Weaver
Bettermann	Garcia	Johnson, V.	Luther	Onnen	Sekhon	Wejcman
Bishop	∕ Girard	Kahn	Lynch	Opatz	Simoneau	Wenzel
Brown, K.	Goodno	Kalis	Macklin	Orenstein	Skoglund	Winter
Carlson	Greenfield	Kelley	Mahon	Orfield	Smith	Wolf
Carruthers	Greiling	Kelso	Mariani	Ostrom	Solberg	Worke
Clark	Gruenes	Kinkel	McCollum	Ozment	Steensma	Workman
Commers	Gutknecht	Klinzing	McGuire	Pauly	Sviggum	Spk. Anderson, I.
Cooper	Hasskamp	Knickerbocker	Milbert	Pawlenty	Swenson	1
Dauner	Haukoos	Knight	Molnau	Pelowski	Tomassoni	
Davids	Hausman	Koppendrayer	Morrison	Perlt	Tompkins	
Dawkins	Holsten	Krinkie	Mosel	Pugh	Trimble	
				. •		

The bill was passed and its title agreed to.

H. F. No. 1957, A bill for an act relating to housing and redevelopment authorities; providing for the membership in the Olmsted county housing and redevelopment authority and for dissolution of the Rochester housing and redevelopment authority; making conforming changes; allowing certain cities the option to form their own authorities.

The bill was read for the third 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:

The bill was passed and its title agreed to.

## MONDAY, MARCH 14, 1994

H. F. No. 2007, A bill for an act relating to employment; making clear that employee includes "at pleasure" employees under the whistleblower law; amending Minnesota Statutes 1992, section 181.931, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krinkie	Mosel	Peterson	Tompkins
Anderson, R.	Dehler	Hugoson	Krueger	Munger	Pugh	Trimble
Asch	Delmont	Huntley	Lasley	Murphy	Reding	Tunheim
Battaglia	Dempsey	Jacobs	Leppik	Neary	Rest	Van Dellen
Bauerly	Dom	Jaros	Lieder	Nelson	Rhodes	Van Engen
Beard	Erhardt	Jefferson	Limmer	Ness	Rice	Vellenga
Bergson	Evans	Jennings	Lindner	Olson, E.	Rodosovich	Vickerman
Bertram	Finseth	Johnson, A.	Long	Olson, K.	Rukavina	Wagenius
Bettermann	Frerichs	Johnson, R.	Lourey	Olson, M.	Sarna	Waltman
Bishop	Garcia	Johnson, V.	Luther	Onnen	Seagren	Weaver
Brown, C.	Girard	Kahn	Lynch	Opatz	Sekhon	Wejcman
Brown, K.	Goodno	Kalis	Macklin	Orenstein	Simoneau	Wenzel
Carlson	Greenfield	Kelley	Mahon	Orfield	Skoglund	Winter
Carruthers	Greiling	Kelso	Mariani	Ostrom	Smith	Wolf
Clark	Gruenes	Kinkel	McCollum	Ozment	Solberg	Worke
Commers	Gutknecht	Klinzing	McGuire	Pauly	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Milbert	Pawlenty	Sviggum	Spk. Anderson, I.
Dauner	Haukoos	Knight	Molnau	Pelowski	Swenson	
Davids	Hausman	Koppendraver	Morrison	Perit	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 2130, A bill for an act relating to counties; St. Louis; assigned the former town of Payne to the 7th commissioner district.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Krueger	Munger	Pugh	Trimble
Anderson, R.	Delmont	Huntley	Lasley	Murphy	Reding	Tunheim
Asch	Dempsey	Jacobs	Leppik	Neary	Rest	Van Dellen
Battaglia	Dom	Jaros	Lieder	Nelson	Rhodes	Van Engen
Bauerly	Erhardt	Jefferson	Limmer	Ness	Rice	Vellenga
Beard	Evans	Jennings	Lindner	Olson, E.	Rodosovich	Vickerman
Bergson	Finseth	Johnson, A.	Long	Olson, K.	Rukavina	Wagenius
Bertram	Frerichs	Johnson, R.	Lourey	Olson, M.	Sama	Waltman
Bishop	Garcia	Johnson, V.	Luther	Onnen	Seagren	Weaver
Brown, C.	Girard	Kahn	Lynch	Opatz	Sekhon	Wejcman
Brown, K.	Goodno	Kalis	Macklin	Orenstein	Simoneau	Wenzel
Carlson	Greenfield	Kelley	Mahon	Orfield	Skoglund	Winter
Carruthers	Greiling	Kelso	Mariani	Ostrom	Smith	Wolf
Clark	Gruenes	Kinkel	McCollum	Ozment	Solberg	Worke
Commers	Gutknecht	Klinzing	McGuire	Pauly	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Milbert	Pawlenty	Sviggum	Spk. Anderson, I.
Dauner	Haukoos	Knight	Molnau	Pelowski	Swenson	1 ,
Davids	Hausman	Koppendrayer	Morrison	Perlt	Tomassoni	
Dawkins	Holsten	Krinkie	Mosel	Peterson	Tompkins	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 1496, A bill for an act relating to health; clarifying the scope of confidentiality of records of review organizations; including preferred provider organizations in definition of review organizations; amending Minnesota Statutes 1992, sections 145.61, subdivision 5, and by adding a subdivision; and 145.64, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R.	Dawkins Dehler	Holsten Hugoson	Krinkie Krueger	Mosel Munger	Peterson Pugh	Tompkins Trimble
Asch	Delmont	Huntley	Lasley	Murphy	Reding	Tunheim
Battaglia	Dempsey	Jacobs	Leppik	Neary	Rest	Van Dellen
Bauerly	Dom	Jaros	Lieder	Nelson	Rhodes	Van Engen
Beard	Erhardt	Jefferson	Limmer	Ness	Rice	Vellenga
Bergson	Evans	Jennings	Lindner	Olson, E.	Rodosovich	Vickerman
Bertram	Finseth	Johnson, A.	Long	Olson, K.	Rukavina	Wagenius
Bettermann	Frerichs	Johnson, R.	Lourey	Olson, M.	Sarna	Waltman
Bishop	Garcia	Johnson, V.	Luther	Onnen	Seagren	Weaver
Brown, C.	Girard	Kahn	Lynch	Opatz	Sekhon	Wejcman
Brown, K.	Goodno	Kalis	Macklin	Orenstein	Simoneau	Wenzel
Carlson	Greenfield	Kelley	Mahon	Orfield	Skoglund	Winter
Carruthers	Greiling	Kelso	Mariani	Ostrom	Smith	Wolf
Clark	Gruenes	Kinkel	McCollum	Ozment	Solberg	Worke
Commers	Gutknecht	Klinzing	McGuire	Pauly	Steensma	Workman
Cooper	Hasskamp	Knickerbocker	Milbert	Pawlenty	Sviggum	Spk. Anderson, I.
Dauner	Haukoos	Knight	Molnau	Pelowski	Swenson	• •
Davids	Hausman	Koppendrayer	Morrison	Perlt	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 1788, A bill for an act relating to marriage; providing for postnuptial contracts; amending Minnesota Statutes 1992, section 519.11.

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 122 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch Battaglia Bauerly	Davids Dawkins Dehler Delmont Dempsey	Holsten Huntley Jacobs Jaros Jefferson	Krueger Lasley Leppik Lieder Limmer	Munger Neary Nelson Ness Olson, E.	Rest Rhodes Rice Rodosovich Rukavina	Tunheim Van Dellen Van Engen Vickerman Wagenius
Beard	Dorn	Jennings	Long	Olson, K.	Sarna	Waltman
Bergson Bertram	Erhardt Evans	Johnson, A.	Lourey Luther	Opatz Orenstein	Seagren Sekhon	Weaver Weicman
		Johnson, R.				<b>,</b>
Bettermann	Finseth	Johnson, V.	Lynch	Orfield	Simoneau	Wenzel
Bishop	Frerichs	Kahn	Macklin	Ostrom	Skoglund	Winter
Brown, C.	Garcia	Kalis .	Mahon	Ozment	Solberg	Wolf
Brown, K.	Girard	Kelley	Mariani	Pauly	Stanius	Worke
Carlson	Goodno	Kelso	McCollum	Pawlenty	Steensma	Workman
Carruthers	Greenfield	Kinkel	McGuire	Pelowski	Sviggum	Spk. Anderson, I.
Clark	Greiling	Klinzing	Milbert	Perlt	Swenson	•
Commers	Gruenes	Knickerbocker	Molnau	Peterson	Tomassoni	
Cooper	Haukoos	Koppendrayer	Morrison	Pugh	Tompkins	
Dauner	Hausman	Krinkie	Mosel	Reding	Trimble	

Those who voted in the negative were:

Gutknecht	Hugoson	Lindner	Onnen
Hasskamp	Knight	Olson, M.	Smith

The bill was passed and its title agreed to.

H. F. No. 524, A bill for an act relating to traffic regulations; authorizing rural postal carriers to operate rural mail delivery vehicles equipped with tires having metal studs, with restrictions; requiring permit from commissioner of transportation; providing a penalty; amending Minnesota Statutes 1992, section 169.72, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dehler	Huntley	Leppik	Neary	Rest	Van Engen
Asch	Delmont	Jacobs	Lieder	Nelson	Rhodes	Vellenga
Battaglia	Dempsey	Jaros	Limmer	Ness	Rice	Vickerman
Bauerly	Dorn	Jefferson	Lindner	Olson, E.	Rukavina	Wagenius
Beard	Erhardt	Jennings	Long	Olson, K.	Sama	Waltman
Bergson	Evans	Johnson, A.	Lourey	Olson, M.	Sekhon	Weaver
Bertram	Finseth	Johnson, R.	Luther	Onnen	Simoneau	Wejcman
Bettermann	Frerichs	Johnson, V.	Lynch	Opatz	Skoglund	Wenzel
Bishop	Girard	Kahn	Macklin	Orenstein	Smith	Winter
Brown, C.	Goodno	Kelley	Mahon	Orfield	Solberg	Wolf
Brown, K.	Greenfield	Kelso	Mariani	Ostrom	Stanius	Worke
Carlson	Greiling	Kinkel	McCollum	Ozment	Steensma	Workman
Carruthers	Gruenes	Klinzing	McGuire	Pauly	Sviggum	Spk. Anderson, I.
Clark	Gutknecht	Knickerbocker	Milbert	Pawlenty	Swenson	•
Commers	Hasskamp	Knight	Molnau	Pelowski	Tomassoni	
Cooper	Haukoos	Koppendrayer	Morrison	Perlt	Tompkins	· -
Dauner	Hausman	Krinkie	Mosel	Peterson	Trimble	
Davids	Holsten	Krueger	Munger	Pugh	Tunheim	
Dawkins	Hugoson	Lasley	Murphy	Reding	Van Dellen	
	-			•		

Those who voted in the negative were:

Kalis

Abrams

Seagren

The bill was passed and its title agreed to.

H. F. No. 1186, A bill for an act relating to the environment; adding cross references for existing civil penalties for littering; amending Minnesota Statutes 1992, sections 85.20, subdivision 6; 115A.99; 169.421; 375.18, subdivision 14; and 412.221, subdivision 22.

The bill was read for the third time and placed upon its final passage.

Rodosovich

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	Bauerly	Bettermann	Carlson	Cooper	Dehler	
Anderson; R.	Beard	Bishop	Carruthers	Dauner	Delmont	
Asch	Bergson	Brown, C.	Clark	Davids	Dempsey	
Battaglia	Bertram	Brown, K.	Commers	Dawkins	Dom	]

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Erhardt Evans Finseth Frerichs

## JOURNAL OF THE HOUSE

[70TH DAY

19 - 19 - 19 - 19 - 19 - 19 - 19 - 19 -						
Garcia	Jefferson	Krueger	Milbert	Ozment	Sekhon	Vellenga
Girard	Jennings	Lasley	Molnau	Pauly	Simoneau	Vickerman
Goodno	Johnson, A.	Leppik	Morrison	Pawlenty	Skoglund	Wagenius
Greenfield	Johnson, R.	Lieder	Mosel	Pelowski	Smith	Waltman
Greiling	Johnson, V.	Limmer	Munger	Perlt	Solberg	Weaver
Gruenes	Kahn	Lindner	Murphy	Peterson	Stanius	Weicman
Gutknecht	Kalis	Long	Neary	Pugh	Steensma	Wenzel
Hasskamp	Kelley	Lourey	Ness	Reding	Sviggum	Winter
Haukoos	Kelso	Luther	Olson, E.	Rest	Swenson	Wolf
Hausman	Kinkel	Lynch	Olson, M.	Rhodes	Tomassoni	Workman
Holsten	Klinzing	Macklin	Onnen	Rice	Tompkins	Spk. Anderson, I.
Hugoson	Knickerbocker	Mahon	Opatz	Rodosovich	Trimble	• · · · ·
Huntley	Knight	Mariani	Orenstein	Rukavina	Tunheim	
Jacobs	Koppendraver	McCollum	Orfield	Sarna	Van Dellen	
Jaros	Krinkie	McGuire	Ostrom	Seagren	Van Engen	,

The bill was passed and its title agreed to.

H. F. No. 1811, A bill for an act relating to school bus drivers; designating second Monday of January as Minnesota School Bus Driver Day; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the third time 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 33 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Greiling	Klinzing	Morrison	Pauly	Skoglund
Anderson, R.	Dauner	Hasskamp	Knickerbocker	Mosel	Pelowski	Smith
Asch	Davids	Hoisten	Krueger	Munger	Perlt	Solberg
Battaglia	Dawkins	Huntley	Lasley	Murphy	Peterson	Steensma
Bauerly	Dehler	Jacobs	Lieder	Neary	Pugh	Swenson
Beard	Delmont	Jaros	Lourey	Nelson	Reding	Tomassoni
Bergson	Dempsey	Jefferson	Luther	Ness	Rest	Tompkins
Bertram	Dorn	Jennings	Macklin	Olson, E.	Rhodes	Trimble
Bishop	Erhardt	Johnson, A.	Mahon	Onnen	Rice	Tunheim
Brown, C.	Evans	Johnson, R.	Mariani	Opatz	Rodosovich	Wagenius
Brown, K.	Finseth	Johnson, V.	McCollum	Orenstein	Rukavina	Wejcman
Carlson	Garcia	Kalis	McGuire	Orfield	Sarna	Wenzel
Carruthers	Girard	Kelso	Milbert	Ostrom	Sekhon	Winter
Clark	Greenfield	Kinkel	Molnau	Ozment	Simoneau	Spk. Anderson, I.
			• .			•

Those who voted in the negative were:

Bettermann	Gutknecht	Knight	Lindner	Pawlenty	Van Engen	Wolf
Commers	Haukoos	Koppendrayer	Long	Seagren	Vellenga	Worke
Frerichs	Hugoson	Krinkie	Lynch	Stanius	Vickerman	Workman
Goodno	Kahn	Leppik	Olson, K.	Sviggum	Waltman	
Gruenes	Kelley	Limmer	Olson, M.	Van Dellen	Weaver	

The bill was passed and its title agreed to.

H. F. No. 1906, A bill for an act relating to state trails; routing an existing trail; establishing new trails; amending Minnesota Statutes 1992, section 85.015, subdivision 7, and 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 130 yeas and 0 nays as follows:

## 70TH DAY]

## Those who voted in the affirmative were:

Hugoson

Huntley

lefferson

Jennings

Johnson, R.

Iacobs

laros

Kahn

Kalis

Kellev

Kelso

Kinkel

Knight

Krinkie

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids

Dawkins Dehler Delmont Dempsey Dom Erhardt Evans Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Hasskamp Haukoos Hausman

Holsten

Krueger Lasley Leppik Lieder Limmer Lindner Íohnson, A. Long Lourey Johnson, V. Luther Lynch Macklin Mahon Mariani McCollum Klinzing Knickerbocker McGuire Milbert Molnau Koppendrayer Morrison Mosel

Munger Murphy Nearv Nelson Ness Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Ostrom Ozment Pauly Pawlentv Pelowski Perlt Peterson Pugh

Reding Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins

Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

## **GENERAL ORDERS**

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Anderson, I., in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

## REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 1880, 1964 and 423 were recommended to pass.

S. F. No. 1512 was recommended for progress.

On the motion of Carruthers the report of the Committee of the Whole was adopted.

## ROLL CALLS IN THE COMMITTEE OF THE WHOLE

Pursuant to rule 1.06, the following roll calls were taken in the Committee of the Whole:

Mariani moved to amend H. F. No. 1880 as follows:

Page 1, line 24, before the period, insert "where such act physically interferes with, or causes physical harm to, the person or property of another"

The question was taken on the Mariani amendment and the roll was called. There were 26 yeas and 99 nays as follows:

Those who voted in the affirmative were:

Bishop	Dom	Hausman	Long	Munger	Orfield
Carlson	Evans	Jaros	Lourey	Neary	Sekhon
Clark	Greenfield	Kahn	Mariani	Olson, K.	Skoglund
Dawkins	Greiling	Kelley	McGuire	Orenstein	Vellenga

Wagenius Wejcman

Rodosovich Anderson, R. Dempsey **Jefferson** Leppik Olson, E. Battaglia Erhardt Iennings Lieder Olson, M. Sarna Bauerly Johnson, A. Limmer Finseth Onnen Seagren Opatz Beard Frerichs Johnson, R. Lindner Simoneau Bergson Garcia Johnson, V. Luther Ostrom Smith Solberg Bertram Girard Kalis Lvnch Ozment Bettermann Goodno Kelso Macklin Pauly Stanius Brown, C. Gruenes Kinkel Mahon Pawlenty Steensma Milbert Carruthers Gutknecht Klinzing Pelowski Sviggum Commers Hasskamp Knickerbocker Molnau Perlt Swenson Cooper Haukoos Knight Morrison Peterson Tomassoni Holsten Koppendrayer Dauner Mosel Pugh Tompkins Davids Hugoson Krinkie Murphy Reding Tunĥeim Dehler Huntley Krueger Nelson Van Dellen Rest Delmont Jacobs Lasley Ness Rhodes Van Engen

Vickerman Waltman Weaver Wenzel Winter Wolf Worke Workean Spk. Anderson, I.

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 1880 and the roll was called. There were 100 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Those who voted in the negative were:

Anderson, R.	Dehler	Holsten	Krinkie	Ness	Rhodes	Van Engen
Bauerly	Delmont	Hugoson	Krueger	Olson, E.	Rodosovich	Vickerman
Beard	Dempsey	Jacobs	Lieder	Olson, M.	Sarna	Waltman
Bergson	Dom	Jefferson	Limmer	Onnen	Seagren	Weaver
Bertram	Erhardt	Jennings	Lindner	Opatz	Simoneau	Wenzel
Bettermann	Evans	Johnson, A.	Luther	Ostrom	Smith	Winter
Bishop	Finseth	Johnson, R.	Lynch	Ozment	Solberg	Wolf
Brown, C.	Frerichs	Johnson, V.	Macklin	Pauly	Stanius	Worke
Brown, K.	Garcia	Kalis	Mahon	Pawlenty	Steensma	Workman
Carlson	Girard	Kelso	Milbert	Pelowski	Sviggum	Spk. Anderson, I.
Carruthers	Goodno	Kinkel	Molnau	Perit	Swenson	•
Commers	Gruenes	Klinzing	Morrison	Peterson	Tomassoni	
Cooper	Gutknecht	Knickerbocker	Mosel	Pugh	Tompkins	
Dauner	Hasskamp	Knight	Murphy	Reding	Tunheim	
Davids	Haukoos	Koppendraver	Nelson	Rest	Van Dellen	

Those who voted in the negative were:

Battaglia Clark	Greiling	Kahn Kellev	Mariani McGuire	Olson, K. Orenstein	Skoglund Vellenga
Dawkins	Hausman Huntley	Long	Munger	Osthoff	Wagenius
Greenfield	Jaros	Lourey	Neary	Sekhon	Wejcman

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Steensma moved that his name be stricken and the name of Winter be added as chief author on H. F. No. 256. The motion prevailed.

Garcia moved that the name of Huntley be added as an author on H. F. No. 423. The motion prevailed.

McGuire moved that the name of Johnson, V., be added as an author on H. F. No. 1757. The motion prevailed.

Reding moved that the name of Davids be added as an author on H. F. No. 1906. The motion prevailed.

Finseth moved that the name of Johnson, V., be added as an author on H. F. No. 1938. The motion prevailed.

Greenfield moved that the name of Lindner be added as an author on H. F. No. 2364. The motion prevailed.

Rest moved that the name of Leppik be added as an author on H. F. No. 2470. The motion prevailed.

Molnau moved that the names of Bergson and Workman be added as authors on H. F. No. 2568. The motion prevailed.

McGuire moved that the name of Macklin be added as an author on H. F. No. 2596. The motion prevailed.

Murphy moved that the names of Carlson and Vellenga be added as authors on H. F. No. 2647. The motion prevailed.

Knight moved that the names of Workman and Asch be added as authors on H. F. No. 2681. The motion prevailed.

Steensma moved that H. F. No. 697 be recalled from the Committee on Capital Investment and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Solberg moved that H. F. No. 1888 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Kahn moved that H. F. No. 2561 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Education. The motion prevailed.

## ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 17, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 17, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION — 1994

## SEVENTY-FIRST DAY

# SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 16, 1994

The Senate met on Wednesday, March 16, 1994, which was the Seventy-first Legislative Day of the Seventy-eighth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.

## STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION --- 1994

## SEVENTY-SECOND DAY

## SAINT PAUL, MINNESOTA, THURSDAY, MARCH 17, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Representative James I. Rice, District 58A, Minneapolis, Minnesota.

The roll was called and the following members were present:

Delmont

Dempsey

Dorn

Erhardt

Evans

Farrell

Finseth

Frerichs

Garcia

Girard

Goodno

Greiling

Gruenes

Gutknecht

Hasskamp

Haukoos

Hausman

Holsten

Hugoson

Abrams ... Anderson, R. Asch Battaglia Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Davids Dawkins Dehler

Huntley **Iacobs Taros** Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger

Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lvnch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison Mosel Munger

Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perit Peterson

Pugh Reding Rest Rhodes Rice Rodosovich<sup>•</sup> Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni

Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

Bauerly, Dauner and Greenfield were excused.

The Chief Clerk proceeded to read the Journals of the preceding days. Bertram moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 1691 and H. F. No. 1891, 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. 1691 be substituted for H. F. No. 1891 and that the House File be indefinitely postponed. The motion prevailed.

## JOURNAL OF THE HOUSE

S. F. No. 1820 and H. F. No. 1965, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Bishop moved that S. F. No. 1820 be substituted for H. F. No. 1965 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1709 and H. F. No. 1858, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Rest moved that the rules be so far suspended that S. F. No. 1709 be substituted for H. F. No. 1858 and that the House File be indefinitely postponed. The motion prevailed.

## **REPORTS OF STANDING COMMITTEES**

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1374, A bill for an act relating to child labor standards; setting minimum age, maximum hour, curfew, permit, and other standards; appropriating money; amending Minnesota Statutes 1992, sections 181.85, subdivision 3; 181A.03, by adding a subdivision; 181A.06, subdivision 1; 181A.07; 181A.08, subdivision 1; 181A.09, subdivisions 1 and 2; 181A.12; proposing coding for new law in Minnesota Statutes, chapter 181A; repealing Minnesota Statutes 1992, sections 181A.05; 181A.05; 181A.09, subdivision 3; and 181A.11.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [STUDY; CHILD LABOR.]

The department of labor and industry shall study the issue of child labor. The study shall:

(1) assess employer compliance with state and federal child labor laws and the effectiveness of current department enforcement actions and initiatives in protecting working children from child labor violations;

(2) evaluate the legal employment of children under exclusions from child labor laws and the incidence of child labor employment under exclusions;

(3) evaluate proposals to amend child labor laws to set maximum hours of work for all minors, to require work permits for all working minors, to require satisfactory educational performance of working minors, to require labor law education before beginning work, to amend hazardous occupation orders to reflect changes in work and safety problems, and to create new penalties and enforcement mechanisms for violations.

In conducting the study, the department shall consult with representatives of children, students, teachers, parents, small and large employers, and organized labor. The department of health shall cooperate with the department of labor and industry in providing information and staff assistance necessary to complete the study. By February 1, 1995, 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 child labor."

Delete the title and insert:

"A bill for an act relating to employment; requiring the department of labor and industry to study and report recommendations on child labor."

With the recommendation that when so amended the bill pass.

72ND DAY]

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1449, A bill for an act relating to motor vehicles; requiring licensing of certain persons engaged in commercial practices related to new motor vehicles; providing for service of process for certain alleged violations; providing civil penalty; amending Minnesota Statutes 1992, section 168.27, subdivision 2, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Sama from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1846, A bill for an act relating to economic development; appropriating money for a women-owned business study.

Reported the same back with the following amendments:

Page 1, line 18, after the period, insert "The study must also include and report on methods of assisting women-owned businesses in other states."

Page 1, line 19, after "findings" insert "with preliminary recommendations for addressing the barriers based on the survey and the identification of assistance provided in other states,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1900, A bill for an act relating to economic development; establishing a coordinator of international affairs; establishing an advisory committee; providing for appointments; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116].

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116].972] [OFFICE OF COORDINATOR OF INTERNATIONAL PROTOCOL AND AFFAIRS.]

<u>Subdivision 1.</u> [ESTABLISHMENT; PURPOSE.] The office of coordinator of international protocol and affairs is established to coordinate the nontrade international activities of state government, to advance state actions to deal with international issues and international relations, to promote mutual cooperation and understanding between the citizens of Minnesota and the citizens of other countries, and to aid and facilitate the international protocol needs of the elected officials and nonprofit organizations of the state of Minnesota.

Subd. 2. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them.

(1) "office" means the office of coordinator of international protocol and affairs;

(2) "coordinator" means the coordinator of international protocol and affairs; and

(3) "advisory committee" means the international advisory committee established under subdivision 3.

<u>Subd. 3.</u> [ADVISORY COMMITTEE.] <u>A committee comprised of seven members shall be established to advise the coordinator in carrying out the duties assigned under this section. The advisory committee consists of the commissioner of the department of trade and economic development or designee; three public members appointed by the governor representing international cultural organizations, education institutions, and business organizations; a representative of a statewide organization of local elected officials; a member of the senate appointed under the rules of the senate; and a member of the house appointed by the speaker. The advisory committee shall meet at least four times per year at the request of the coordinator. Compensation and expenses of legislative members are as provided for under section 3.101. Terms and compensations of public members and local officials is as provided for under section 15.059.</u>

Subd. 4. [DUTIES.] The office has the power and authority to perform the following duties:

(1) inventory and monitor state-, county-, and locally-funded programs and activities that host foreign visitors to Minnesota;

(2) advise elected officials on proper protocol in hosting official foreign visitors;

(3) be available to advise Minnesota nonprofit organizations on proper protocol in hosting foreign visitors;

(4) propose measures to promote tourism cultural and educational exchanges between Minnesota and other countries; and

(5) monitor federal issues dealing with immigration policies, international agreements, and dispute resolutions to assess their impact on Minnesota laws and programs.

<u>Subd. 5.</u> [FUNDING.] The coordinator shall use funds specifically appropriated by the legislature to carry out the duties of the office under this section. The coordinator is authorized to seek and receive federal money. The office may accept and expend gifts and grants of any type from any source in carrying out the purpose of this section.

Subd. 6. [ANNUAL REPORT.] The coordinator shall report annually on the activities of the office to the legislature and governor.

Subd. 7. [STAFFING.] The commissioner of the department of trade and economic development shall provide staff to work for the office. The coordinator shall be in the unclassified service and attached to the Minnesota trade office.

Sec. 2. [APPROPRIATIONS.]

<u>\$..... is appropriated from the general fund to the commissioner of trade and economic development for fiscal year</u> <u>1995 to establish the office of international protocol and affairs.</u>"

Delete the title and insert:

"A bill for an act relating to international protocol and affairs establishing an office of international protocol and affairs; establishing an advisory committee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1961, A bill for an act relating to economic development; removing the prohibition on use of state money for the board of invention; repealing Minnesota Statutes 1993 Supplement, section 116J.990, subdivision 7.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Governmental Operations and Gambling.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1984, A bill for an act relating to commerce; requiring a study of the credit needs of women-owned businesses; appropriating money.

Reported the same back with the following amendments:

Page 2, line 18, delete "February" and insert "January"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1985, A bill for an act relating to partnerships; providing for the registration and operation of limited liability partnerships; amending Minnesota Statutes 1992, sections 319A.02, subdivision 5; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1, 1a, and 2; 323.02, subdivision 8, and by adding a subdivision; 323.06; 323.14; 323.17; 323.35; and 323.39; Minnesota Statutes 1993 Supplement, section 319A.02, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 323.

Reported the same back with the following amendments:

Page 13, line 13, before "<u>A</u>" insert "(<u>a</u>)"

Page 13, after line 27, insert:

"(b) When the dissolved limited liability partnership has wound up its affairs, it shall file with the secretary of state a termination notice that contains the following information:

(1) the name of the limited liability partnership;

(2) that the limited liability partnership has dissolved and wound up its affairs; and

(3) that the limited liability partnership is terminated.

The notice must be signed by one former general partner who has not wrongfully dissolved the partnership. There is no fee for the termination filing."

Page 15, lines 17, 23, and 26, after "business" insert "in this state"

Page 16, after line 8, insert:

"Sec. 20. [APPROPRIATION.]

\$..... is appropriated from the general fund to the secretary of state for implementation of this act."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2003, A bill for an act relating to game and fish; providing a small game hunting license exemption for disabled veterans; amending Minnesota Statutes 1992, sections 97A.441, subdivision 6; and 97B.601, subdivision 4.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2010, A bill for an act relating to the environment; requiring a person who arranges for management of solid waste in an environmentally inferior manner to indemnify generators of the waste and, for a landfill, set aside a fund to pay for contamination from the landfill; proposing coding for new law in Minnesota Statutes, chapter 115A.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2029, A bill for an act relating to veterans; establishing a veterans' cemetery; providing for funding; appropriating money; amending Minnesota Statutes 1992, sections 349.212, subdivision 1; 349.213, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.12, subdivision 25; and 349.212, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 197; repealing Minnesota Statutes 1992, section 197.235.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [197.236] [VETERANS' CEMETERY.]

<u>Subdivision 1.</u> [ADVISORY COUNCIL; PURPOSE.] The veterans' cemetery advisory council is established for the purpose of advising the commissioner of veterans affairs on all matters relating to the development, operation, and maintenance of the cemetery established under this section, and to manage the fundraising for the veterans cemetery trust account established in subdivision 6. The advisory council and its members are governed by section 15.059, except that the council does not expire, and the terms of members are governed by subdivision 2. The council shall meet at least guarterly. The commissioner of the department of veterans affairs shall provide administrative support and meeting space for the advisory council.

<u>Subd. 2.</u> [COUNCIL MEMBERSHIP; TERMS.] The advisory council is composed of nine members appointed by the governor, subject to the advice and consent of the senate. One member each must be appointed from the membership of the following organizations: the Veterans of Foreign Wars, the American Legion, and the Disabled American Veterans. One member must be appointed from the membership of the auxiliary of any of these three veterans organizations. One member must have experience in mortuary science or funeral home operations. One member must have experience in mortuary science or funeral home operations. One member must have experience in mortuary science or funeral home operations. One member must have experience in community affairs, forms of public service, or legal work, and at least two of these persons must be veterans. No fewer than four nor more than five of the members must be residents of the metropolitan area as defined in section 473.121, subdivision 2, and not more than six of the members must be of the same gender. All members of the advisory council must be legal residents of the state of Minnesota while serving on the council. Members' terms of service on the advisory council are as follows: three persons each must be appointed for two-year, four-year, and six-year terms; upon expiration of any member's term, a person must be appointed to that position for a six-year term. No person may serve consecutive terms on the advisory council, except that any person serving a two- or four-year term may be reappointed to one consecutive six-year term. The chair of the council must be designated by the governor.

<u>Subd. 3.</u> [OPERATION AND MAINTENANCE.] <u>The commissioner of veterans affairs shall supervise and control</u> the veterans' cemetery established under this section. The commissioner may contract for the maintenance and operation of the cemetery. All personnel, equipment, and support necessary for maintenance and operation of the cemetery, as well as the expenses and per diem of the advisory council, must be included in the department's budget.

<u>Subd. 4.</u> [ACQUISITION OF PROPERTY.] By August 1, 1994, or as soon thereafter as practicable, the department of veterans affairs shall receive by gift and establish ownership of the site of approximately 36 acres adjacent to Camp Ripley in Morrison county that has been prepared for the purpose of a state veterans' cemetery by the Minnesota state veterans' cemetery association. Prior to the acquisition of this land, the department must obtain the approval of the Morrison county board. The department may also receive any equipment and materials granted to the state or any of its political subdivisions for this purpose.

Subd. 5. [RULES.] If practicable, the commissioner shall require that upright granite markers be used to mark all gravesites.

<u>Subd. 6.</u> [PERMANENT MAINTENANCE ACCOUNT.] <u>A veterans' cemetery maintenance account is established</u> in the special revenue fund of the state treasury. Receipts for burial fees, earnings from the veterans' cemetery trust account, designated appropriations, and any other cemetery receipts must be deposited into this account. This account must be used for the development, operation, maintenance, and improvement of the cemetery, and to pay the expenses and per diem of the advisory council. To the extent practicable, the commissioner of veterans affairs must apply for available federal grants for the development and operation of the cemetery.

<u>Subd.</u> 7. [PERMANENT TRUST ACCOUNT.] <u>A veterans' cemetery trust account is established in the special</u> revenue fund of the state treasury. All designated appropriations and monetary donations to the cemetery must be placed in this account. The principal of this account must be invested by the state board of investment and may not be spent. The income from this account must be transferred as directed by the account manager to the veterans' cemetery maintenance account.

Subd. 8. [ELIGIBILITY FOR BURIAL.] The following persons are eligible for burial in the state veterans' cemetery:

(1) a veteran who has been discharged, under other than dishonorable conditions, from the armed forces of the United States;

(2) a person who has completed qualified service for retirement from, or died in the line of duty for, the Minnesota national guard or any Minnesota reserve component of the United States military forces; and

(3) the spouse or dependent child of a person in clause (1) or (2).

<u>Subd.</u> 9. [BURIAL FEES.] The commissioner of veterans affairs shall establish a fee schedule, which may be adjusted from time to time, for the interment of eligible family members. The fees shall cover as nearly as practicable the actual costs of interment, excluding the value of the plot. The department may accept the social security burial allowance, if any, of the eligible family members in an amount not to exceed the actual cost of the interment. The commissioner may waive the fee in the case of an indigent eligible person.

No plot or interment fees may be charged for the burial of eligible veterans, members of the national guard, or military reservists, except that funds available from the social security or veterans burial allowances, if any, must be paid to the commissioner in an amount not to exceed the actual cost of the interment, excluding the value of the plot.

Prior to the interment of an eligible person, the commissioner shall request the cooperation of the eligible person's next of kin in applying to the appropriate federal agencies for payment to the cemetery of any allowable interment allowance.

<u>Subd. 10.</u> [ALLOCATION OF PLOTS.] <u>A person, or survivor of a person, eligible for interment in the state</u> veterans' cemetery may apply for a burial plot for the eligible person by submitting a request to the commissioner of veterans affairs on a form supplied by the department. The department shall allot plots on a first-come, first-served basis. To the extent that it is practical, plots must be allocated in a manner permitting the burial of eligible family members above, below, or adjacent to the eligible veteran, member of the national guard, or military reservist.

## Sec. 2. [APPROPRIATION.]

\$750,000 is appropriated from the general fund to the department of veterans affairs to be placed in the veterans' cemetery maintenance account of the special revenue fund of the state treasury for use in the development, operation, and maintenance of the state veterans' cemetery established in section 1, and to pay the expenses and per diem of its advisory council. This amount is available until expended.

<u>\$.....</u> is appropriated from the general fund to the department of veterans affairs to be placed in the veterans' cemetery trust account of the special revenue fund of the state treasury where it shall remain permanently as principal for use as specified in section 1, subdivision 6.

Sec. 3. [REPEALER.]

Minnesota Statutes 1992, section 197.235, is repealed.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective July 1, 1994."

Amend the title as follows:

Page 1, delete lines 4 to 6

Page 1, line 7, delete "25; and 349.212, subdivision 4;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2033, A bill for an act relating to landlords and tenants; granting tenants the right to organize and assemble; requiring 24 hour written notice by landlord before entry; providing penalties; amending Minnesota Statutes 1992, sections 566.03, subdivision 2; and 566.28; proposing coding for new law in Minnesota Statutes, chapter 504.

Reported the same back with the following amendments:

Page 1, after line 17, insert:

"(d) "Common areas," for purposes of assembling as provided in subdivision 2, means those areas of the building where tenants and invited guests may congregate."

Page 1, line 23, after "purposes" insert "related to the tenancy"

Page 2, after line 18, insert:

"(c) "Premises" means a dwelling unit and does not include common areas or a lot rented under a rental agreement or in conjunction with a rented dwelling unit.

(d) "Emergency" means a situation in which (1) a tenant is not at home or refuses to permit entry and (2) a clear and substantial threat of physical damage to the premises or harm to the tenant exists."

Page 2, delete lines 23 to 28, and insert:

"Subd. 3. [NOTICE REQUIRED.] (a) An owner's agent or person acting under the owner's direction and control shall not enter the premises rented by a tenant without permission from the tenant. Except as provided under paragraph (b), the tenant may require 24-hour written notice for the owner or a person acting under the owner's direction to enter."

Page 3, line 15, delete everything before the comma, and insert "tenant permission as required under subdivision 3, paragraph (a)"

Page 3, line 22, delete "giving" and delete "24 hours" and insert "giving permission"

Page 3, line 23, delete "written notice"

Page 3, line 26, delete "WAIVER PROHIBITED;"

Page 3, line 31, after "modified" insert ", except by the tenant's permission, either orally or in writing, for the specific instance for which a waiver or modification is requested'

Amend the title as follows:

Page 1, line 3, delete "requiring" and insert "authorizing a tenant to require a"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2035, A bill for an act relating to commerce; residential building contractors and remodelers; clarifying legislative intent to require maintenance of bonds until license renewal.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 326.975, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] (a) In addition to any other fees, each applicant for a license under sections 326.83 to 326.98 shall pay a fee to the contractor's recovery fund. The contractor's recovery fund is created in the state treasury and must be administered by the commissioner in the manner and subject to all the requirements and limitations provided by section 82.34 with the following exceptions:

(1) each licensee who renews a license shall pay in addition to the appropriate renewal fee an additional fee which shall be credited to the contractor's recovery fund. The amount of the fee shall be based on the licensee's gross annual receipts for the licensee's most recent fiscal year preceding the renewal, on the following scale:

Fee	Gross Receipts
\$100	under \$1,000,000
\$150	\$1,000,000 to \$5,000,000
\$200	over \$5,000,000

Any person who receives a new license shall pay a fee based on the same scale;

(2) the sole purpose of this fund is to compensate any aggrieved owner or lessee of residential property who obtains a final judgment in any court of competent jurisdiction against a licensee licensed under section 326.84, on grounds of fraudulent, deceptive, or dishonest practices, conversion of funds, or failure of performance arising directly out of any transaction when the judgment debtor was licensed and performed any of the activities enumerated under section 326.83, subdivision 19, on the owner's residential property or on residential property rented by the lessee, or on new residential construction which was never occupied prior to purchase by the owner, or which was occupied by the licensee for less than one year prior to purchase by the owner, and which cause of action arose on or after March 31 April 1, 1994; and

(3) nothing may obligate the fund for more than \$50,000 per claimant, nor more than \$50,000 per licensee.

(b) Should the commissioner pay from the contractor's recovery fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license shall be automatically suspended upon the effective date of an order by the court authorizing payment from the fund. No licensee shall be granted reinstatement until the licensee has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the fund on the licensee's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of at least \$40,000."

Page 2, after line 8, insert:

"Subd. 3. [RESIDENTIAL BUILDING CONTRACTORS AND REMODELERS; RECOVERY FUND FEE PRORATED.] <u>A residential building contractor or remodeler licensed under Minnesota Statutes, section 326.84, who</u> does not maintain a license bond under Minnesota Statutes, section 326.94, shall pay a one-twelfth share of the contractor's recovery fund fee set in Minnesota Statutes, section 326.975, subdivision 1, paragraph (a), clause (1), in lieu of the license bond for each month or any portion of a month the licensee is not bonded prior to license renewal."

Page 2, delete line 10 and insert:

"Section 2, subdivisions 1 and 2, are effective retroactive to July 1, 1993. Sections 1 and 2, subdivision 3, are effective April 1, 1994."

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 4, before the period, insert "; requiring recovery fund fee proration in certain circumstances; amending Minnesota Statutes 1993 Supplement, section 326.975, subdivision 1"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2043, A bill for an act relating to recreation green space; requiring a certain public utility to relocate overhead power lines in Indian Mounds Park in Saint Paul.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2086, A bill for an act relating to local government; abandoning judicial ditch number 37 in Redwood and Lyon counties.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2104, A bill for an act relating to the city of Eagan; providing for the establishment of a special service district.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

72ND DAY]

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2143, A bill for an act relating to telecommunications; regulating competitive telephone services and incentive plans; extending expiration dates and making technical changes for certain regulatory provisions; amending Minnesota Statutes 1992, sections 237.161, by adding a subdivision; 237.57, subdivision 4; 237.58, subdivision 1; 237.59, subdivisions 1, 2, 3, 5, and by adding a subdivision; 237.60, subdivision 2; 237.62, subdivision 1; and 237.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Laws 1987, chapter 340, section 26; Laws 1989, chapter 74, sections 25 and 27; Laws 1990, chapter 513, section 3; Laws 1993, chapter 41, section 1.

Reported the same back with the following amendments:

Page 1, line 19, before the period, insert ", or upon the issuance under this subdivision of a final order of the commission to govern extended area service, whichever occurs earlier.

Prior to June 1, 1996, the commission shall complete a proceeding or series of proceedings to investigate issues related to extended area telephone service and shall issue a final order to establish, at a minimum, an orderly and equitable process and standards for determining the configurations of and cost allocations for extended area service in the state. The commission shall provide notice of the proceedings required under this subdivision in the same manner as for rulemaking and shall ensure public participation in the proceedings as for rate changes under section 237.075. The commission may not accept a new petition for extended area service between the effective date of this subdivision and the effective date of the final order issued under this subdivision but shall continue to process petitions pending on that effective date under this section"

Page 2, line 3, after "237.62," insert "237.625,"

Page 3, line 33, before the period, insert "or 10"

Page 5, line 4, after "party" insert "or the commission"

Page 7, line 7, after "no" insert "interested" and after "party" insert "or the commission"

Page 10, line 30, delete "or" and insert "and"

Page 13, after line 31, insert:

# "<u>Minnesota Rules, parts</u> 7815.0700; 7815.0800; 7815.0900; 7815.1000; 7815.1100; 7815.1200; 7815.1300; 7815.1400; and 7815.1500, are repealed."

Page 13, after line 32, insert:

"Section 1 is effective the day following final enactment."

Page 13, line 33, delete "1" and insert "2"

Amend the title as follows:

Page 1, line 12, after "repealing" insert "Minnesota Rules, parts 7815.0700; 7815.0800; 7815.0900; 7815.1000; 7815.1100; 7815.1200; 7815.1300; 7815.1400; and 7815.1500;"

Page 1, line 14, after the semicolon, insert "and"

With the recommendation that when so amended the bill pass.

1,501,000

Clark from the Committee on Housing to which was referred:

H. F. No. 2198, A bill for an act relating to housing projects; providing for a housing bond credit enhancement program administered by the metropolitan council; authorizing the metropolitan council to provide additional security for bonds issued for qualifying housing projects; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 2, line 18, after the period, insert "In developing priorities for projects for the credit enhancement program, the council shall give the highest priority to projects that develop housing for low income households."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 2199, A bill for an act relating to libraries; creating a capital bonding program for library accessibility projects; authorizing the issuance and sale of state bonds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 134.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CAPITAL IMPROVEMENTS APPROPRIATIONS.]

Except as otherwise specifically provided for reduced appropriations and project authorizations, the sums in the column under "APPROPRIATIONS" are appropriated from the bond proceeds fund, or another named fund, to the state agencies or officials indicated, to be spent to acquire and to better public land and buildings and other public improvements of a capital nature, as specified in this act.

## SUMMARY

CENTER FOR ARTS EDUCATION	\$ 1,501,000
EDUCATION	46,737,000
RESIDENTIAL ACADEMIES	2,719,000
TOTAL	\$ 50,957,000
Bond Proceeds Fund	38,320,000
Maximum Effort School Loan Fund	12,737,000
	APPROPRIATIONS \$

#### Sec. 2. CENTER FOR ARTS EDUCATION

Subdivision 1. To the commissioner of administration for the purposes specified in this section

#### 5166

### THURSDAY, MARCH 17, 1994

## APPROPRIATIONS

#### Subd. 2. Dorm Renovation for Boys

\$712,000 is to renovate, furnish, and equip alpha dormitory for 64 beds and related residential living space.

Subd. 3. Dorm Renovation to Recreation Center

\$789,00 is to renovate, furnish, and equip beta dormitory as a physical education and recreation facility.

#### Sec. 3. RESIDENTIAL ACADEMIES

Subdivision 1. To the commissioner of administration for the purposes specified in this section at the Minnesota state residential academies in Faribault

Subd. 2. Noyes Hall East Wing

\$1,588,000 is to renovate, furnish, and equip the east wing of Noyes hall to provide additional classrooms, library media center, and office space for support services.

Subd. 3. Science Classroom

\$35,000 is for renovation of the science classroom at the academy for the blind.

#### Subd. 4. Demolition of Dow Hall

\$1,096,000 is to demolish Dow Hall and the old industrial building. This appropriation includes funding to develop a parking lot on the site.

#### Sec. 4. MAXIMUM EFFORT LOANS

To the commissioner to make debt service loans and capital loans to school districts as provided in Minnesota Statutes, sections 124.36 to 124.46.

The commissioner shall review the proposed plans and budgets of the projects and may reduce the amount of a loan to ensure that a project is 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.

\$2,967,000 is approved for a capital loan to independent school district No. 707, Nett Lake, to complete construction of an elementary school with related improvements and equipment. This appropriation is added to the appropriation in Laws 1993, chapter 373, section 6, subdivision 2.

\$9,770,000 is approved for a capital loan to independent school district No. 727, Big Lake, to construct a new high school; for remodeling, acquisition of equipment, and improvements to the existing elementary school; and for conversion of the present high school to a middle school with related improvements and equipment.

#### 12.737.000

2,719,000

JOURNAL OF THE HOUSE

APPROPRIATIONS

## Sec. 5. COOPERATIVE SECONDARY FACILITIES GRANT

\$6,000,000 is appropriated from the bond proceeds fund for cooperative secondary facilities grants under Minnesota Statutes, sections 124.491 to 124.494.

Notwithstanding Minnesota Statutes, sections 124.491 to 124.494 to the contrary, the commissioner of education shall award a grant of \$5,000,000 according to Minnesota Statutes, section 124.494, subdivision 1, and a grant of \$1,000,000 according to Minnesota Statutes, section 124.494, subdivision 4a, to a group of independent school district Nos. 341, Atwater; 461, Cosmos; and 464, Grove City. The group of districts must enter into a joint powers agreement and must comply with Minnesota Statutes, section 124.494, subdivision 6.

Notwithstanding the 180-day requirement of Minnesota Statutes, section 124.494, subdivision 5, the joint powers board must submit the question to the voters as required in that subdivision between the effective date of this section and November 15, 1994.

#### Sec. 6. SCHOOL BUILDING ACCESSIBILITY GRANTS

.\$5,000,000 is appropriated from the bond proceeds fund to the commissioner of education for grants according to Minnesota Statutes, sections 124C.71 to 124C.73. Up to \$25,000 of this appropriation is available to the department of education for administrative expenses specifically related to the disbursement of the grants. The department may contract for these services.

#### Sec. 7. METROPOLITAN MAGNET SCHOOLS

\$20,000,000 is appropriated from the bond proceeds fund to the commissioner of education for a metropolitan magnet school grant. The commissioner of education, in consultation with a voluntary interdistrict coordinating council, if established, shall award the grant to a group of qualified metropolitan school districts under Minnesota Statutes, section 124C.498. Up to \$250,000 of the appropriation may be used by the grant recipients for facilities planning purposes.

#### Sec. 8. LIBRARY ACCESSIBILITY

\$3,000,000 is appropriated from the bond proceeds fund to the commissioner of education to make grants for library accessibility capital grants.

## Sec. 9. [124C.498] [METROPOLITAN MAGNET SCHOOL GRANTS.]

<u>Subdivision 1.</u> [POLICY AND PURPOSE.] <u>A metropolitan magnet school grant program is established for the purpose of ensuring equal educational opportunities for all school age children residing in the seven-county metropolitan area, regardless of race or socioeconomic status. The program is intended to promote integrated education for students in prekindergarten through grade 12, increase mutual understanding among all students, and address the inability of local school districts to provide required construction funds through local property taxes. The program seeks to encourage school districts located in whole or in part within the seven-county metropolitan area to make available to school age children residing in the metropolitan area those educational programs, services, and facilities that are essential to meeting all children's needs and abilities. The program anticipates using the credit of</u>

## 6,000,000

## 5,000,000

## 20,000,000

3,000,000

the state, to a limited degree, to provide grants to metropolitan area school districts to improve the educational opportunities and academic achievement of disadvantaged children and the facilities that are available to those children.

<u>Subd. 2.</u> [APPROVAL AUTHORITY; PROJECT APPLICATIONS.] To the extent money is available, the commissioner of education, in consultation with a voluntary interdistrict coordinating council, if established, may approve projects from applications submitted under this section. The grant money must be used only to acquire, construct, remodel, or improve the building or site of a magnet school facility according to contracts entered into within 15 months after the date on which a grant is awarded.

<u>Subd. 3.</u> [GRANT APPLICATION PROCESS.] (a) Any group of school districts that meets the criteria required under paragraph (b) may apply for a magnet school grant in an amount not to exceed the lesser of \$10,000,000 or 75 percent of the approved construction costs of a magnet school facility.

(b) 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 magnet school facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel, or improve the facility. The commissioner must not approve an application for a magnet school grant for any facility unless the facility receives a favorable review and comment under section 121.15 and the participating districts:

(1) establish a joint powers board under section 471.59 to represent all participating districts and govern the magnet school facility;

(2) design the planned magnet school facility to meet the applicable requirements contained in Minnesota Rules, chapter 3535;

(3) submit a statement of need, including reasons why the magnet school will facilitate desegregation/integration and improve learning;

(4) prepare an educational plan, that includes input from both community and professional staff; and

(5) develop an education program that will improve learning opportunities for students attending the magnet school.

(c) The districts may develop a plan that permits social service, health, and other programs serving students and community residents to be located within the magnet school facility. The commissioner shall consider this plan when preparing a review and comment on the proposed facility.

(d) When two or more districts enter into an agreement establishing a joint powers board to govern the magnet school facility, all member districts shall have the same powers.

(e) A joint powers board of participating school districts established under paragraphs (b) and (d) that intends to apply for a grant shall adopt a resolution stating the costs of the proposed project, the purpose for which the debt is to be incurred, and an estimate of the dates when the contracts for the proposed project will be completed. A copy of the resolution must accompany any application for a state grant under this section.

(f) The commissioner, in consultation with a voluntary interdistrict coordinating council, if established, shall examine and consider all grant applications. If the commissioner finds that any joint powers district is not a qualified grant applicant, the commissioner shall promptly notify that joint powers board. The commissioner shall make awards to no more than two qualified applicants whose applications have been on file with the commissioner more than 30 days.

(g) A grant award is subject to verification by the joint powers board under paragraph (h). A grant award must not be made until the participating districts determine the site of the magnet school facility. If the total amount of the approved applications exceeds the amount of grant funding that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each gualified joint powers board the amount, if any, of the grant awarded to it.

(h) Each grant must be evidenced by a contract between the joint powers board and the state acting through the commissioner. The contract obligates the state to pay to the joint powers board an amount computed according to paragraph (g) and a schedule, and terms and conditions acceptable to the commissioner of finance.

## Sec. 10. [134.45] [LIBRARY ACCESSIBILITY GRANTS.]

<u>Subdivision 1.</u> [APPLICATION; DEFINITION.] <u>Public library jurisdictions may apply to the commissioner of education for grants to improve accessibility to their library facilities. For the purposes of this section, "public library jurisdictions" means regional public library systems, regional library districts, cities, and counties operating libraries under chapter 134.</u>

<u>Subd. 2.</u> [APPROVAL BY COMMISSIONER.] The commissioner of education, in consultation with the state council on disability, may approve or disapprove applications under this section. The grant money must be used only to remove architectural barriers from a building or site.

Subd. 3. [APPLICATION FORMS.] The commissioner of education shall prepare application forms and establish application dates.

Subd. 4. [MATCH.] A public library jurisdiction applying for a grant under this section must match the grant with local funds.

<u>Subd. 5.</u> [QUALIFICATION.] <u>A public library jurisdiction may apply for a grant in an amount up to 50 percent</u> of the approved costs of removing architectural barriers from a building or site.

<u>Subd. 6.</u> [AWARD OF GRANTS.] The commissioner, in consultation with the state council on disability, shall examine and consider all applications for grants. If a public library jurisdiction is found not qualified, the commissioner shall promptly notify it. The commissioner shall prioritize grants on the following bases: the public library jurisdiction's tax burden, the long-term feasibility of the project, the suitability of the project, and the need for the project. If the total amount of the applications exceeds the amount that is or can be made available, the commissioner shall award grants according to the commissioner's judgment and discretion and based upon a ranking of the projects according to the factors listed in this subdivision. The commissioner shall promptly certify to each public library jurisdiction the amount, if any, of the grant awarded to it.

<u>Subd. 7.</u> [PROJECT BUDGET.] <u>A public library jurisdiction that receives a grant must provide the commissioner</u> with the project budget and any other information the commissioner requests.

## Sec. 11. [INDEPENDENT SCHOOL DISTRICT NO. 518, WORTHINGTON.]

Subdivision 1. [BOND AUTHORITY.] To provide funds for the construction of facilities to meet the educational and residential needs of adolescents attending the Lakeview school for whom independent school district No. 518, Worthington, has the responsibility of providing services, independent school district No. 518, Worthington, may, by two-thirds majority plus one vote of all the members of the school board, issue general obligation bonds in one or more series in calendar years 1994 and 1995 as provided in this section. The aggregate principal amount of any bonds issued under this section for calendar years 1994 and 1995 may not exceed \$2,600,000. Issuance of the bonds is not subject to Minnesota Statutes, section 475.58 or 475.59. If the school board proposes to issue bonds under this section, it must publish a resolution describing the proposed bond issue once each week for two successive weeks in a legal newspaper published in the county of Nobles. The bonds may be issued without the submission of the question of their issue to the electors unless, within 30 days after the second publication of the resolution, a petition requesting an election signed by a number of people residing in the school district equal to ten percent of the people registered to vote in the last general election in the school district is filed with the recording officer. If a petition is filed, no bonds shall be issued under this section unless authorized by a majority of the electors voting on the question at the next general or special election called to decide the issue. The bonds must otherwise be issued as provided in Minnesota Statutes, chapter 475. The authority to issue bonds under this section is in addition to any bonding authority authorized by Minnesota Statutes, chapter 124, or other law.

Subd. 2. [DEBT SERVICE.] Independent school district No. 518, Worthington, shall include the yearly debt service amounts in its required debt service levy under Minnesota Statutes, section 124.95, subdivision 1, for purposes of receiving debt service equalization aid. The district may add the portion of the debt service levy remaining after equalization aid is paid to the amount charged back to resident districts according to Minnesota Statutes, section 120.17, subdivision 6, or 120.181. If, for any reason, the receipt of payments from resident districts and debt service equalization aid attributable to this debt service is not sufficient to make the required debt service payments, the district may levy under subdivision 3. <u>Subd. 3.</u> [LEVY AUTHORITY.] To pay the principal of and interest on bonds issued under subdivision 1, independent school district No. 518, Worthington, shall levy a tax in an amount sufficient under Minnesota Statutes, section 475.61, subdivisions 1 and 3, to pay any portion of the principal of and interest on the bonds that is not paid through the receipt of debt service equalization aid and tuition payments under subdivision 2. The tax authorized under this section is an addition to the taxes authorized to be levied under Minnesota Statutes, chapter 124A or 275, or other law.

Sec. 12. [INCREASE IN AUTHORIZATION.]

Notwithstanding any other law to the contrary, the approved amount of indebtedness authorized by the electors of independent school district No. 38, Red Lake, on December 10, 1991, may be increased by resolution of the board of directors of independent school district No. 38, Red Lake, from \$9,926,070 to an amount not to exceed \$10,075,000.

Sec. 13. [BOND SALE AUTHORIZATION.]

Subdivision 1. [BOND PROCEEDS FUND.] To provide the money appropriated in this act from the bond proceeds fund, the commissioner of finance, upon the request of the governor, shall issue and sell bonds of the state up to the amount of \$38,220,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [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 \$12,737,000 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.

Sec. 14. [EFFECTIVE DATE.]

(a) Sections 1 to 11 and 13 are effective the day following final enactment.

(b) Section 12 is effective retroactive to December 10, 1991, upon the filing of a certificate of local approval in compliance with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; authorizing issuance of bonds; appropriating money with certain conditions; proposing coding for new law in Minnesota Statutes, chapters 124C; and 134."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Capital Investment.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2201, A bill for an act relating to commerce; expanding the scope of department enforcement authority to include additional areas over which they have responsibility; eliminating provisions governing the access to and disclosure of certain data; amending Minnesota Statutes 1992, section 45.027, subdivision 7; and Minnesota Statutes 1993 Supplement, section 45.011, subdivisions 1 and 4.

Reported the same back with the following amendments:

Page 2, lines 14 to 36, reinstate the stricken language

## JOURNAL OF THE HOUSE

Amend the title as follows:

Page 1, line 4, delete "they have" and insert "it has" and delete "eliminating"

Page 1, delete line 5

Page 1, line 6, delete "certain data;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2210, A bill for an act relating to data practices; regulating the classification and release of certain department of commerce data; amending Minnesota Statutes 1992, section 13.71, by adding subdivisions.

Reported the same back with the following amendments:

Pages 1 and 2, delete sections 1 and 2, and insert:

"Section 1. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

<u>Subd. 8.</u> [RELEASE OF COMPLAINT TO RESPONDENT.] <u>The commissioner may provide a copy of a complaint</u> to the subject of the complaint when the commissioner determines that the access is necessary in order to effectively conduct the investigation."

Page 2, line 6, delete "10" and insert "9"

Page 2, line 10, delete "Sections 1 to 3 are" and insert "Section 2 is"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2222, A bill for an act relating to elections; allowing a single polling place for two precincts in certain cases; amending Minnesota Statutes 1992, section 204B.16, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 10, after "county" insert "in the manner specified by the secretary of state"

With the recommendation that when so amended the bill pass.

72ND DAY]

#### THURSDAY, MARCH 17, 1994

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2228, A bill for an act relating to public employees; requiring public employers to afford time off to appointed representatives of an exclusive representative of any Minnesota public employer; amending Minnesota Statutes 1992, section 179A.07, subdivision 6.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2243, A bill for an act relating to employment; restoring the purchasing power of a minimum wage salary; amending Minnesota Statutes 1992, section 177.24, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 23, reinstate the stricken "January" and delete "July"

Page 1, line 24, delete "1994" and insert "1995" and delete "July 1, 1995" and insert "January 1, 1996"

Page 1, line 25, delete "July 1, 1996" and insert "January 1, 1997"

Page 2, line 2, reinstate the stricken "January" and delete "July" and delete "1994" and insert "1995"

Page 2, line 3, delete "July 1, 1995" and insert "January 1, 1996" and delete "July 1, 1996" and insert "January 1, 1997"

Page 2, line 4, delete "July 1, 1997" and insert "January 1, 1998" and delete "July" and insert "January"

Page 2, line 9, delete "consumers," and insert "wage earners"

Page 2, line 10, delete "Minneapolis-St. Paul (CPI-U)" and insert "(CPI-W)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2276, A bill for an act relating to metropolitan government; establishing an elected metropolitan council; providing for a regional administrator and a management team; imposing organizational requirements; imposing duties; clarifying existing provisions and making conforming changes; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivision 7; 16B.58, subdivision 7; 116.16, subdivision 2; 116.182, subdivision 1; 161.173; 161.174; 169.781, subdivision 1; 169.791, subdivision 5; 169.792, subdivision 11; 204B.32, subdivision 2; 221.022; 221.041, subdivision 4; 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.03, subdivision 1; 352.75, subdivision 1; 353D.01, subdivision 2; 422A.01, subdivision 9; 422A.101, subdivision 2a; 462.357, subdivision 2; 471A.02, subdivision 8; 473.121, subdivisions 5a and 24; 473.123, subdivisions 1, 2a, 4, and by adding subdivisions; 473.129; 473.13, subdivision 4; 473.146, subdivisions 1 and 4; 473.149, subdivision 3; 473.1623, subdivision 2; 473.164; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.223; 473.303, subdivisions 2, 3a, 4, 4a, 5, and 6; 473.371, subdivision 1; 473.375, subdivisions 11, 12, 13, 14, and 15; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, 7, and 8; 473.385; 473.386, subdivisions 1, 2, 3, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.388, subdivisions 2, 3, 4, and 5; 473.39, subdivisions 1, 1a, 1b, and by adding a subdivision; 473.391; 473.392; 473.394; 473.399, as amended; 473.405, subdivisions 1, 3, 4, 5, 9, 10, 12, and 15; 473.408, subdivisions 1, 2, 2a, 4, 6, and 7; 473.409; 473.411, subdivisions 3 and 4; 473.415, subdivisions 1, 2, and 3; 473.416; 473.418; 473.42; 473.436, subdivisions 2, 3, and 6; 473.446, subdivisions 1, 1a, 2, 3, and 7; 473.448; 473.449; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.511, subdivisions 1, 2, 3, and 4; 473.512, subdivision 1; 473.513; 473.515, subdivisions 1, 2, and 3; 473.5155, subdivisions 1 and 3; 473.516, subdivisions

2, 3, 4, and 5; 473.517, subdivisions 1, 2, 3, 6, and 9; 473.519; 473.521, subdivisions 1, 2, 3, and 4; 473.523, subdivisions 1 and 2: 473.535; 473.541, subdivision 2: 473.542; 473.543, subdivisions 1, 2, 3, and 4: 473.545; 473.547; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.561; 473.595, subdivision 3; 473.605, subdivision 2; 473.823, subdivision 3; 473.852, subdivisions 8 and 10; and 473.858, subdivision 1; Minnesota Statutes 1993 Supplement, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 115.54; 174.32, subdivision 2; 216C.15, subdivision 1; 221.025; 221.031, subdivision 3a; 275.065, subdivisions 3 and 5a; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.64, subdivision 7a; 400.08, subdivision 3; 473.123, subdivision 3a; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 1; 473.386, subdivision 2a; 473.3994, subdivision 10; 473.3997; 473.4051; 473.407, subdivisions 1, 2, 3, 4, 5, and 6; 473.411, subdivision 5; 473.446, subdivision 8; and 473.516, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 14a, 15, and 21; 473.122; 473.123, subdivisions 3, 5, and 6; 473.141, as amended; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.373, as amended; 473.375, subdivisions 1, 2, 3, 4, 5, 6, 7, 10, 16, 17, and 18; 473.377; 473.38, subdivision 3; 473.384; 473.388, subdivision 6; 473.404, as amended; 473.405, subdivisions 2, 6, 7, 8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5, 473.517, subdivision 8, 473.535, 473.543, subdivision 5, and 473.553, subdivision 4a, Minnesota Statutes 1993 Supplement, sections 473.3996, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 9, line 8, delete "A special"

Page 9, delete lines 9 to 11

Page 11, after line 19, insert:

"Sec. 12. [473.124] [METROPOLITAN COUNCIL; CAMPAIGN FINANCING; DISCLOSURE OF ECONOMIC INTERESTS; CONFLICTS OF INTEREST.]

Sections 473.124 to 473.1258 apply to the financing of campaigns for metropolitan council, disclosure of economic interests by candidates and elected members of the metropolitan council, and conflict of interest for members of the metropolitan council. Sections 211A.02 to 211A.07 do not apply to the financing of campaigns for elections to the metropolitan council.

Sec. 13. [473.1241] [DEFINITIONS.]

<u>Subdivision 1.</u> [CAMPAIGN FINANCE, DISCLOSURE LAW.] For the purposes of sections 473.124 to 473.1258, the terms defined in this section have the meanings given them. The terms defined in chapter 200 also apply to sections 473.124 to 473.1258, unless a different meaning is specified in this section.

<u>Subd. 2.</u> [ADVANCE OF CREDIT.] <u>"Advance of credit" means any money owed for goods provided or services</u> rendered. <u>An advance of credit is an expenditure in the year in which the goods or services are used or consumed.</u> <u>Advance of credit does not mean "loan" as defined in subdivision 11.</u>

<u>Subd.</u> 3. [ASSOCIATION.] <u>"Association" means a business, corporation, firm, partnership, committee, labor organization, club, or any other group of two or more persons, which includes more than an immediate family, acting in concert.</u>

Subd. 4. [BOARD.] "Board" means the ethical practices board.

<u>Subd. 5.</u> [BUSINESS WITH WHICH THE INDIVIDUAL IS ASSOCIATED.] <u>"Business with which the individual</u> is associated" means any association in connection with which the individual is compensated in excess of \$50 except for actual and reasonable expenses in any month as a director, officer, owner, member, partner, employer or employee, or is a holder of securities worth \$2,500 or more at fair market value.

Subd. 6. [CANDIDATE.] "Candidate" means an individual, not within the definition of candidate of section 10A.01, subdivision 5, who seeks nomination or election to the metropolitan council.

72ND DAY]

Subd. 7. [CONTRIBUTION.] "Contribution" means a transfer of funds or a donation in kind.

(a) Contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, if that loan or advance of credit is (1) forgiven, or (2) paid by an entity other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made.

(b) Contribution does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, political committee or fund, or the publishing or broadcasting of news items or editorial comments by the news media.

<u>Subd. 8.</u> [DONATION IN KIND.] <u>"Donation in kind" means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee to influence the outcome of an election.</u>

Subd. 9. [ELECTION.] "Election" means an election held to nominate or elect a candidate to the metropolitan council.

<u>Subd. 10.</u> [EXPENDITURE.] "Expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred to influence the outcome of any election. Expenditure does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, political committee or fund, or the publishing or broadcasting of news items or editorial comments by the news media.

Subd. 11. [LOAN.] "Loan" means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee.

Subd. 12. [POLITICAL COMMITTEE.] "Political committee" means any political party, association, or person other than an individual that seeks as its major purpose to influence the outcome of any election.

<u>Subd. 13.</u> [POLITICAL FUND.] <u>"Political fund" means any accumulation of dues or voluntary contributions by an association other than a political committee, which accumulation is collected or expended to influence the outcome of any election.</u>

Subd. 14. [PRINCIPAL CAMPAIGN COMMITTEE.] "Principal campaign committee" means the single political committee designated by a candidate.

<u>Subd. 15.</u> [TRANSFER OF FUNDS OR TRANSFER.] <u>"Transfer of funds" or "transfer" means money or negotiable</u> instruments given by an individual or association to a political committee, political fund, or principal campaign committee to influence the outcome of any election.

Sec. 14. [473.1242] [POLITICAL COMMITTEES; METROPOLITAN COUNCIL ELECTIONS.]

<u>Subdivision 1.</u> [OFFICERS.] Every political committee shall have a chair and a treasurer, who may be the same individual. The treasurer may designate deputy treasurers and is responsible for their accounts. The treasurer shall designate a single depository and account for all contributions received by the political committee.

<u>Subd. 2.</u> [PROHIBITIONS; ACCEPTANCE OF CERTAIN CONTRIBUTIONS; COMMINGLING OF FUNDS.] <u>A</u> contribution must not be accepted and an expenditure must not be made by or on behalf of a political committee while the office of treasurer is vacant. An anonymous contribution in excess of \$20 must not be retained by the political committee but must be forwarded to the state ethical practices board and deposited in the general fund. Funds of the political committee must not be commingled with the personal funds of any officer, member, or associate of the committee. Any individual who violates a provision of this subdivision is guilty of a misdemeanor.

Sec. 15. [473.1243] [POLITICAL FUNDS.]

<u>Subdivision 1.</u> [WHEN REQUIRED.] An association other than a political committee must not transfer more than \$100 in aggregate in any one year to candidates or political committees or make any expenditure unless the transfer or expenditure is made from a political fund.

<u>Subd. 2.</u> [TREASURER; COMMINGLING OF FUNDS; ANONYMOUS CONTRIBUTIONS.] <u>Each association that</u> has a political fund shall elect or appoint a treasurer of the political fund. <u>Contributions to the political fund must</u> not be accepted and expenditures from the fund must not be made while the office of treasurer is vacant. The

contents of the political fund must not be commingled with any other funds or with the personal funds of any officer or member of the fund. An anonymous contribution in excess of \$20 must not be retained by the political fund but must be forwarded to the state ethical practices board and deposited in the general fund.

<u>Subd. 3.</u> [USE OF DUES AND MEMBERSHIP FEES.] <u>Notwithstanding subdivision 1, the association may, if not</u> prohibited by other law, deposit in its political fund money derived from dues or membership fees. The treasurer of the fund, in any report required by section 473.1247, shall disclose the name of any member whose dues, membership fees, and contributions deposited in the political fund in any one year exceed \$50 in the aggregate.

Subd. 4. [PENALTY.] Any person who knowingly violates the provisions of this section is guilty of a misdemeanor.

Sec. 16. [473.1244] [PRINCIPAL CAMPAIGN COMMITTEE.]

Every candidate who receives contributions or makes expenditures in excess of \$100 shall designate and cause to be formed a single political committee which shall be known as the candidate's principal campaign committee. The candidate shall make expenditures only through the candidate's principal campaign committee. The candidate may be the chair and treasurer of the principal campaign committee.

Sec. 17. [473.1245] [REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.]

Subdivision 1. [FILING OFFICE; DEADLINE.] Every political committee, political fund, and principal campaign committee shall register with the board within 14 days after the date by which the committee or fund has received contributions or made expenditures in excess of \$100.

Subd. 2. [STATEMENT REQUIRED.] A political committee or fund registers by filing a statement of organization that includes:

(1) the name and address of the political committee or fund;

(2) the name and address of the chair, the treasurer, and any deputy treasurers;

(3) the name and address of the depository used by the committee or fund;

(4) the name and address of any supporting association of a political fund; and

(5) a statement as to whether the committee is a principal campaign committee.

The statement of organization shall be filed by the treasurer of the political committee, political fund, or principal campaign committee.

Sec. 18. [473.1246] [ACCOUNTS WHICH MUST BE KEPT.]

<u>Subdivision 1.</u> [CONTRIBUTIONS; EXPENDITURES; TRANSFERS.] <u>The treasurer of any political committee</u>, political fund, or principal campaign committee shall keep an account of:

(1) the sum of all contributions, except any donation in kind valued at \$20 or less, made to the political committee or fund;

(2) the name and address of each source of a transfer or donation in kind in excess of \$20, together with the date and amount;

(3) each expenditure made by or on behalf of the committee together with the date and amount; and

(4) the name and address of each political committee or fund to which transfers in excess of \$20 have been made, together with the date and amount.

<u>Subd. 2.</u> [AUTHORIZATION OF EXPENDITURES; RECEIPTS.] Each expenditure by a political committee, political fund, or principal campaign committee shall be authorized by the treasurer. The treasurer may authorize not more than \$20 per week as petty cash for miscellaneous expenditures. The treasurer shall obtain a receipted bill stating the particulars for every expenditure of more than \$100 made by or on behalf of the political committee or fund, and for any expenditure of a lesser amount, if the aggregate amount of lesser expenditures to the same individual or association during a year exceeds \$100.

## Sec. 19. [473.1247] [CAMPAIGN REPORTS.]

Subdivision 1. [COMMITTEES REQUIRED TO REPORT; DEADLINES.] The treasurer of any political committee, political fund, or principal campaign committee required to register under section 473.1245 also shall file campaign reports with the board. 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 regular primary and a regular election. Political committees and political funds other than principal campaign committees shall file campaign reports ten days before a regular primary and a regular election. Political committees and political funds other than principal campaign committees shall file campaign reports ten days before a regular primary or regular election. The treasurer of a principal campaign committee shall file additional reports ten days before a special primary or other special election and 30 days after a special election. The reports shall cover the period from the last day of the previous reporting period to seven days before the filing date. An additional campaign report shall be filed by all treasurers on January 31 of each year covering the period from the last day of the previous reporting calendar year.

Subd. 2. [CONTENT OF REPORTS.] Each campaign report required under this section shall disclose:

(1) the amount of liquid assets on hand at the beginning of the reporting period;

(2) the name, address and employer, or occupation if self-employed, of each individual, committee or political fund that made transfers or donations in kind to the political committee in an aggregate amount or value in excess of \$100, together with the amount and date;

(3) the sum of all contributions made to the political committee or political fund;

(4) each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, 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. A loan made to a political committee or political fund that is forgiven or is repaid by an entity other than that political committee or fund shall be reported as a contribution;

(5) the sum of all receipts, including all contributions and loans, during the reporting period;

(6) the name and address of each person to whom aggregate expenditures have been made by or on behalf of the political committee or fund within the year in excess of \$100, the amount, date, and purpose of each expenditure and the name and address of the candidate supported or opposed by the expenditure;

(7) the sum of all expenditures made by the political committee or fund;

(8) the amount and nature of any advance of credit incurred by the political committee or fund continuously reported until paid or forgiven. An advance of credit incurred by a political committee or fund that is forgiven or is paid by an entity other than that political committee or fund shall be reported as a donation in kind;

(9) the name and address of each political committee or fund to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(10) the sum of all transfers made to political committees or funds; and

(11) the sum of all disbursements not made to influence the outcome of an election.

<u>Subd. 3.</u> [TERMINATION REPORTS.] <u>A political committee or political fund may dissolve upon filing of a termination report indicating that the committee or fund has settled all of its debts and disposed of all assets in excess of \$100. The termination report shall include all information required in a periodic campaign report.</u>

Sec. 20. [473.1248] [EXPENDITURES BY INDIVIDUALS; REPORTS.]

(a) Any individual who makes expenditures in an aggregate amount of \$100 or more in any year, which expenditures are not required to be reported by any political committee or fund as contributions to that political committee or fund but which expenditures were made with the cooperation or express or implied consent of any candidate, political committee, or agent of a candidate or political committee, shall file campaign reports in the form required by section 473.1247 with respect to those expenditures.

(b) Paragraph (a) does not apply to an individual's expenditures made expressly to advocate the election or defeat of a clearly identified candidate.

#### Sec. 21. [473.1249] [ADDITIONAL INFORMATION TO BE DISCLOSED.]

<u>Subdivision 1.</u> [EARMARKED CONTRIBUTIONS PROHIBITED.] <u>An individual, political committee, or political</u> fund 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 other than the initial recipient. An individual, political committee, or political fund who knowingly accepts any earmarked contribution is guilty of a gross misdemeanor.

<u>Subd. 2.</u> [BILLS WHEN RENDERED.] Every person who has a bill, charge, or claim against any political committee or political fund for any expenditure shall render in writing to the treasurer of the committee or fund the bill, charge, or claim within 60 days after the material or service is provided. Failure to present the bill, charge, or claim as required by this subdivision is a petty misdemeanor.

Sec. 22. [473.125] [CIRCUMVENTION PROHIBITED.]

Any person who attempts to circumvent disclosure of the source or amount of contributions or expenditures by redirecting funds through or contributing funds on behalf of another person is guilty of a misdemeanor.

Sec. 23. [473.1251] [ECONOMIC REPRISALS PROHIBITED.]

(a) An individual or association must not engage in economic reprisals or threaten loss of employment or physical coercion against any individual or association because of the political contributions or political activity of that individual or association.

(b) Paragraph (a) does not apply to compensation for employment or loss of employment when the political affiliation or viewpoint of the employee is a bona fide occupational qualification of the employment.

(c) Any individual or association that violates this subdivision is guilty of a misdemeanor.

Sec. 24. [473.1252] [ECONOMIC INTEREST DISCLOSURE.]

<u>Subdivision 1.</u> [OFFICIALS REQUIRED TO FILE; DEADLINES.] <u>Every candidate for the metropolitan council shall</u> file statements of economic interest as required by this section with the board. <u>A candidate shall file an original</u> statement within 14 days of the filing of an affidavit or petition to appear on the ballot. All elected members shall file an original statement of economic interest 60 days after forms for disclosure are provided to the filing officer. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which the individual remains a candidate or elected official. An official required to file a statement of economic interest under section 10A.09 is not required to comply with this section.

<u>Subd. 2.</u> [CONTENT OF STATEMENT.] (a) <u>An individual required to file a statement of economic interest shall</u> <u>disclose:</u>

(1) the individual's name, address, occupation, and principal place of business;

(2) the name of each business with which the individual or spouse is associated and the nature of that association;

(3) all income received by the candidate or spouse in excess of \$500 and any source of such income;

(4) all stock in any one company with a market value of \$2,500 or more owned by the individual or spouse;

(5) a listing of all real property within the state, excluding homestead property, in which the individual or spouse holds:

(i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest has a market value in excess of \$2,500 as shown on the real estate tax statement for the property; or

(ii) an option to buy, which property has a fair market value of \$50,000 or more;

(6) a listing of all real property within the state in which a partnership of which the individual or spouse is a member holds:

(i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if the individual's or spouse's share of the partnership interest has a market value in excess of \$2,500 as shown on the real estate tax statement for the property; or

(ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(7) in supplementary statements only, the amount of each honorarium in excess of \$50 received by the individual since last statement, together with the name and address of the source.

(b) Any listing under paragraph (a), clause (5) or (6) shall indicate the street address and the municipality or the section, township range and approximate acreage, whichever applies, and the county in which the property is located.

Sec. 25. [473.1253] [REPORTS AND STATEMENTS; REQUIREMENTS.]

<u>Subdivision 1.</u> [CERTIFICATION.] <u>A report or statement required by section 473.1245 or 473.1247 shall be signed</u> and certified as true by the individual required to file the report or statement. Any individual who signs and certifies to be true a report or statement that the individual knows contains false information or who knowingly omits required information is guilty of a gross misdemeanor.

Subd. 2. [REPORTS RETAINED.] The board shall retain the statements, reports, and copies and make them available for public inspection for a period of five years after the date of receipt by the board.

<u>Subd. 3.</u> [CHANGES AND CORRECTIONS.] <u>Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the board within ten days following the date of the event prompting the change or the date upon which the individual filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any individual who willfully fails to report a material change or correction is guilty of a misdemeanor.</u>

Subd. 4. [RECORD KEEPING.] Each individual required to file any report or statement or to keep any account under sections 473.1245 to 473.1247 shall maintain and preserve for four years the records, including any vouchers, canceled checks, bills, invoices, worksheets, and receipts, that will provide in sufficient detail the necessary information from which the accounts and the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness.

Subd. 5. [PENALTIES.] The board shall notify by certified mail or personal service any individual who fails to file a statement or report required by sections 473.1245 to 473.1247. Except for any campaign report of a principal campaign committee due before an election, if an individual fails to file any statement or report within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, beginning on the eighth day after receiving notice. If a treasurer of a principal campaign committee fails to file a campaign report due before an election within three days of the date due, regardless of whether the treasurer has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, beginning on the fourth day after the date the statement was due. The board shall further notify by certified mail or personal service any individual who fails to file any statement or report within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file the statement or report. An individual who knowingly fails to file the statement or report within seven days after receiving a second notice from the board is guilty of a misdemeanor.

<u>Subd. 6.</u> [RECOVERY OF LATE FILING FEES.] <u>The board may bring an action in Ramsey county district court</u> to recover any late filing fee imposed under subdivision 5. <u>All money recovered shall be deposited in the state</u> general fund.

Subd. 7. [REPORTS OF VIOLATIONS.] If any individual fails to file the required statement or report within seven days after a second notice as provided in subdivision 5, the board shall inform the county attorney of the county where the individual resides that a second notice was sent and that the individual failed to file the required statement or report. If a candidate fails to file a report or statement after a second notice as provided in subdivision 5, the board shall notify the attorney general.

Sec. 26. [473.1254] [CAMPAIGN FINANCING.]

Subdivision 1. [ELIGIBILITY.] A candidate who has:

(1) filed a petition or affidavit of candidacy with the secretary of state as provided in section 473.123;

## (2) filed an agreement with the state ethical practices board as provided in subdivision 2; and

(3) raised \$2,500 in campaign funds before the primary election from eligible voters in the state, counting only the first \$50 contributed by each voter, as stated in the agreement filed with the board, is eligible for \$20,000 public campaign financing.

<u>Subd. 2.</u> [AGREEMENT.] <u>A candidate for council may receive public campaign financing by signing and filing with</u> the state ethical practices board a written agreement that not more than \$47,000 will be spent on the candidate's campaign for expenses incurred from the time of filing through the election day and by stating in the agreement that the candidate has raised \$2,500 as specified in subdivision 1.

Subd. 3. [FUNDING.] The council shall provide sufficient funds for the purposes of this section. The council may levy to provide these funds and the levy authorized by this subdivision shall be in addition to the levy authorized under section 473.249. The levy shall be levied and collected in the manner provided in sections 473.13 and 473.249, subdivision 2.

<u>Subd. 4.</u> [RETURN OF PUBLIC FUNDS.] <u>Each candidate who receives public campaign financing under this section shall return to the council's public campaign financing fund any funds not spent by January 1 of the year following the election, or all public campaign financing funds, if the candidate's campaign expenditures exceed the limits set by this section.</u>

Sec. 27. [473.1255] [CONTRIBUTION LIMITS.]

<u>A candidate must not permit the candidate's principal campaign committee to accept contributions from any</u> individual, political committee, or political fund in aggregate in excess of \$100 per calendar year.

Sec. 28. [473.1256] [METROPOLITAN COUNCIL MEMBERS; INTEREST IN CONTRACT; PENALTY.]

(a) A member of the metropolitan council who may take part in any manner in making any sale, lease, or contract in the member's official capacity shall not voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially from it. The exceptions listed in section 471.88 apply to council members.

(b) A member who violates paragraph (a) is guilty of a gross misdemeanor.

Sec. 29. [473.1257] [DUTIES OF ETHICAL PRACTICES BOARD.]

Subdivision 1. [ADVISORY OPINIONS; DISCLOSURE EXEMPTIONS.] The state ethical practices board shall:

(1) issue and publish advisory opinions concerning the requirements of sections 473.124 to 473.1258 upon application in writing by any individual or association who wishes to use the opinion to guide the applicant's own conduct; and

(2) exempt any individual or association required to disclose information under sections 473.124 to 473.1258 from any requirement of those sections in the same manner as it exempts any individual or association from disclosure requirements under chapter 10A. An individual or association exempted from the disclosure provisions of chapter 10A, shall also be exempt from the disclosure provisions of sections 473.124 to 473.1258.

Subd. 2. [FORMS.] The board shall develop forms for all statements and reports required to be filed under sections 473.124 to 473.1258.

Sec. 30. [473.1258] [PROSECUTION OF VIOLATIONS.]

A violation of a criminal provision of sections 473.124 to 473.1258 shall be prosecuted by the county attorney of the county in which the defendant resides.

Sec. 31. [473.1259] [VOTER EDUCATION.]

Subdivision 1. [VOTER'S GUIDE.] At least 21 days before every council general election, the council shall mail a voter's guide to every household in the district in which an election is scheduled. The voter's guide must include the following information:

(1) the name, address, telephone number, and occupation of each candidate;

(2) biographical information on each candidate, if provided, not to exceed 50 words;

(3) a statement from each candidate, if provided, not to exceed 150 words;

(4) information on the procedures for voter registration;

(5) information on the procedures for voting by absentee ballot;

(6) information on assistance available to persons with disabilities; and

(7) other election-related information, as determined by the council.

The council shall provide each person filing an affidavit of candidacy with blank forms and instructions to be used by the candidates to submit information for the voter's guide. Candidates must submit information for the voter's guide to the council no later than six weeks before the council primary election. The council may provide the candidates an opportunity to review submitted material before publication.

The council may edit information submitted by candidates to ensure compliance with this subdivision and to delete any information which, in the opinion of the council, contains obscene, profane, scandalous, or defamatory language, or contains any language that may not be legally circulated through the mails. Nothing in this section shall make the author of the material submitted to the council exempt from any civil or criminal action due to defamatory statements made by the author. The person writing, signing, or offering a statement to the council is deemed its author and publisher.

Subd. 2. [PUBLIC ACCESS CABLE TV.] The council shall arrange for candidates to have equal access to public access cable television in the metropolitan area for campaign purposes including debates during the four-week period prior to election day.

Subd. 3. [COUNCIL RECOVERY OF COSTS.] The council shall determine the costs of the voters' guide, including the publication and distribution of the guide, and cable television access provided for each candidate and deduct that cost from the public campaign financing to the candidate. The council shall bill a candidate not receiving public campaign financing and the candidate shall reimburse the council for the candidate's share of the voters' guide and cable television costs."

Page 12, line 8, delete "12, 14, and 15," and insert "32, 34, and 35,"

Page 12, line 9, after "3, 7, 10," insert "12 to 31,"

Page 12, line 10, delete "13" and insert "33"

Page 13, line 27, delete "as provided"

Page 13, line 28, delete everything before the comma and insert "to reimburse the council for costs incurred by the council in the discharge of its responsibilities relating to the office of wastewater services or the office of transit operations"

Page 13, lines 30 and 31, delete "11" and insert "3"

Page 17, line 10, after "director," insert "general counsel,"

Page 19, line 15, reinstate the stricken language

Pages 48 to 49, delete section 29

Page 49, lines 31 and 36, before "metropolitan" insert "former"

Page 50, lines 8, 12, 27, and 30, before "metropolitan" insert "former"

Page 51, lines 13, 18, 20, and 25, before "metropolitan" insert "former"

Page 52, lines 20 and 32, before "metropolitan" insert "former"

5181

Page 54, line 24, after "regional administrator" insert "or executive director of the metropolitan council, general counsel"

Page 54, line 26, after "council," insert "all of which may not exceed 27 positions at the council," and strike the comma after "the chair"

Page 54, line 28, reinstate the stricken "of the metropolitan council"

Page 54, line 29, delete the new language

Page 77, after line 20, insert:

"Sec. 61. Minnesota Statutes 1992, section 473.375, subdivision 9, is amended to read:

Subd. 9. [ADVISORY COMMITTEES.] The board <u>council</u> may establish one or more advisory committees composed of and representing transit providers, transit users, and local units of government to advise it in carrying out its purposes. The members of advisory committees serve without compensation."

Page 94, line 18, before "The" insert "The council may not issue obligations pursuant to this section until the council adopts a three-year transit capital improvement program." and delete "plan" and insert "program"

Page 94, line 23, delete "plan" and insert "program"

Page 94, line 32, delete everything after the period

Page 94, delete lines 33 and 34

Page 102, lines 28 and 31, before "property" insert "transit"

Page 129, line 14, after "vested" insert "by action of law"

Page 129, line 16, strike "; and" and insert a period

Page 129, line 22, before the period, insert "; provided that vesting of the title shall occur by operation of law and failure to execute and deliver the documents shall not affect the vesting of title in the former metropolitan waste control commission or the council on the dates indicated in this subdivision"

Page 139, line 2, delete "waste" and insert "wastewater"

Page 141, lines 11 and 33, delete "2" and insert "3"

Page 142, line 6, delete "2" and insert "3"

Page 142, lines 26 and 28, delete "waste" and insert "wastewater"

Page 143, line 23, delete "waste" and insert "wastewater"

Page 151, line 13, delete "commissions" and insert "commission"

Page 156, delete lines 28 to 33

Page 156, line 34, delete "(b)"

Page 156, line 35, after "subdivision 4;" insert "473.121, subdivisions 14a, 15, and 21;"

Page 157, line 4, after "7," insert "8,"

Page 157, line 5, after "6;" insert "473.404, as amended by Laws 1993, chapter 119, section 1;"

Page 157, line 6, after the first "subdivisions" insert "2, 6, 7, 8, 11," and after "13" insert a comma and after "473.435;" insert "473.436, subdivision 7;"

5182

Page 157, line 7, after "3;" insert "473.501, subdivision 2; 473.503;" and after "1," insert "2, 3,"

Page 157, line 15, before "<u>This</u>" insert "<u>Section 42 is effective the first Monday in January 1995.</u> <u>The remainder of</u>" Renumber the sections in sequence

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Correct internal references

Amend the title as follows:

Page 1, lines 14 and 15, delete "352.75, subdivision 1;"

Page 1, line 24, after "subdivisions" insert "9,"

Page 2, line 23, delete "1, 2," and after "7," insert "8,"

Page 2, line 24, delete "16, 17, and 18" and insert "16 and 17" and delete "473.38, subdivision 3;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2277, A bill for an act relating to the environment; providing for the continuation of certain environmental advisory boards; amending Minnesota Statutes 1992, sections 115A.072, subdivision 1; and 115A.12.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2285, A bill for an act relating to local government; permitting the establishment of a special service district in the city of Hopkins; providing taxing and other authority for the city.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2292, A bill for an act relating to employment; protecting certain whistle-blowers from retaliation by their employers; imposing a penalty; proposing coding for new law as Minnesota Statutes, chapter 181C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [6.77] [HOTLINE.]

The state auditor shall maintain a statewide toll free hotline for receiving reports of improper use of government office, gross waste of public funds, or other abuse or neglect of duty by a public agency or public officer. The auditor shall investigate the matters reported and refer them to the appropriate law enforcement agency for prosecution. The

auditor shall annually report to the legislature and governor a summary of activity under this section and shall recommend legislation, where appropriate, to improve government practices and accountability.

Sec. 2. Minnesota Statutes 1992, section 181.932, subdivision 1, is amended to read:

## 181.932 [WHISTLE-BLOWER PROTECTION; DISCLOSURE OF INFORMATION BY EMPLOYEES.]

Subdivision 1. [PROHIBITED ACTION.] An employer shall not discharge, discipline, threaten, otherwise discriminate against, or penalize an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because:

(a) the employee, or a person acting on behalf of an employee, in good faith, reports a violation or suspected violation of any federal or state law or rule adopted pursuant to law to an employer or to any governmental body or law enforcement official;

(b) the employee is requested by a public body or office to participate in an investigation, hearing, inquiry; or

(c) the employee refuses an employer's order to perform an action that the employee has an objective basis in fact to believe violates any state or federal law or rule or regulation adopted pursuant to law, and the employee informs the employer that the order is being refused for that reason-; or

(d) the employee, or a person acting on behalf of the employee, in good faith, reports an improper use of government office, gross waste of public funds, or other abuse or neglect of duty by a public agency or public officer, including the University of Minnesota and its agents and officers, to an employer or to any governmental body or law enforcement official.

Sec. 3. Minnesota Statutes 1992, section 181.932, subdivision 2, is amended to read:

Subd. 2. [INVESTIGATION; DISCLOSURE OF IDENTITY.] (a) Upon receiving a report or information under subdivision 1 from an employee, an employer shall, in good faith, perform a prompt and impartial preliminary investigation to determine whether there is reasonable cause to believe the report or information. During the preliminary investigation the name of the employee and any alleged perpetrator shall be confidential. If there is reasonable cause to believe the allegation, the employer shall take immediate corrective action and inform the employee of the result of the investigation. If there is no reasonable cause to believe the allegation, the employee and any alleged perpetrator shall remain confidential.

(b) No public official or law enforcement official shall disclose, or cause to disclose, the identity of any employee making a report or providing information under subdivision 1 without the employee's consent unless the investigator after investigation, the public official or law enforcement official determines that disclosure is necessary for prosecution. If the disclosure is necessary for prosecution, the employee shall be informed prior to the disclosure and the employer shall be given notice of the provisions of this section and section 181.937.

Sec. 4. Minnesota Statutes 1992, section 181.935, is amended to read:

#### 181.935 [INDIVIDUAL REMEDIES; PENALTY.]

(a) In addition to any remedies otherwise provided by law, an employee injured by a violation of section 181.932 may bring a civil action to recover any and all damages recoverable at law, together with costs and disbursements, including reasonable attorney's fees, and may receive such injunctive and other equitable relief as determined by the court. Costs, disbursements, and attorneys' fees provided for in this section may be awarded at any point in the proceeding.

(b) An employer who failed to notify, as required under section 181.933 or 181.934, an employee injured by a violation of section 181.932 is subject to a civil penalty of \$25 per day per injured employee not to exceed \$750 per injured employee."

#### Delete the title and insert:

"A bill for an act relating to employment; providing for protection of whistle-blowers; establishing a whistle-blowers' hotline; establishing procedures for investigating reports; amending Minnesota Statutes 1992, sections 181.932, subdivisions 1 and 2; and 181.935; proposing coding for new law in Minnesota Statutes, chapter 6."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2306, A bill for an act relating to the city of Minneapolis; providing that a levy for a contribution to the Minneapolis teachers retirement fund association is a special taxing district levy for property tax purposes; amending Minnesota Statutes 1993 Supplement, section 354A.12, subdivision 3b.

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. 2311, A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 103B.691, subdivision 2; 103G.625, subdivision 3; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 449.09; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.053, subdivision 7, and by adding a subdivision; 469.188; 471.191, subdivision 2; 471.24; 471.57, subdivision 1; 471.61, subdivisions 1 and 2a; 473.711, subdivision 2; Minnesota Statutes 1993 Supplement, section 88.04, subdivision 3; Laws 1933, chapter 423, section 2; Laws 1943, chapters 196, section 6, as amended; 367, section 1, as amended; 510, section 1; Laws 1947, chapters 224, section 1; 340, section 4; Laws 1949, chapters 215, section 2; 252, section 1; 668, section 1; Laws 1953, chapters 154, section 3; 545, section 2; Laws 1957, chapters 213, section 1; 629, section 1; Laws 1959, chapters 298, section 2; 520, section 1; 556, section 1, as amended; Laws 1961, chapters 80, section 1; 81, section 1; 82, section 1; 151, section 1; 209, section 4; 317, section 1; 352, section 1, as amended; 616, section 1, subdivision 1; 643, section 1; Laws 1961, extra session chapter 33, section 3; Laws 1963, chapters 29, section 1; 56, section 1; 103, section 1; Laws 1965, chapters 6, section 2, as amended; 442, section 1; 451, section 2; 512, section 1, subdivision 1; 527, section 1; 617, section 1; Laws 1967, chapters 501, section 1; 526, section 1, subdivision 3; 542, section 1, subdivision 3; 611, section 1; 660, section 2, subdivision 2; 758, section 1; Laws 1969, chapters 192, section 1, as amended; 534, section 2; 538, section 6, as amended; 602, section 1, subdivision 2; 652, section 1; 659, section 3; 730, section 1; Laws 1971, chapters 404, section 1; 424, section 1; 573, section 1, as amended; 876, section 3; Laws 1973, chapter 81, section 1; Laws 1977, chapter 61, section 8; Laws 1979, chapters 1, section 3; 253, section 3; 303, article 10, section 15, subdivision 2, as amended; Laws 1981, chapter 281, section 1; Laws 1983, chapter 326, section 17, subdivision 1; Laws 1984, chapters 380, section 1; 502, article 13, section 8; Laws 1985, chapters 181, section 1; 289, sections 1, 3, 5, subdivision 1, and 6, subdivision 1; Laws 1986, chapters 392, section 1; 399, article 1, section 1, as amended; Laws 1988, chapters 517, section 1; 640, section 3; Laws 1990, chapter 604, article 3, section 60; repealing Minnesota Statutes 1992, sections 373.40, subdivision 6; 471.1921; and 471.63, subdivision 2; Laws 1915, chapter 316, section 1, as amended; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1961, chapters 30, section 1; 119, section 1; 276, section 1; 439, section 1; Laws 1963, chapter 228, section 1; Laws 1971, chapters 168; 356, section 2; 515, section 1; 770; Laws 1973, chapter 445, section 1; Laws 1974, chapter 209; Laws 1977, chapter 246; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; and Laws 1991, chapters 3, section 2, subdivision 3; and 291, article 4, section 21.

Reported the same back with the following amendments:

Page 25, lines 9 to 15, reinstate the stricken language

Page 32, delete section 21

Page 33, line 20, reinstate the stricken "not to exceed"

Page 33, line 21, before "on" insert ".00605 percent of market value"

Page 37, line 3, strike "not greater than" and delete the new language

Page 37, line 4, delete "market value" and strike "per year"

Page 37, line 9, before "Laws 1982" insert "Laws 1967, chapter 542, section 1, subdivision 3;"

Page 37, line 15, delete "38" and insert "37"

Page 37, delete section 1

Page 38, delete section 3

Page 40, line 9, reinstate the stricken "not exceeding" and before "<u>on</u>" insert ".04031 percent of market value per year" Pages 40 and 41, delete section 9

Page 47, line 11, delete "0.04836" and insert "0.04835"

Page 47, lines 21 and 22, strike "two mills on the assessed valuation of" and insert "0.04835 percent of market value on"

Pages 51 and 52, delete section 38

Page 52, line 12, delete "39" and insert "35"

Page 52, line 13, delete everything after "thereafter" and insert a period

Page 52, delete lines 14 to 16

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, lines 5 and 6, delete "103B.691, subdivision 2;"

Page 1, lines 14 and 15, delete ", and by adding a subdivision"

Page 1, line 25, delete "629, section 1;"

Page 1, lines 36 and 37, delete "542, section 1, subdivision 3;"

Page 1, line 43, delete ", as amended"

Page 2, line 8, delete everything after the semicolon

Page 2, line 9, delete "60;"

Page 2, line 15, after the second semicolon, insert "Laws 1967, chapter 542, section 1, subdivision 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2318, A bill for an act relating to health; extending dispensing authority to physician assistants and advanced practice nurses; amending Minnesota Statutes 1992, sections 147.34, subdivision 1; 149.235, by adding a subdivision; and 151.37, subdivisions 2 and 2a; Minnesota Statutes 1993 Supplement, section 151.01, subdivision 23.

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Reported the same back with the following amendments:

Page 1, line 22, after the period, insert "This authority to dispense extends only to those drugs described in the written agreement developed under paragraph (b)."

Page 2, line 34, delete "149.235" and insert "148.235"

Page 3, line 3, after the period, insert "This authority to dispense extends only to those drugs described in the written agreement entered into under this section."

Page 3, line 11, reinstate the stricken language

Page 3, line 12, after "veterinarian" delete the comma and insert ". For purposes of sections 151.15, subdivision 4, 151.37, subdivision 2, paragraph (b), and 151.461, "practitioner" also means"

Amend the title as follows:

Page 1, line 5, delete "149.235" and insert "148.235"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2330, A bill for an act relating to tax-forfeited land; authorizing sale by sealed bid; amending Minnesota Statutes 1992, section 282.01, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ANOKA COUNTY; SALE OF TAX-FORFEITED LAND BY SEALED BID.]

The county of Anoka may conduct a sealed bid sale as an alternate method of disposing of tax-forfeited land. Notice of the sale must comply with Minnesota Statutes, section 282.02, except that the last publication of the notice must be at least 30 days before the date of the sale. Sealed bids shall also be solicited by mailing notices to prospective bidders who request that their names be kept on file with the appropriate county official. Prospective bidders must renew their filing in writing every two years to remain on the list. All bids must be sealed when they are received and must be opened in public at the hour stated in the notice. The land shall be sold to the highest bidder but in no event shall the land be sold for less than its appraised value. All original bids and all documents pertaining to the award of a sale must be retained and made part of a permanent file or record and remain open to public inspection for a period of ten years from the date of the sale.

Sec. 2. [EFFECTIVE DATE; LOCAL APPROVAL.]

This act is effective the day after the board of county commissioners of Anoka county complies with Minnesota Statutes, section 645.021, subdivision 3."

Amend the title as follows:

Page 1, delete lines 2 to 4 and insert:

"relating to Anoka county; authorizing county to sell tax-forfeited land by sealed bid."

With the recommendation that when so amended the bill pass.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred;

H. F. No. 2361, A bill for an act relating to public housing; appropriating money from the bond proceeds fund to improve public housing in the city of Minneapolis; authorizing the sale of bonds.

Reported the same back with the following amendments:

Page 1, line 11, after "<u>elderly</u>" insert "<u>high rise</u>"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2362, A bill for an act relating to animals; changing the definition of a potentially dangerous dog; changing the identification tag requirements for a dangerous dog; amending Minnesota Statutes 1992, sections 347.50, subdivision 3; and 347.51, subdivision 7.

Reported the same back with the following amendments:

Page 1, line 15, after "property" insert ", other than the owner's property,"

Page 2, lines 2 and 3, delete "and symbol for"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 2382, A bill for an act relating to capital improvements; appropriating money to the commissioner of trade and economic development for the national shooting sports center; authorizing the sale of state bonds.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1990, chapter 610, article 1, section 25, is amended to read:

Sec. 25. MINNESOTA AMATEUR SPORTS COMMISSION

To the Minnesota amateur sports commission for the purposes specified in this section

(a) Construct Holmenkollen ski jump in Bloomington

This appropriation is for a grant to the city of Bloomington and is available only after the commissioner of finance has determined that the city of Bloomington has committed \$2,500,000 and private contributors have committed \$2,500,000 to complete the project. 5,000,000

2,500,000

(b) Construct indoor national shooting sports center at Giant's Ridge in Biwabik within the taconite tax relief area defined in Minnesota Statutes, section 273.134

This appropriation is for a grant to the iron range resources and rehabilitation board to construct a national shooting sports center for the Olympic sports of shooting and archery.

(c) Expand seating capacity of National Sports Center in Blaine

\$8,500,000 is appropriated from the proceeds of sports facility revenue bonds.

This appropriation is not available until the commission has executed a contract with the United States Soccer Federation naming the National Sports Center in Blaine a site for the 1994 World Cup of Soccer and the commissioner of finance has determined that the sports commission has secured revenue from local and private sources that will be sufficient to retire the bonds sold to finance this appropriation. The bonds sold for this appropriation shall be revenue bonds. The legislature intends not to appropriate money from the general fund to pay for these bonds."

Delete the title and insert:

"A bill for an act relating to appropriations; expanding the area within which the national shooting sports center may be located; amending Laws 1990, chapter 610, article 1, section 25."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2386, A bill for an act relating to agriculture; establishing certification and labeling program to identify milk and milk products free of recombinant bovine growth hormone; amending regulations regarding use and clarification of recombinant bovine somatotropin; appropriating money; amending Minnesota Statutes 1992, sections 32.103; 151.01, subdivision 28; 151.15, subdivision 3; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 32.

Reported the same back with the following amendments:

Page 4, line 15, delete the new language

Page 4, line 16, delete "in section 32.75, subdivision 1," and strike "or"

Page 5, line 14, strike "or"

Page 5, line 15, delete the new language

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce and Economic Development.

The report was adopted.

2,500,000

Clark from the Committee on Housing to which was referred:

H. F. No. 2428, A bill for an act relating to housing; providing for deposit and use of certain revenues in the housing development fund; providing an addition to federal taxable income for certain taxpayers for certain residence interest; appropriating money; amending Minnesota Statutes 1992, sections 290.62; and 462A.20, subdivision 2, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 290.01, subdivision 19a.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2440, A bill for an act relating to taxation; property; providing an exemption for power facilities containing cogeneration systems; amending Minnesota Statutes 1993 Supplement, section 272.02, subdivision 1.

Reported the same back with the following amendments:

Page 9, line 11, delete "constructed as"

Page 9, line 12, delete "defined" and insert "described"

Page 9, line 16, after the first "steam" insert "initially"

Page 9, line 19, after "construction" insert "of the facility"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2452, A bill for an act relating to capital improvements; appropriating money for the Kettle River Wild and Scenic River Interpretive Center and Trail; authorizing the issuance of state bonds.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2491, A bill for an act relating to employment; providing for enforcement of an employees' right to review personnel records; proposing coding for new law in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Page 1, line 11, after "fine" insert ", together with costs and attorney fees,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2493, A bill for an act relating to agriculture; changing the law on nuisance liability of agricultural operations; amending Minnesota Statutes 1992, section 561.19, subdivisions 1, 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 3, delete "technique" and insert "generally accepted agricultural practices"

Page 2, delete lines 19 to 24, and insert:

"(b) An agricultural operation is operating according to generally accepted agricultural practice if it is located in an agriculturally zoned area and complies with the provisions of all applicable federal and state statutes and rules or any issued permits for the operation."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 2498, A bill for an act relating to capital improvements; appropriating money for the environmental impact statement for the Wakota bridge on Interstate Highway marked 494; authorizing the issuance of state bonds.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2503, A bill for an act relating to capital improvements; appropriating money for educational demonstration grants for wind energy conversion facilities; authorizing the sale and issuance of state bonds.

Reported the same back with the following amendments:

Page 1, lines 17 and 18, delete "preferred" and insert "renewable"

Page 1, line 22, delete "subdivision" and insert "of 90 percent of the purchasing utility's average retail utility rate

Page 1, line 23, delete everything before the period

Page 2, line 2, delete "preferred" and insert "renewable"

Page 2, delete lines 4 to 7

Page 2, line 11, delete "25" and insert "1"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2535, A bill for an act relating to employment; modifying the definition of employer for personnel records review purposes; amending Minnesota Statutes 1992, section 181.960, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 181.960, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] For purposes of sections 181.960 to 181.966 <u>and unless otherwise provided</u>, the following terms have the meanings given in this section.

Sec. 2. Minnesota Statutes 1992, section 181.961, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [EMPLOYER DEFINED.] For the purposes of this section, "employer" includes a person who has one or more employees. Employer does not include a state agency, statewide system, political subdivision, or advisory board or commission that is subject to chapter 13."

Amend the title as follows:

Page 1, line 4, delete everything after the first comma

Page 1, line 5, delete everything before the period, and insert "sections 181.960, subdivision 1; and 181.961, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2562, A bill for an act relating to employment; modifying experience requirements for the labor and industry boiler inspection division chief; amending Minnesota Statutes 1992, section 183.375, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 2600, 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; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reported the same back with the following amendments:

Page 1, line 17, delete "31,999,000" and insert "33,474,000"

Page 5, line 19, delete "31,999,000" and insert "33,474,000"

Page 5, line 34, delete "5,000,000" and insert "6,475,000"

Page 5, line 42, delete "\$490,000" and insert "\$1,965,000"

Page 11, line 10, delete "RESTORATION" and insert "RENEWAL"

Page 11, line 21, delete "<u>Restoration</u>" and insert "<u>Renewal</u>"

Page 11, line 26, delete "continuing" and insert "existing"

Page 12, line 9, delete "\$234,073,000" and insert "\$235,548,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Capital Investment.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2657, A bill for an act relating to state parks; allowing handicapped persons to receive a special permit; amending Minnesota Statutes 1992, section 85.053, subdivision 7.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2679, A bill for an act relating to boilers and engines; modifying provisions relating to hobby boilers and show engines; amending Minnesota Statutes 1992, section 183.411, subdivision 2; repealing Minnesota Statutes 1992, section 183.411, subdivision 1a.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 2721, A bill for an act relating to capital improvements; appropriating money to the Minnesota historical society for a museum and center of American Indian history; authorizing the sale of state bonds.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2795, A bill for an act relating to state government; providing new impasse procedures for labor agreements involving faculty in the state university system; proposing coding for new law in Minnesota Statutes, chapter 179A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

S. F. No. 1806, A bill for an act relating to nursing; allowing certified clinical specialists in psychiatric or mental health nursing to prescribe and administer drugs; amending Minnesota Statutes 1992, section 148.235, by adding subdivisions; Minnesota Statutes 1993 Supplement, section 148.235, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 148.235, subdivision 2, is amended to read:

Subd. 2. [NURSE PRACTITIONERS.] (a) [PRESCRIBING AUTHORITY.] A registered nurse who (1) has graduated from a program of study designed to prepare registered nurses for advanced practice as nurse practitioners, (2) is certified through a national professional nursing organization which certifies nurse practitioners and is included in the list of professional nursing organizations adopted by the board under section 62A.15, subdivision 3a, and (3) has a written agreement with a physician based on standards established by the Minnesota nurses association and the Minnesota medical association that defines the delegated responsibilities related to the prescription of drugs and therapeutic devices, may prescribe and administer drugs and therapeutic devices within the scope of the written agreement and within practice as a nurse practitioner.

(b) [RULES.] By July 1, 1991, the board shall promulgate rules to provide for the following:

(1) a system of identifying nurse practitioners eligible to prescribe drugs and therapeutic devices;

(2) a method of determining which general categories of prescription drugs and therapeutic devices have been delegated to each nurse practitioner;

(3) a system of transmitting to pharmacists information concerning nurse practitioners eligible to prescribe drugs and therapeutic devices and the types of drugs and therapeutic devices they have been delegated the authority to prescribe; and

(4) a fee to the nurse practitioner who seeks prescribing authority in an amount sufficient to cover the board's ongoing costs relating to monitoring and regulating the prescribing authority of nurse practitioners.

Sec. 2. Minnesota Statutes 1992, section 148.235, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [CLINICAL SPECIALISTS IN PSYCHIATRIC AND MENTAL HEALTH NURSING.] <u>A registered nurse</u> who (1) has a masters degree, (2) is certified through a national professional nursing organization which certifies clinical specialists in psychiatric and mental health nursing and is included in the list of professional nursing organizations adopted by the board under section 62A.15, subdivision 3a, (3) has successfully completed no less than 30 hours of formal study in the prescribing of psychotropic medications and medications to treat their side effects which included instruction in health assessment, psychotropic classifications, psychopharmacology, indications, dosages, contraindications, side effects, and evidence of application, and (4) has a written agreement with a psychiatrist based on standards established by the Minnesota nurses association and the Minnesota psychiatric association that specifies and defines the delegated responsibilities related to the prescription of drugs in relationship to the diagnosis, may prescribe and administer drugs used to treat psychiatric and behavioral disorders and the side effects of those drugs within the scope of the written agreement and within practice as a clinical specialist in psychiatric and mental health nursing.

Nothing in this subdivision removes or limits the legal professional liability of the treating psychiatrist, clinical nurse specialist, mental health clinic or hospital for the prescription and administration of drugs by a clinical specialist in accordance with this subdivision.

Sec. 3. Minnesota Statutes 1992, section 148.235, is amended by adding a subdivision to read:

Subd. 4. [RULES.] The board shall promulgate rules to provide for the following:

(1) a system of identifying advanced practice nurses eligible to prescribe drugs as authorized under this section;

5194

(2) a system of transmitting to pharmacists the identity of advanced practice nurses eligible to prescribe drugs; and

(3) a fee to nurse practitioners and certified clinical specialists in psychiatric and mental health nursing who seek prescribing authority.

Sec. 4. [APPROPRIATION.]

\$15,000 is appropriated from the state government special revenue fund to the board of nursing for fiscal year ending July 1, 1995, to administer sections 2 and 3.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to nursing; allowing certified clinical specialists in psychiatric or mental health nursing to prescribe and administer drugs; appropriating money; amending Minnesota Statutes 1992, section 148.235, by adding subdivisions; Minnesota Statutes 1993 Supplement, section 148.235, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 1374, 2010, 2035, 2043, 2086, 2143, 2201, 2210, 2222, 2228, 2243, 2306, 2311, 2318, 2330, 2535, 2562, 2657 and 2679 were read for the second time.

# SECOND READING OF SENATE BILLS

S. F. Nos. 1691, 1820 and 1709 were read for the second time.

# SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Rest moved that the rule therein be suspended and an urgency be declared so that S. F. No. 1709 be given its third reading and be placed upon its final passage. The motion prevailed.

Rest moved that the Rules of the House be so far suspended that S. F. No. 1709 be given its third reading and be placed upon its final passage. The motion prevailed.

Rest moved to amend S. F. No. 1709 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, 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 and occupied by the same owner on January 2 of 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.

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 minus 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.

(d) 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 two 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 1995, or for taxes payable in 1996.

The determinations of the revised thresholds by the commissioner are not rules subject to chapter 14.

(e) Upon request, the appropriate county official shall make available the names and addresses of the property taxpayers who may be eligible for the additional property tax refund under this section. The information shall be provided on a magnetic computer disk. The county may recover its costs by charging the person requesting the information the reasonable cost for preparing the data. The information may not be used for any purpose other than for notifying the homeowner of potential eligibility and assisting the homeowner, without charge, in preparing a refund claim.

(f) On or before May 2, 1994, each county shall notify the owner of each homestead parcel within the county of the retroactive change in eligibility made by this act. For the purpose of giving mailed notice, owners are those shown on the records of the county auditor. The notice may be in the form of a postcard or a notice may be inserted in the envelope containing the payable 1994 property tax statement, if the property tax statements have not yet been mailed. The notice to the homeowner must say the following:

<u>"Attention Homeowners! A new law increases the funding for special property tax refunds for taxes payable in 1994.</u> You may be eligible for a special property tax refund:

(1) If the 1994 property taxes on your homestead increased 12 percent or more and that increase was at least \$100; or

(2) If you received a refund last year under this program.

If you meet either of the above two criteria, obtain a copy of the M-1PR property tax refund form. On the back of that form is Schedule 1 for determining whether you are eligible to receive a special tax refund. The printed amount, however, shown on lines 25 and 27, has been changed by the new law from \$300 to \$100. Complete that schedule by comparing your qualifying property tax amount to a \$100 amount on lines 25 and 27, rather than the \$300 amount printed on the form.

If you qualify for a refund, send the completed M-1PR to the Department of Revenue. If you have already filed an M-1PR with the Minnesota Department of Revenue, you do not need to file a second form. The Commissioner of Revenue will recompute your refund based upon a \$100 minimum increase.

If you have any questions, call ...... county at (telephone number)."

# Sec. 2. [APPROPRIATION.]

Notwithstanding the appropriation in section 290A.23, subdivision 2, the amount of refunds in excess of \$5,500,000 is appropriated from the general fund to the commissioner of revenue to pay the additional amount needed for the total refund claims for taxes payable in 1994 under section 1.

# Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective for refunds based on the payable 1994 property tax levy. The commissioner of revenue shall compute the refunds based on the payable 1994 property tax levy using the \$100 amount of tax increase as specified in section 1, paragraph (a)."

Delete the title and insert:

"A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; requiring that certain information be made available; requiring counties to notify homeowners of certain eligibility changes; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h."

The motion prevailed and the amendment was adopted.

Rest moved to amend S. F. No. 1709, as amended, as follows:

Page 3, delete lines 4 to 33 and insert:

"Sec. 2. [NOTIFICATION TO HOMEOWNERS OF RETROACTIVE CHANGES.]

(a) If a county has not mailed its payable 1994 property tax statements, or if a county has mailed only a portion of its payable 1994 property tax statements, the county may include a notice to the homeowner in the envelope containing the property tax statement alerting the homeowner of the retroactive change in eligibility made by this act. The notice to the homeowner must read as follows:

<u>"Attention Homeowners! A new law increases the funding for special property tax refunds for taxes payable in 1994.</u> You may be eligible for a special property tax refund if:

(1) The 1994 property taxes on your homestead increased 12 percent or more over your 1993 taxes and that increase was at least \$100; or

(2) You received a refund last year under this program.

If you meet either of the above two criteria, obtain a copy of the M-1PR property tax refund form. On the back of that form is Schedule 1 for determining whether you are eligible to receive a special tax refund. The printed amount, however, shown on lines 25 and 27, has been changed by the new law from \$300 to \$100. Complete that schedule by comparing your qualifying property tax amount to a \$100 amount on lines 25 and 27, rather than the \$300 amount printed on the form.

If you gualify for a refund, send the completed M-1PR to the Department of Revenue. If you have already filed an M-1PR this year for a special tax refund, you do not need to file a second form. Your refund will be recomputed based upon a \$100 minimum increase.

If you have any questions, call ...... county at (telephone number):"

(b) If a county has mailed all or a portion of its payable 1994 property tax statements, or decides not to include the notice to homeowners as described in paragraph (a) along with its 1994 property tax statements, the county must notify the commissioner of revenue by April 15, 1994, by providing a list to the commissioner containing the name, mailing address, and social security number of every taxpayer: (1) who owns a parcel of homestead property in the county, and (2) whose gross property taxes on that property have increased by 12 percent or more for the current taxes payable year over the prior taxes payable year. In compiling the list, each county shall exclude relative-homestead parcels and may exclude from the list those homeowners who received a notice with the property tax statement as provided in paragraph (a). The list must be on the type of electronic data storage media designated by the commissioner and must be provided in the sequence, form, and format designated by the commissioner, whose designations in this regard are not rules subject to chapter 14.

(c) On or before May 15, 1994, the commissioner shall mail a notice to the homeowners in those counties for which a list has been provided as contained in paragraph (b). The commissioner shall also mail a notice on or before May 15, 1994 to any additional homeowners who filed an M-1PR Schedule 1 for property taxes payable in 1993. The notice the commissioner mails to the homeowner must read as follows:

<u>"Attention Homeowners! A new law increases the funding for special property tax refunds for taxes payable in</u> 1994. You may be eligible for a special property tax refund for 1994 since either:

(1) The 1994 property taxes on your homestead increased by 12 percent or more over your 1993 taxes and that increase was at least \$100; or

(2) You received a refund last year under this program.

Enclosed is a copy of the M-1PR property tax refund form. On the back of that form is Schedule 1 for determining whether you are eligible to receive a special tax refund. The printed amount, however, shown on lines 25 and 27, has been changed by the new law from \$300 to \$100. Complete that schedule by comparing your qualifying property tax amount to a \$100 amount on lines 25 and 27, rather than the \$300 amount printed on the form.

If you qualify for a refund, send the completed M-1PR to the Department of Revenue. If you have already filed an M-1PR for a special refund, you do not need to file a second form. Your refund will be recomputed based upon a \$100 minimum increase.

If you have any questions, call 296-3781 (from the Twin Cities area) or 1-800-652-9094 (toll-free from elsewhere)."

(d) If the commissioner decides to revise the M-1PR Schedule 1 by changing the amount on lines 25 and 27 from \$300 to \$100, then the notice the commissioner mails to the homeowner must read as follows:

<u>"Attention Homeowners! A new law increases the funding for special property tax refunds for taxes payable in 1994.</u> You may be eligible for a special property tax refund for 1994 since either:

(1) The 1994 property taxes on your homestead increased by 12 percent or more over your 1993 taxes and that increase was at least \$100; or

(2) You received a refund last year under this program.

Enclosed is a copy of a revised M-1PR property tax refund form, Schedule 1. That schedule is used for determining whether you are eligible to receive a special tax refund. The printed amount shown on lines 25 and 27 has been changed by the new law to \$100. Complete that schedule by comparing your qualifying property tax amount to the \$100 amount on lines 25 and 27.

If you gualify for a refund, send the completed M-1PR to the Department of Revenue. If you have already filed an M-1PR for a special refund, you do not need to file a second form. Your refund will be recomputed based upon a \$100 minimum increase.

If you have any guestions, call 296-3781 (from the Twin Cities area) or 1-800-652-9094 (toll-free from elsewhere).""

Page 3, line 34, delete "2" and insert "3"

Page 4, line 4, delete "3" and insert "4"

Page 4, line 9, after the period insert "Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete "requiring counties to notify" and insert "providing notification to"

The motion prevailed and the amendment was adopted.

S. F. No. 1709, A bill for an act relating to taxation; property tax refund; uncapping the appropriation for targeting for 1994 only; requiring counties to provide the commissioner of revenue with certain data; appropriating money; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

5198

# 72ND DAY]

### THURSDAY, MARCH 17, 1994

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	Delmont	Huntley	Lasley	Murphy	Reding	Trimble
Anderson, R.	Dempsey	Jacobs	Leppik	Neary	Rest	Tunheim
Asch	Dom	Jaros	Lieder	Nelson	Rhodes	Van Dellen
Battaglia	Erhardt	Jefferson	Limmer	Ness	Rice	Van Engen
Beard	Evans	Jennings	Lindner	Olson, E	Rodosovich	Vellenga
Bergson	Farrell	Johnson, A.	Long	Olson, K.	Rukavina	Vickerman
Bertram	Finseth	Johnson, R.	Lourey	Olson, M.	Sarna	Wagenius
Bettermann	Frerichs	Johnson, V.	Luther	Onnen	Seagren	Waltman
Bishop	Garcia	Kahn	Lynch	Opatz	Sekhon	Weaver
Brown, C.	Girard	Kalis	Macklin	Orenstein	Simoneau	Wejcman
Brown, K.	Goodno	Kelley	Mahon	Osthoff	Skoglund	Wenzel
Carlson	Greiling	Kelso	Mariani	Ostrom	Smith	Winter
Carruthers	Gruenes	Kinkel	McCollum	Ozment	Solberg	Wolf
Clark	Gutknecht	Klinzing	McGuire	Pauly	Stanius	Worke
Commers	Hasskamp	Knickerbocker	Milbert	Pawlenty	Steensma	Workman
Cooper	Haukoos	Knight	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Hausman	Koppendrayer	Morrison	Perlt	Swenson	• • • • •
Dawkins	Holsten	Krinkie	Mosel	Peterson	Tomassoni	
Dehler	Hugoson	Krueger	Munger	Pugh	Tompkins	<i>i</i>

The bill was passed, as amended, and its title agreed to.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wagenius introduced:

H. F. No. 2814, A bill for an act relating to metropolitan government; providing for appointment of metropolitan area soil and water conservation supervisors by metropolitan counties; amending Minnesota Statutes 1992, section 103C.305, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 103C.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Mariani and Lieder introduced:

H. F. No. 2815, A bill for an act relating to transportation; requiring metropolitan council and department of transportation to conduct a study on road pricing finance options; appropriating money.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Orenstein, Kahn, Murphy, McGuire and Bishop introduced:

H. F. No. 2816, A bill for an act relating to the attorney general; changing procedures for charging fees; amending Minnesota Statutes 1992, section 8.06; Minnesota Statutes 1993 Supplement, section 8.15.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Peterson; Trimble; Johnson, V.; Anderson, I., and Munger introduced:

H. F. No. 2817, A bill for an act relating to economic development; requiring the office of tourism to establish a tourism promotion facility at the Mall of America; amending Minnesota Statutes 1992, section 116J.615.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Solberg; Anderson, I.; Lourey and Abrams introduced:

H. F. No. 2818, A bill for an act relating to taxation; providing a reduced class rate for commercial-industrial property owned by certain nonprofit community development organizations; amending Minnesota Statutes 1993 Supplement, section 273.13, subdivision 24.

The bill was read for the first time and referred to the Committee on Taxes.

Dorn; Johnson, R.; Beard and Gruenes introduced:

H. F. No. 2819, A bill for an act relating to labor relations; revising the system for choosing grievance arbitrators for labor agreements with the state university system faculty; proposing coding for new law in Minnesota Statutes, chapter 179A.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### Bettermann introduced:

H. F. No. 2820, A bill for an act relating to recreational vehicles; requiring department of transportation to accept competitive design-build bids for certain nonvehicular bridges on pedestrian facilities and bicycle paths; amending Minnesota Statutes 1992, section 160.262, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Wagenius, Skoglund, Pugh, Macklin and Jefferson introduced:

H. F. No. 2821, A bill for an act relating to child custody; providing for presumptive custody in grandparents in certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 518.

The bill was read for the first time and referred to the Committee on Judiciary.

Vellenga and Kelso introduced:

H. F. No. 2822, A bill for an act relating to education; increasing the number of school breakfasts served; increasing the state reimbursement for some free and reduced price breakfasts served; appropriating money; amending Minnesota Statutes 1992, section 124.6472, subdivision 1; Minnesota Statutes 1993 Supplement, section 124.6469, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Tomassoni, Carlson, Rukavina, Solberg and Anderson, I., introduced:

H. F. No. 2823, A bill for an act relating to education; repealing the supplemental revenue reduction; amending Minnesota Statutes 1993 Supplement, sections 124A.03, subdivision 1c; and 124A.22, subdivision 8; repealing Minnesota Statutes 1993 Supplement, sections 124A.03, subdivision 3b; and 124A.22, subdivision 9.

The bill was read for the first time and referred to the Committee on Education.

# Vellenga, Koppendrayer, Clark, Jefferson and Tomassoni introduced:

H. F. No. 2824, A bill for an act relating to education; considering whether to include anthropology and history in preparation programs for social studies teachers; including components of American Indian language, history, and culture in teacher preparation curriculum; directing the state board of education to consult with American Indian representatives in developing learner outcomes in American Indian language, history, and culture.

The bill was read for the first time and referred to the Committee on Education.

Milbert, Pugh, Munger, Battaglia and Johnson, V., introduced:

H. F. No. 2825, A bill for an act relating to game and fish; authorizing nonresident multiple zone antlerless deer licenses; purchase of archery deer licenses after the firearms season opens; taking big game by handgun in a shotgun deer zone; possession of firearms in muzzle-loader only deer zone; amending Minnesota Statutes 1992, sections 97A.475, subdivision 3; 97A.485, subdivision 9; and 97B.031, subdivision 2; Minnesota Statutes 1993 Supplement, section 97B.041.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

# Bettermann, Goodno, Davids and Worke introduced:

H. F. No. 2826, A bill for an act relating to workers' compensation; authorizing pilot projects in 24-hour care; proposing coding for new law in Minnesota Statutes, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### Macklin introduced:

H. F. No. 2827, A bill for an act relating to government data practices; providing for a protective order; amending Minnesota Statutes 1992, section 13.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Workman, Molnau, Lynch, Davids and Commers introduced:

H. F. No. 2828, A bill for an act relating to human services; providing for the restructuring of certain public assistance programs; amending Minnesota Statutes 1992, sections 256.73, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Macklin introduced:

H. F. No. 2829, A bill for an act relating to government data practices; providing for a classification of research data; amending Minnesota Statutes 1992, section 13.37, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Pugh and Skoglund introduced:

H. F. No. 2830, A bill for an act relating to courts; increasing the number of trial court judgeships; extending the deadline for compliance with case disposition time standards; appropriating money; amending Minnesota Statutes 1992, sections 2.722, subdivision 1; and 631.021.

The bill was read for the first time and referred to the Committee on Judiciary.

Jennings, Lasley and Rodosovich introduced:

H. F. No. 2831, A bill for an act relating to human services; increasing medical assistance payments to certain community health clinics; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dawkins introduced:

H. F. No. 2832, A bill for an act relating to education; making permanent an increase in youth service revenue; amending Minnesota Statutes 1993 Supplement, section 124.2713, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

Wenzel, Kalis, Weaver, Seagren and Vellenga introduced:

H. F. No. 2833, A bill for an act relating to education; directing the state board of education to define "dangerously cold weather" for purposes of determining the required minimum number of school days; amending Minnesota Statutes 1993 Supplement, section 124.19, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Hugoson; Worke; Olson, K.; Kalis and Sviggum introduced:

H. F. No. 2834, A bill for an act relating to education; authorizing borrowing for school districts for certain asbestos removal or abatement projects; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Olson, E., and Lieder introduced:

H. F. No. 2835, A bill for an act relating to motor carriers; authorizing the transportation regulation board to permit a class II-L carrier to own a second terminal under certain circumstances; amending Minnesota Statutes 1992, section 221.121, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Bauerly introduced:

H. F. No. 2836, A bill for an act relating to occupations and professions; requiring that fireworks operators be certified by the state fire marshal; appropriating money; amending Minnesota Statutes 1992, section 624.22.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Simoneau, Lourey and Sviggum introduced:

H. F. No. 2837, A bill for an act relating to workers' compensation; self-insurers; regulating the self-insurers' security fund; prescribing a penalty; amending Minnesota Statutes 1992, sections 79A.01, subdivision 4; 79A.02, subdivisions 1 and 2; 79A.04, subdivision 9; and 79A.15; Minnesota Statutes 1993 Supplement, section 79A.04, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Lieder, Cooper, Nelson and Anderson, R., introduced:

H. F. No. 2838, A bill for an act relating to medical assistance; establishing a one-time payment adjustment for nursing facilities to provide employee health care coverage; amending Minnesota Statutes 1992, section 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pugh; Reding; Johnson, R.; Gutknecht and Greiling introduced:

H. F. No. 2839, A bill for an act relating to retirement; South St. Paul police relief association; clarifying probationary employment for purposes of relief association service credit for certain members.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Pugh, Greenfield, Simoneau and Dawkins introduced:

H. F. No. 2840, A bill for an act relating to health and human services; creating an exception to the nursing home moratorium; establishing rates for total replacements; amending Minnesota Statutes 1992, section 256B.431, subdivision 17; Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, M.; Koppendrayer and Simoneau introduced:

H. F. No. 2841, A bill for an act relating to insurance; automobile; limiting the amount of noneconomic detriment claims to the claimant's own liability coverage limits; amending Minnesota Statutes 1992, section 65B.51, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Dorn; Brown, C.; Goodno and Ostrom introduced:

H. F. No. 2842, A bill for an act relating to the city of Mankato; allowing the city to exercise the powers of a port authority; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Olson, M.; Kahn; Krueger; Haukoos and Davids introduced:

H. F. No. 2843, A bill for an act relating to public safety; increasing membership of emergency response commission by one representative of emergency managers; amending Minnesota Statutes 1992, section 299K.03, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Wejcman introduced:

H. F. No. 2844, A bill for an act relating to public safety; allowing an order for protection to exclude the abusing party from the area surrounding a dwelling; allowing use of pact acts of domestic abuse occurring outside of Minnesota to fulfill statutory requirements for conviction of murder in the first degree; amending Minnesota Statutes 1992, section 609.185; Minnesota Statutes 1993 Supplement, section 518B.01, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Huntley, Munger, Jaros, Murphy and Battaglia introduced:

H. F. No. 2845, A bill for an act relating to capital improvements; authorizing bonds and appropriating money to build an addition to the St. Louis County Heritage and Arts Center.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Vickerman, Molnau, Van Engen, Finseth and Knight introduced:

H. F. No. 2846, A bill for an act relating to workers' compensation law and insurance; permitting the commissioner of the department of labor and industry to certify a certain plan of workers' compensation law; alternatively providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for administration and procedure; permitting adoption of administrative rules; proposing penalties; amending Minnesota Statutes 1992, sections 175.007, subdivision 2; and 175.17; proposing coding for new law as Minnesota Statutes, chapters 176C; and 176D; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; and 176.5401.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vickerman, Bettermann, Ness, Dempsey and Molnau introduced:

H. F. No. 2847, A bill for an act relating to crime and crime prevention; imposing a mandatory minimum sentence on persons convicted of a third violent crime; imposing felony penalties on convicted felons who possess a firearm; creating a presumption in favor of certifying to adult court older juveniles who are alleged to have committed a violent or firearm-related crime; requiring parents to accompany their minor children to delinquency hearings; increasing penalties for and requiring consecutive sentencing of repeat DWI offenders; imposing penalties on motor vehicle owners who knowingly lend the vehicle to an intoxicated or unlicensed driver; requiring the commissioner of public safety to study the feasibility of a DWI offender tracking system; requiring certain sentencing guidelines modifications; providing for changes in the education and criminal laws to enhance safety in the schools; increasing protections for crime victims; requiring the establishment of a summer service camp pilot project for high-risk youth; regulating explosives, blasting agents, explosive devices, and incendiary devices; proposing an amendment to the Minnesota Constitution by adding a section to article IV that requires the legislature to provide by law for admissibility as evidence in trials of the results of DNA analysis; requiring all convicted violent offenders to provide a DNA specimen; changing the order of final argument in criminal cases; establishing pilot programs to improve supervision of probationers, parolees, and supervised releasees in the community; requiring a study of restorative justice sanctions; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; prescribing penalties; appropriating money for the Head Start program and for a variety of crime prevention and correctional programs; amending Minnesota Statutes 1992, sections 13.82, by adding a subdivision; 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 169.797, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 260.145; 260.155, by adding a

subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; 299A.34, subdivision 1; 299F.71; 299F.72, subdivision 2, and by adding subdivisions; 299F.73; 299F.74; 299F.75; 299F.77; 299F.78, subdivision 1; 299F.79; 299F.80; 299F.82; 299F.83; 357.22; 357.241; 357.242; 609.02, subdivision 2, and by adding a subdivision; 609.055, subdivision 2; 609.066, subdivision 2; 609.105; 609.15, subdivision 1; 609.152, by adding a subdivision; 609.165, subdivision 1a; 609.168; 609.245; 611A.036; 611A.19; 611A.53, subdivision 2; 611A.73, subdivision 3; 624.731, subdivision 8; 626.76, subdivision 1 and 2; 631.07; and 634.20; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 13.82, subdivision 10; 120.101, subdivision 5; 121.831, subdivision 9; 169.121, subdivision 3; 169.129; 171.24; 260.161, subdivision 1d; 609.902, subdivision 1; 357.24; 540.18, subdivision 1; 609.035; 609.15, subdivision 2; 609.3461; 609.66, subdivision 1d; 609.902, subdivision 4; 611A.04, subdivisions 1 and 3; 611A.52, subdivision 8; 624.713; and 638.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 169; 299A, 299C; 299F; and 609; repealing Minnesota Statutes 1993 Supplement, section 2; and 299F.815, as amended; Minnesota Statutes 1993 Supplement, section 2; 609.815, as amended; Minnesota Statutes 1993 Supplement, section 2; 609.815, as amended; Minnesota Statutes 1993 Supplement, section 2; 609.815, as amended; Minnesota Statutes 1993 Supplement, section 2; 609.815, as amended; Minnesota Statutes 1993 Supplement, section 2; 609F.811.

The bill was read for the first time and referred to the Committee on Judiciary.

Knight, Leppik, Wolf, Worke and Seagren introduced:

H. F. No. 2848, A bill for an act relating to crime and crime prevention; imposing a mandatory minimum sentence on persons convicted of a third violent crime; imposing felony penalties on convicted felons who possess a firearm; creating a presumption in favor of certifying to adult court older juveniles who are alleged to have committed a violent or firearm-related crime; requiring parents to accompany their minor children to delinquency hearings; increasing penalties for and requiring consecutive sentencing of repeat DWI offenders; imposing penalties on motor vehicle owners who knowingly lend the vehicle to an intoxicated or unlicensed driver, requiring the commissioner of public safety to study the feasibility of a DWI offender tracking system; requiring certain sentencing guidelines modifications; providing for changes in the education and criminal laws to enhance safety in the schools; increasing protections for crime victims; requiring the establishment of a summer service camp pilot project for high-risk youth; regulating explosives, blasting agents, explosive devices, and incendiary devices; proposing an amendment to the Minnesota Constitution by adding a section to article IV that requires the legislature to provide by law for admissibility as evidence in trials of the results of DNA analysis; requiring all convicted violent offenders to provide a DNA specimen; changing the order of final argument in criminal cases; establishing pilot programs to improve supervision of probationers, parolees, and supervised releasees in the community; requiring a study of restorative justice sanctions; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; prescribing penalties; appropriating money for the Head Start program and for a variety of crime prevention and correctional programs; amending Minnesota Statutes 1992, sections 13.82, by adding a subdivision; 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127,31, by adding a subdivision; 127,35; 127,38; 169,797, subdivision 4; 260,015, subdivision 5; 260,111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 260.145; 260.155, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; 299A.34, subdivision 1; 299F.71; 299F.72, subdivision 2, and by adding subdivisions; 299F.73; 299F.74; 299F.75; 299F.77; 299F.78, subdivision 1; 299F.79; 299F.80; 299F.82; 299F.83; 357.22; 357.241; 357.242; 609.02, subdivision 2, and by adding a subdivision; 609.055, subdivision 2; 609.066, subdivision 2; 609.105; 609.15, subdivision 1; 609.152, by adding a subdivision; 609.165, subdivision 1a; 609.168; 609.245; 611A.036; 611A.19; 611A.53, subdivision 2; 611A.73, subdivision 3; 624.731, subdivision 8; 626.76, subdivisions 1 and 2; 631.07; and 634.20; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 13.82, subdivision 10; 120.101, subdivision 5; 121.831, subdivision 9; 169.121, subdivision 3; 169.129; 171.24; 260.161, subdivision 3; 299A.35, subdivision 1; 357.24; 540.18, subdivision 1; 609.035; 609.15, subdivision 2; 609.3461; 609.66, subdivision 1d; 609.902, subdivision 4; 611A.04, subdivisions 1 and 3; 611A.52, subdivision 8; 624.713; and 638.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 169; 299A; 299C; 299F; and 609; repealing Minnesota Statutes 1992, sections 299F.72, subdivisions 3 and 4; 299F.78, subdivision 2; and 299F.815, as amended; Minnesota Statutes 1993 Supplement, section 299F.811:

The bill was read for the first time and referred to the Committee on Judiciary.

Dehler, Commers, Lindner, Frerichs and Pawlenty introduced:

H. F. No. 2849, A bill for an act relating to crime and crime prevention; imposing a mandatory minimum sentence on persons convicted of a third violent crime; imposing felony penalties on convicted felons who possess a firearm; creating a presumption in favor of certifying to adult court older juveniles who are alleged to have committed a violent or firearm-related crime; requiring parents to accompany their minor children to delinquency hearings; increasing penalties for and requiring consecutive sentencing of repeat DWI offenders; imposing penalties on motor vehicle owners who knowingly lend the vehicle to an intoxicated or unlicensed driver; requiring the commissioner of public safety to study the feasibility of a DWI offender tracking system; requiring certain sentencing guidelines modifications; providing for changes in the education and criminal laws to enhance safety in the schools; increasing protections for crime victims; requiring the establishment of a summer service camp pilot project for high-risk youth; regulating explosives, blasting agents, explosive devices, and incendiary devices; proposing an amendment to the Minnesota Constitution by adding a section to article IV that requires the legislature to provide by law for admissibility as evidence in trials of the results of DNA analysis; requiring all convicted violent offenders to provide a DNA specimen; changing the order of final argument in criminal cases; establishing pilot programs to improve supervision of probationers, parolees, and supervised releasees in the community; requiring a study of restorative justice sanctions; authorizing spending to make improvements of a capital nature to state correctional institutions; authorizing issuance of bonds; prescribing penalties; appropriating money for the Head Start program and for a variety of crime prevention and correctional programs; amending Minnesota Statutes 1992, sections 13.82, by adding a subdivision; 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 169.797, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 260.145; 260.155, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; 299A.34, subdivision 1; 299F.71; 299F.72, subdivision 2, and by adding subdivisions; 299F.73; 299F.74; 299F.75; 299F.77; 299F.78, subdivision 1; 299F.79; 299F.80; 299F.82; 299F.83; 357.22; 357.241; 357.242; 609.02, subdivision 2, and by adding a subdivision; 609.055, subdivision 2; 609.066, subdivision 2; 609.105; 609.15, subdivision 1; 609.152, by adding a subdivision; 609.165, subdivision 1a; 609.168; 609.245; 611A.036; 611A.19; 611A.53, subdivision 2; 611A.73, subdivision 3; 624.731, subdivision 8; 626.76, subdivisions 1 and 2; 631.07; and 634.20; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 13.82, subdivision 10; 120.101, subdivision 5; 121.831, subdivision 9; 169.121, subdivision 3; 169.129; 171.24; 260.161, subdivision 3; 299A.35, subdivision 1; 357.24; 540.18, subdivision 1; 609.035; 609.15, subdivision 2; 609.3461; 609.66, subdivision 1d; 609.902, subdivision 4; 611A.04, subdivisions 1 and 3; 611A.52, subdivision 8; 624.713; and 638.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 169; 299A; 299C; 299F; and 609; repealing Minnesota Statutes 1992, sections 299F.72, subdivisions 3 and 4; 299F.78, subdivision 2; and 299F.815, as amended; Minnesota Statutes 1993 Supplement, section 299F.811.

The bill was read for the first time and referred to the Committee on Judiciary.

# Erhardt, Wolf, Commers, Pauly and Limmer introduced:

H. F. No. 2850, A bill for an act relating to economic development; providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for the restructuring of certain public assistance programs; providing for the creation of enterprise zones; authorizing expenditures from the housing trust fund account; authorizing pilot projects and an urban homesteading program; appropriating money; amending Minnesota Statutes 1992, sections 161.123; 256.73, by adding a subdivision; 256.74, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; 290.06, by adding a subdivision; 297A.15, by adding a subdivision; 297A.25, by adding a subdivision; 462A.201, by adding a subdivision; 473.375, by adding a subdivision; 473.387, by adding a subdivision; 473.388, subdivision 2; and 473.405, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; and 462A.222, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 176C; 176D; 256; 469; and 473; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.135; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.442; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; 504.33, subdivisions 1, 2, 4, 6, and 8; and 504.34, subdivisions 3, 4, 5, and 6; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; 176.5401; 504.33, subdivisions 3, 5, and 7; and 504.34, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

McGuire introduced:

H. F. No. 2851, A bill for an act relating to crime prevention; criminal sexual conduct; requiring a sexual assault victim advocacy plan for each judicial district; modifying the definition of consent for purposes of the criminal sexual conduct prosecutions; requiring the collection of data; amending Minnesota Statutes 1992, section 609.341, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

# Krueger introduced:

H. F. No. 2852, A bill for an act relating to state government; appropriating money for development of a system of electronic access to state government information and services.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Gruenes, Cooper, Greenfield, Vickerman and Simoneau introduced:

H. F. No. 2853, A bill for an act relating to human services; modifying provisions relating to long-term care; authorizing studies; creating task forces; amending Minnesota Statutes 1992, sections 144.0721, by adding a subdivision; 256B.0913, by adding a subdivision; and 256B.0917, subdivision 6; Minnesota Statutes 1993 Supplement, sections 256B.0911, subdivision 4; 256B.0913, subdivisions 5 and 12; 256B.0917, subdivisions 1 and 5; and 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Simoneau introduced:

H. F. No. 2854, A bill for an act relating to workers' compensation; regulating insurance; limiting long-term benefits; adjusting supplemental benefits; providing coverage for independent contractors; strengthening fraud prevention; adjusting permanent partial benefits; providing for safety programs; appropriating money; amending Minnesota Statutes 1992, sections 79.085; 176.041, subdivision 1; 176.101, subdivisions 3b and 5; 176.132, subdivisions 2 and 3; 176.178; 176.185, subdivision 1; and 176.232; Minnesota Statutes 1993 Supplement, section 176.041, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapters 79; 176; and 182; repealing Minnesota Statutes 1992, sections 79.01, subdivisions 7 and 8; 79.074, subdivision 2; 79.50; 79.51, as amended; 79.52; 79.53; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; and 79.62; Minnesota Statutes 1993 Supplement, section 72.211, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

# Greenfield introduced:

H. F. No. 2855, A bill for an act relating to health; MinnesotaCare; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center for health care electronic data interchange; providing standards for the Minnesota health care identification card; proposing coding for new law in Minnesota Statutes, chapter 62J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Reding introduced:

H. F. No. 2856, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in Mower county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Lourey, Cooper and Greenfield introduced:

H. F. No. 2857, A bill for an act relating to health; establishing a physician substitute demonstration project for rural communities; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Onnen and Finseth introduced:

H. F. No. 2858, A bill for an act relating to taxation; sales and use; exempting sales to towns; amending Minnesota Statutes 1993 Supplement, sections 297A.25, subdivision 11; and 297B.03.

The bill was read for the first time and referred to the Committee on Taxes.

# Knight introduced:

H. F. No. 2859, A bill for an act relating to metropolitan government; transit; establishing the metropolitan special transportation service commission; transferring special transportation service duties from the regional transit commission to the new commission; amending Minnesota Statutes 1992, sections 15.0597, subdivision 1; 473.121, subdivision 5a, and by adding a subdivision; 473.146, subdivision 4; 473.164, subdivision 1; 473.377, subdivision 1; 473.384, subdivision 1; and 473.404, subdivision 5; Minnesota Statutes 1993 Supplement, sections 10A.01, subdivision 18; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, section 473.386, subdivisions 1, 2, 3, 4, 5, and 6; Minnesota Statutes 1993 Supplement, section 473.386, subdivision 2a.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carruthers, McCollum, Mosel and Evans introduced:

H. F. No. 2860, A bill for an act proposing an amendment to the Minnesota Constitution, article VIII, section 5; providing for recall of elected state officers.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

Neary, Trimble, Pelowski, Pauly and Sekhon introduced:

H. F. No. 2861, A bill for an act relating to conservation of natural resources; providing for use of the Minnesota conservation fund; appropriating money; amending Minnesota Statutes 1992, section 40A.151, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Workman introduced:

H. F. No. 2862, A bill for an act relating to local government; prohibiting cities from selling or giving away certain trees; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

5208

Kahn introduced:

H. F. No. 2863, A bill for an act relating to retirement; Minneapolis employees retirement fund; amending Minnesota Statutes 1992, sections 356.215, subdivision 4d; 422A.05, subdivision 2c, and by adding a subdivision; 422A.101, subdivision 3; 422A.13, subdivision 2; 422A.16, subdivisions 1, 7, and 9; 422A.23, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 422A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Workman introduced:

H. F. No. 2864, A bill for an act relating to drop-in child care programs; requiring certain programs that are exempt from licensure requirements to provide notice to participants; amending Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Jacobs introduced:

H. F. No. 2865, A bill for an act relating to alcoholic beverages; defining terms; amending Minnesota Statutes 1992, section 340A.101, subdivision 13.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

# Sviggum introduced:

H. F. No. 2866, A bill for an act relating to coroners; providing for exemption from educational requirements in certain circumstances; amending Minnesota Statutes 1992, section 390.005, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kahn; Johnson, R., and Krueger introduced:

H. F. No. 2867, A bill for an act relating to retirement; establishing minimum qualifications for audits of police and fire relief associations; changing employer contribution rates for police and fire relief associations; establishing reporting requirements for certain public pension funds; requiring notice of meetings of relief associations and requiring meetings to be open to the public; amending Minnesota Statutes 1992, sections 69.051, subdivision 1; 69.77, subdivision 2b; and 424A.04, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

# Greenfield introduced:

H. F. No. 2868, A bill for an act relating to health; MinnesotaCare; establishing and regulating community integrated service networks; defining terms; creating a reinsurance and risk adjustment association; classifying data; requiring reports; mandating studies; modifying provisions relating to the regulated all-payer option; requiring administrative rulemaking; setting timelines and requiring plans for implementation; designating essential community providers; establishing an expedited fact finding and dispute resolution process; requiring proposed legislation; establishing task forces; providing 'for demonstration models; mandating universal coverage; requiring insurance reforms; providing grant programs; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center for health care electronic data interchange standards for the Minnesota health care identification card; appropriating money; providing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivision 1; 62A.303; 62D.04, by adding a subdivision; 62E.02, subdivisions 10, 18, 20, and 23; 62E.10, subdivisions 1, 2, and 3; 62E.141; 62E.16; 62J.03, by adding a

subdivision; 62L.02, subdivisions 9, 13, 16, 17, 24, and by adding subdivisions; 62L.03, subdivision 1; 62L.05, subdivisions 1, 5, and 8; 62L.08, subdivisions 2, 5, 6, and 7; 62L.12; 62L.21, subdivision 2; 62M.02, subdivisions 5 and 21; 62M.03, subdivisions 1, 2, and 3; 62M.05, subdivision 3; 62M.06, subdivision 3; 62M.09, subdivision 5; and 295.50, by adding subdivisions; Minnesota Statutes 1993 Supplement; sections 43A.317, by adding a subdivision; 60K.14, subdivision 7; 61B.20, subdivision 13; 62A.011, subdivision 3; 62A.65, subdivisions 2, 3, 4, 5, and by adding a subdivision; 62D.12, subdivision 17; 62J.03, subdivision 6; 62J.04, subdivisions 1 and 1a; 62J.09, subdivision 2; 62J.33, by adding subdivisions; 62J.35, subdivisions 2 and 3; 62J.38; 62J.41, subdivision 2; 62J.45, by adding subdivisions; 62L.02, subdivisions 8, 11, 15, 19, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.04, subdivision 1; 62L.08, subdivisions 4 and 8; 62N.01; 62N.02, subdivisions 1, 8, and by adding a subdivision; 62N.06, subdivision 1; 62N.065, subdivisions 1 and 2; 62N.22; 62N.23; 62P.01; 62P.03; 62P.04; 62P.05; 144.1486; 151.21, subdivisions 7 and 8; 256.9352, subdivision 3; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, and 12b; 295.53, subdivisions 1, 2, and 5; 295.54; 295.58; and 295.582; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 62N; and 62P; proposing coding for new law as Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 1992, sections 62A.02, subdivision 5; 62E.51; 62E.52; 62E.53; 62E.531; 62E.55; and 256.362, subdivision 5; Minnesota Statutes 1993

The bill was read for the first time and referred to the Committee on Health and Human Services.

Winter, Ness, Wenzel, Peterson and Steensma introduced:

H. F. No. 2869, A bill for an act relating to agriculture; changing the corporate farming law; amending Minnesota Statutes 1992, section 500.24, subdivisions 2, 3, 4, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Johnson, V.; Battaglia; Olson, E., and Winter introduced:

H. F. No. 2870, A bill for an act relating to human services; authorizing a rate variance for developmental achievement centers serving persons with special needs; amending Minnesota Statutes 1993 Supplement, section 252.46, subdivision 6.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Ostrom introduced:

H. F. No. 2871, A bill for an act relating to taxation; property; requiring additional information on the truth in taxation newspaper advertisements; amending Minnesota Statutes 1993 Supplement, section 275.065, subdivision 5a.

The bill was read for the first time and referred to the Committee on Taxes.

Bergson, Skoglund, McCollum, Rhodes and Perlt introduced:

H. F. No. 2872, A bill for an act relating to public safety; creating a statewide witness and victim protection fund under the administration of the commissioner of public safety; appropriating money; amending Minnesota Statutes 1992, section 299C.065, subdivision 4; and Minnesota Statutes 1993 Supplement, section 299C.065, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 299C; repealing Minnesota Statutes 1992, section 299C.065, subdivision 3a.

The bill was read for the first time and referred to the Committee on Judiciary.

# Klinzing introduced:

H. F. No. 2873, A bill for an act relating to occupations and professions; adding chiropractors to those who can supervise athletic trainers; amending Minnesota Statutes 1993 Supplement, sections 148.7802, subdivision 11; and 148.7809, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wolf introduced:

H. F. No. 2874, A bill for an act relating to intoxicating liquor; authorizing Burnsville to issue additional on-sale licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Murphy, Huntley, Carlson, Jaros and Munger introduced:

H. F. No. 2875, A bill for an act relating to education; delaying the supplemental revenue reduction for school districts with negative net unappropriated operating fund balances; amending Minnesota Statutes 1993 Supplement, section 124A.22, subdivisions 8 and 9.

The bill was read for the first time and referred to the Committee on Education.

Huntley, Cooper, Lourey, Van Engen and Klinzing introduced:

H. F. No. 2876, A bill for an act relating to health; providing grants to establish and maintain health care access offices; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Brown, C.; Swenson; Dehler and Clark introduced:

H. F. No. 2877, A bill for an act relating to housing; establishing a pilot project for housing homeless persons in severe weather; appropriating money.

The bill was read for the first time and referred to the Committee on Housing.

Wenzel; Johnson, V.; Bertram; Nelson and Mosel introduced:

H. F. No. 2878, A bill for an act relating to agriculture; appropriating money for legal challenges to the federal milk market order system.

The bill was read for the first time and referred to the Committee on Agriculture.

Johnson, A., and McGuire introduced:

H. F. No. 2879, A bill for an act relating to the environment; automobile emissions; providing that a vehicle need not be inspected until the year of its registration is five years more than its model year; amending Minnesota Statutes 1992, section 116.61, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rest; Anderson, I.; Winter; Solberg and Milbert introduced:

H. F. No. 2880, A bill for an act relating to taxation; increasing the subtraction for the elderly and disabled; amending Minnesota Statutes 1992, section 290.0802, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Mariani and Johnson, A., introduced:

H. F. No. 2881, A bill for an act relating to education; providing for programs to meet the educational and culturally related academic needs of people of Mexican origin; amending Minnesota Statutes 1993 Supplement, section 126.70, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Olson, E., introduced:

H. F. No. 2882, A bill for an act relating to motor carriers; exempt carriers; providing an exemption for transportation of potatoes; amending Minnesota Statutes 1993 Supplement, section 221.025.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Jefferson introduced:

H. F. No. 2883, A bill for an act relating to the metropolitan sports facilities commission; prohibiting use by commissioners of sports facilities available for use by the public for a fee unless commissioners pay the same fee; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Johnson, A.; Vellenga and McGuire introduced:

H. F. No. 2884, A bill for an act relating to education; authorizing a sexuality and family life education evaluation; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Winter, Cooper, Ness, Dauner and Steensma introduced:

H. F. No. 2885, A bill for an act relating to agriculture; providing for family farm limited liability companies and authorized farm limited liability companies; removing limitation on number of shareholders or partners for authorized farm corporations and partnerships; amending Minnesota Statutes 1992, section 500.24, subdivision 2.

The bill was read for the first time and referred to the Committee on Agriculture.

Long introduced:

H. F. No. 2886, A bill for an act relating to taxation; property; expanding open space valuation to include certain lawn bowling or croquet green property; amending Minnesota Statutes 1993 Supplement, section 273.112, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Lourey; Greenfield; Neary; Brown, K., and Cooper introduced:

H. F. No. 2887, A bill for an act relating to health and human services; requiring reimbursement rates paid to community health and public health clinics by a prepaid health plan to equal the medical assistance rates that would be paid directly to these clinics by the commissioner of human services; amending Minnesota Statutes 1992, section 256B.031, subdivisions 10 and 11; Minnesota Statutes 1993 Supplement, section 256.9363, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lourey introduced:

H. F. No. 2888, A bill for an act relating to economic development; regulating community action agencies; amending Minnesota Statutes 1992, sections 268.53, subdivision 5; and 466.01, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Cooper, Bertram and Reding introduced:

H. F. No. 2889, A bill for an act relating to insurance; requiring that coverage of prescription drugs cover drugs prescribed by any person permitted by law to prescribe; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dauner; Johnson, V.; Jacobs; Osthoff and Olson, E., introduced:

H. F. No. 2890, A bill for an act relating to taxation; property; providing for dismissal of petitions objecting to property taxes in certain instances; changing the date by which the petitions must be filed; amending Minnesota Statutes 1992, sections 271.06, subdivision 7; 278.05, subdivision 6; Minnesota Statutes 1993 Supplement, section 278.01, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Goodno, Gruenes, Girard, Huntley and Dehler introduced:

H. F. No. 2891, A bill for an act relating to health; exempting student health service fees from the MinnesotaCare tax; amending Minnesota Statutes 1993 Supplement, section 295.53, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hugoson, Nelson and Wenzel introduced:

H. F. No. 2892, A bill for an act relating to agriculture; amending provisions regarding the pricing of certain dairy products; amending Minnesota Statutes 1993 Supplement, sections 32.72; and 32.73, subdivision 4.

The bill was read for the first time and referred to the Committee on Agriculture.

Rukavina, Solberg, Battaglia, Tomassoni and Anderson, I., introduced:

H. F. No. 2893, A bill for an act relating to unemployment compensation; extending benefits for certain employees; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Ozment, Knight, Dorn, Bettermann and McGuire introduced:

H. F. No. 2894, A bill for an act relating to the environment; providing for evaluation of motor vehicle salvage facilities by the pollution control agency; providing for a report to the legislature; reallocating money; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sviggum, Bertram, Onnen, Murphy and Dauner introduced:

H. F. No. 2895, A bill for an act proposing an amendment to the Minnesota Constitution, article I, adding a section to provide that the right to keep and bear arms shall not be abridged.

The bill was read for the first time and referred to the Committee on Judiciary.

# Solberg; Anderson, I., and Kinkel introduced:

H. F. No. 2896, A bill for an act relating to Itasca county; permitting the county board to submit a question to nonbinding referendum.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Lourey, Solberg, Jennings and Murphy introduced:

H. F. No. 2897, A bill for an act relating to agriculture; providing for an investigation of low participation in rural finance authority programs by lenders in certain locations; promoting local lender participation in authority programs; requiring a report; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

# Simoneau introduced:

H. F. No. 2898, A bill for an act relating to commerce; authorizing local units of government to license the retail sale of tobacco; requiring a county to license the retail sale of tobacco under certain conditions; providing for regular compliance checks for all licensed vendors; providing for mandatory penalties against license holders for sales to minors; amending Minnesota Statutes 1992, sections 461.12; 461.13; and 461.15; proposing coding for new law in Minnesota Statutes, chapter 461.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Solberg; Anderson, I.; Bishop and Johnson, V., introduced:

H. F. No. 2899, A bill for an act relating to public lands; exempting public lands from certain road dedication provisions; changing notice requirements for sales of tax-forfeited lands; modifying a provision relating to leasing of tax-forfeited lands; amending Minnesota Statutes 1992, sections 160.05, by adding a subdivision; and 282.02; Minnesota Statutes 1993 Supplement, section 282.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Greenfield introduced:

H. F. No. 2900, A bill for an act relating to health; allowing the governing body of a public hospital to close meetings for purposes of peer review; amending Minnesota Statutes 1992, section 145.64, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Anderson, I., introduced:

H. F. No. 2901, A bill for an act relating to community colleges; authorizing the state board to construct or acquire student residences; authorizing revenue bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Skoglund introduced:

H. F. No. 2902, A bill for an act relating to public safety; requiring that persons who use or possess authorized tear gas compounds containing oleoresin capsicum must have completed a training course developed by the bureau of criminal apprehension; prohibiting sale of tear gas compounds containing oleoresin capsicum to untrained persons; amending Minnesota Statutes 1992, section 624.731, subdivisions 2, 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Perlt, Luther, Delmont, Lieder and Olson, E., introduced:

H. F. No. 2903, A bill for an act relating to insurance; accident and health; permitting short-term coverage; amending Minnesota Statutes 1993 Supplement, section 62A.65, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Rukavina; Simoneau; Anderson, I.; Clark and Greenfield introduced:

H. F. No. 2904, A bill for an act relating to health; providing an exception to the nursing home moratorium; amending Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Wenzel, by request, introduced:

H. F. No. 2905, A bill for an act relating to retirement; purchase of service credit in the public employees retirement association by a Little Falls ex-school board member.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Lasley and Jennings introduced:

H. F. No. 2906, A bill for an act relating to capital improvements; corrections; appropriating money for study and preparation for constructing a corrections facility; authorizing sale of state bonds.

The bill was read for the first time and referred to the Committee on Judiciary.

Vickerman, Lindner, Finseth and Olson, M., introduced:

H. F. No. 2907, A bill for an act relating to education; safe schools; requiring students who transfer and school officials to transmit students' education records; allowing peace officers to disseminate certain information to schools and social service agencies; expanding the definition of directory information to include published photographs; expanding antiviolence programs in schools; establishing grant programs to develop curricula on ethics and parenting skills; precluding disruptive students from participating in the open enrollment program; making possession of a firearm or engaging in dangerous, disruptive, or violent behavior in a school zone grounds for immediate dismissal from school; providing for criminal prosecution of juveniles alleged to have possessed a firearm in a school zone; expanding the crime of possessing a dangerous weapon on school property to include the possession of replica firearms and the possession of weapons within 300 feet of school property; extending the juvenile court's continuing jurisdiction to a minor's 23rd birthday; expanding the crime of contributing to the delinquency of a minor to include parents and guardians who fail to provide reasonable supervision or control over their minor children; establishing a school-related crime hotline; increasing the limit on parental liability for personal injury torts committed by a minor; encouraging school districts to create alternative programs for disruptive students; appropriating money; amending Minnesota Statutes 1992, sections 120.062, subdivision 7; 120.101, by adding a subdivision; 124.912, by adding a subdivision; 126.77, subdivision 1; 126.78; 127.03, subdivision 3; 127.29, subdivision 1, and by adding a subdivision; 127.30, by adding a subdivision; 127.31, by adding a subdivision; 127.35; 127.38; 260.015, subdivision 5; 260.111, by

adding a subdivision; 260.125, by adding a subdivision; 260.161, by adding a subdivision; 260.181, subdivision 4; 260.315; and 609.055, subdivision 2; Minnesota Statutes 1993 Supplement, sections 13.32, subdivision 5; 120.101, subdivision 5; 121.831, subdivision 9; 260.161, subdivision 3; 540.18, subdivision 1; and 609.66, subdivision 1d; proposing coding for new law in Minnesota Statutes, chapter 299A.

The bill was read for the first time and referred to the Committee on Judiciary.

Jennings and Lasley introduced:

H. F. No. 2908, A bill for an act relating to corrections; authorizing a feasibility study; planning for a medium security prison in the Cambridge area; authorizing the issuance of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

Jaros, Huntley, Munger and Murphy introduced:

H. F. No. 2909, A bill for an act relating to retirement; authorizing postretirement adjustments based on excess investment earnings for annuitants and beneficiaries of the Duluth teachers retirement fund association; proposing coding for new law in Minnesota Statutes, chapter 354A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Simoneau introduced:

H. F. No. 2910, A bill for an act relating to abortions; providing rules for informed consent; providing for certain civil damages; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Evans and Asch introduced:

H. F. No. 2911, A bill for an act relating to education; modifying the formula for abatement aids; appropriating money; amending Minnesota Statutes 1992, sections 124.214, subdivision 2; and 124A.032.

The bill was read for the first time and referred to the Committee on Education.

Hasskamp introduced:

H. F. No. 2912, A bill for an act relating to health; nursing home reimbursement; modifying special provisions for moratorium exceptions; amending Minnesota Statutes 1992, section 256B.431, subdivision 17; Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Asch, McCollum, Evans and Milbert introduced:

H. F. No. 2913, A bill for an act relating to education; allowing school safety patrol members to wear fluorescent reflective vests; amending Minnesota Statutes 1992, section 126.15, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

Milbert, Evans, Kahn, McCollum and Stanius introduced:

H. F. No. 2914, A bill for an act relating to public administration; providing for two women's ice centers; establishing a women's ice centers building account; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

5216

# Milbert introduced:

H. F. No. 2915, A bill for an act relating to taxes; property; providing for the classification of certain hunting property for property tax purposes; amending Minnesota Statutes 1993 Supplement, section 273.13, subdivision 23.

The bill was read for the first time and referred to the Committee on Taxes.

Clark, Winter, Simoneau and Jefferson introduced:

H. F. No. 2916, A bill for an act relating to health; modifying provisions relating to lead abatement; amending Minnesota Statutes 1992, section 144.874, subdivision 12, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.871, subdivision 7c; 144.872, subdivision 2; 144.874, subdivisions 1, 3, and 11a; and 144.878, subdivisions 2 and 5; repealing Minnesota Statutes 1993 Supplement, section 144.877.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Klinzing; Brown, K.; Wejcman; Mariani and Clark introduced:

H. F. No. 2917, A bill for an act relating to human services; directing the commissioner to establish an outreach program to inform potential recipients of the existence of the food stamp program; appropriating money; amending Minnesota Statutes 1992, section 256.01, subdivision 11.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Munger, Trimble, Pauly, Wenzel and Johnson, V., introduced:

H. F. No. 2918, A bill for an act relating to natural resources; motor vehicles; establishing special vehicle license plates for wetlands wildlife purposes; creating the wetlands wildlife legacy account; proposing coding for new law in Minnesota Statutes, chapters 84; and 168.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Bauerly, Vellenga and Weaver introduced:

H. F. No. 2919, A bill for an act relating to education; creating a grant program to encourage cooperation among school districts; proposing coding for new law in Minnesota Statutes, chapter 124C.

The bill was read for the first time and referred to the Committee on Education.

Long; Ozment; Solberg; Johnson, V., and Munger introduced:

H. F. No. 2920, A bill for an act relating to the environment; reestablishing the office of waste management as the office of environmental assistance; transferring environmental assistance programs from the pollution control agency to the office; transferring waste management and policy planning from the metropolitan council to the office; amending Minnesota Statutes 1992, sections 115A.03, by adding a subdivision; 115A.055; 115A.06, subdivision 2; 115A.072; 115A.12; 115A.14, subdivision 4; 115A.15, subdivision 5; 115A.411, subdivision 1; 115A.42; 115A.5501, subdivision 2; 115A.84, subdivision 3; 115A.86, subdivision 2; 115A.912, subdivision 1; 115A.96, subdivision 2; 116A.97, subdivision 1; 116F.02, subdivision 2; 473.149, subdivisions 1, 3, 5, and by adding a subdivision; 473.801; 473.803, subdivisions 2 and 4; and 473.823, subdivision 5; Minnesota Statutes 1993 Supplement, sections 115A.551, subdivision 3; and 473.846; repealing Minnesota Statutes 1992, sections 115A.81, subdivision 3; 115A.914, subdivision 1; 115A.925; 116.96, subdivision 2; 116F.06, subdivisions 2, 3, 4, and 5; 116F.08; 473.181, subdivision 4; and 473.803, subdivision 1b; Minnesota Statutes 1993 Supplement, section 473.149, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

# Bauerly, Kelso, Vellenga, Lasley and Weaver introduced:

H. F. No. 2921, A bill for an act relating to education; directing the state board of education to include in the high school graduation rule the requirements for certificates of initial and advanced mastery that indicate academic and occupational competencies; making a certificate of initial mastery a precondition to participating in certain education programs; precluding students from seeking employment without the certificate of initial mastery; requiring recommendations; appropriating money; amending Minnesota Statutes 1992, section 121.11, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

# Simoneau introduced:

H. F. No. 2922, A bill for an act relating to human services; modifying certain provisions related to medical assistance and general assistance medical care; amending Minnesota Statutes 1992, sections 246.53, subdivision 1; 252.275, subdivisions 3 and 4; 256.015, subdivisions 2 and 7; 256.9365, subdivisions 1 and 3; 256.969, subdivisions 10 and 16; 256B.042, subdivision 2; 256B.056, by adding a subdivision; 256B.059, subdivision 1; 256B.0625, by adding a subdivision; 256B.056, by adding a subdivision; 256B.0625, by adding a subdivision; 256D.03, subdivisions 3a and 3b; 256D.16; 256D.425, by adding a subdivision; 261.04, subdivision 2; 524.3-803; 524.3-1201; and 528.08; Minnesota Statutes 1993 Supplement, sections 245.492, subdivision 6; 245.493, subdivision 2, and by adding a subdivision; 1; 256.9685, subdivision 1; 256.969, subdivision 24; 256B.059, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.15, subdivision 2; 256D.03, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.15, subdivision 2; 256D.03, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.15, subdivision 2; 256D.03, subdivisions 3 and 4; and 514.981, subdivisions 2 and 5; proposing coding for new law in Minnesota Statutes 1993 Supplement, section 501B.89.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Bertram introduced:

H. F. No. 2923, A bill for an act relating to civil proceedings; expanding parties eligible for fees and expenses in certain proceedings involving the state; amending Minnesota Statutes 1992, section 3.761, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Bertram introduced:

H. F. No. 2924, A bill for an act relating to taxation; classifying certain golf course property as class 4c property; amending Minnesota Statutes 1993 Supplement, section 273.13, subdivision 25.

The bill was read for the first time and referred to the Committee on Taxes.

# Battaglia introduced:

H. F. No. 2925, A bill for an act relating to state lands; requiring that certain leased lakeshore lots in Cook county be reoffered for public sale.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Mariani introduced:

H. F. No. 2926, A bill for an act relating to state government; transferring to the Indian affairs council the duty to appoint the state archaeologist; amending Minnesota Statutes 1992, section 138.35, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

# 72nd Day]

# Brown, C., introduced:

H. F. No. 2927, A bill for an act relating to public safety; prohibiting advertising of fireworks; amending Minnesota Statutes 1992, section 624.21.

The bill was read for the first time and referred to the Committee on Judiciary.

# Murphy introduced:

H. F. No. 2928, A bill for an act relating to corrections; modifying eligibility criteria for the challenge incarceration program; defining the length of phase III of the program; amending Minnesota Statutes 1992, sections 244.17, subdivision 2; and 244.172, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

#### McGuire introduced:

H. F. No. 2929, A bill for an act relating to private lands and waters; providing for recreational use, liability, and easements or other rights; amending Minnesota Statutes 1992, sections 87.025; 87.026; and 87.03; proposing coding for new law in Minnesota Statutes, chapter 87.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

# Cooper introduced:

H. F. No. 2930, A bill for an act relating to commerce; unclaimed property; requiring funds from checks held buy a county to be given to the county; amending Minnesota Statutes 1992, section 345.48.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Greenfield introduced:

H. F. No. 2931, A bill for an act relating to human services; modifying certain provisions concerning nursing facility reimbursement costs; amending Minnesota Statutes 1993 Supplement, section 256B.431, subdivision 22.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield introduced:

H. F. No. 2932, A bill for an act relating to health; modifying exceptions for the nursing home moratorium; amending Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Evans and Carruthers introduced:

H. F. No. 2933, A bill for an act relating to economic development; requiring contracts to expand locations for business information; amending Minnesota Statutes 1993 Supplement, section 116J.402.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

# Krueger, Kahn, Knickerbocker and Evans introduced:

H. F. No. 2934, A bill for an act relating to legislative audit commission; appropriating money for the legislative auditor to perform best practices review audits; amending Minnesota Statutes 1992, sections 3.97, subdivision 11; and 3.971, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Kelley, Greenfield and Neary introduced:

H. F. No. 2935, A bill for an act relating to occupations and professions; exempting some social workers employed in a hospital or nursing home from examination; modifying licensure requirements; requiring hospital and nursing home social workers to be licensed; amending Minnesota Statutes 1992, sections 148B.23, subdivisions 1 and 2; 148B.27, subdivision 2; and 148B.60, subdivision 3; repealing Minnesota Statutes 1992, sections 148B.18, subdivisions 4, 5, 6, and 7; 148B.19, subdivision 3; 148B.23, subdivision 1a; and 148B.28, subdivision 6.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# McCollum and McGuire introduced:

H. F. No. 2936, A bill for an act relating to Ramsey county; providing for funding the maintenance of turnback roads in Ramsey county; amending Minnesota Statutes 1992, section 383A.16, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1992, section 383A.16, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Orenstein, Trimble, Hausman, Dawkins and Mariani introduced:

H. F. No. 2937, A bill for an act relating to education; creating a voluntary pilot project for Ramsey county school districts; eliminating the property tax for participating school districts; requiring the development of a plan; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

# Workman introduced:

H. F. No. 2938, A bill for an act relating to appropriations; removing limitation on money that may be spent by regional transit board on metro mobility; amending Laws 1993, chapter 266, section 3, subdivision 3.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

# Vellenga and Weaver introduced:

H. F. No. 2939, A bill for an act relating to education; advancing metropolitan area school desegregation; creating a voluntary interdistrict coordinating council to coordinate metropolitan-wide school desegregation; directing the metropolitan council to adopt a long-range comprehensive policy plan for metropolitan area school desegregation; providing a variety of staff development incentives; establishing a metropolitan magnet school grant program; allowing interdistrict desegregation transfers under open enrollment; establishing a metropolitan desegregation/integration; appropriating money; amending Minnesota Statutes 1992, sections 120.062, by adding subdivisions; 124.17, subdivision 1d; 124.223, subdivision 1; 124.278, subdivision 1; 125.188, subdivision 1; 126.69, subdivisions 1 and 3; and 129C.10, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 121.11, subdivision 7d; 124.225, subdivision 1; 124.29, subdivision 9; 125.231, subdivisions 1 and 4; 125.623, subdivision 3; and 126.70, subdivisions 1 and 2a; Laws 1993, chapter 224, article 8, sections 20, subdivision 2; and 22, subdivision 12; proposing coding for new law in Minnesota Statutes, chapters 121; 124A; 124C; and 473; repealing Minnesota Statutes 1993 Supplement, section 120.062, subdivision 1; 20.062, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

#### Onnen, Morrison and Luther introduced:

H. F. No. 2940, A bill for an act relating to taxation; conforming income and corporate franchise taxes to changes in the federal income tax law; changing estimated tax rules; accelerating certain cost recovery subtractions; changing the dependent care credit; amending Minnesota Statutes 1992, sections 289A.02, by adding a subdivision; 289A.25, subdivision 5; 290.01, by adding a subdivision; 290.05, subdivision 3; 290.067, subdivision 1; 290.068, subdivision 2;

# THURSDAY, MARCH 17, 1994

290.0802, subdivision 1; 290.0921, subdivision 2; 297.01, by adding a subdivision; and 298.017, subdivision 2; Minnesota Statutes 1993 Supplement, sections 289A.26, subdivision 7; 290.01, subdivision 19; and 290.091, subdivision 2; repealing Minnesota Statutes 1992, section 290.067, subdivision 6; Minnesota Statutes 1993 Supplement, section 289A.25, subdivision 5a.

The bill was read for the first time and referred to the Committee on Taxes.

Clark; Jefferson; Johnson, R.; Murphy and Lourey introduced:

H. F. No. 2941, A bill for an act relating to employment; appropriating money for opportunities industrialization centers.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Onnen introduced:

H. F. No. 2942, A bill for an act relating to local government; providing that maintenance of abandoned or neglected cemeteries by nonprofit organizations does not create an employment relationship or liability for local governments; amending Minnesota Statutes 1992, sections 306.243, subdivision 3; and 306.246.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Van Dellen, Carlson, Skoglund, Pawlenty and Orenstein introduced:

H. F. No. 2943, A bill for an act relating to higher education; limiting student disciplinary sanctions related to speech; providing a civil action for a student so sanctioned; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

#### Clark and Simoneau introduced:

H. F. No. 2944, A bill for an act relating to health; clarifying the rights of patients and residents to disclose their presence in certain health care facilities; amending Minnesota Statutes 1993 Supplement, sections 144.651, subdivisions 21 and 26; and 253B.03, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Jefferson introduced:

H. F. No. 2945, A bill for an act relating to the arts; appropriating money to the city of Minneapolis for a grant to the Hennepin Center for the Arts.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Dawkins and Orenstein introduced:

H. F. No. 2946, A bill for an act relating to witnesses; establishing a privilege for certain communications made to licensed social workers; amending Minnesota Statutes 1993 Supplement, section 595.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Pugh, Asch, Evans, McCollum and Milbert introduced:

H. F. No. 2947, A bill for an act relating to residential contractors; allowing award of attorney fees to successful plaintiffs in certain actions against residential building contractors and remodelers; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Judiciary.

Long, Milbert, Dauner and Neary introduced:

H. F. No. 2948, A bill for an act relating to taxation; individual income and corporate franchise; conforming to changes in the federal income tax law; changing estimated tax rules; accelerating certain cost recovery subtractions; changing the definition of capital equipment for purposes of the sales and use tax and providing for the exemption for replacement capital equipment; exempting special tooling from the sales and use tax; abolishing the capital equipment refund requirements; providing for the expansion of individual income tax brackets; amending Minnesota Statutes 1992, sections 289A.02, by adding a subdivision; 289A.25, subdivision 5; 290.01, by adding a subdivision; 290.05, subdivision 3; 290.06, subdivisions 2c; 290.068, subdivision 2; 290.0802, subdivision 1; 290.0921, subdivision 2; 297.01, by adding a subdivision; 297A.01, by adding a subdivision; 297A.02, subdivision 2, and by adding a subdivision; 297A.02, subdivision 4; and 298.017, subdivision 2; Minnesota Statutes 1993 Supplement, sections 289A.26, subdivision 7; 290.01, subdivision 19; 290.091, subdivision 2; and 297A.01, subdivision 16; repealing Minnesota Statutes 1992, sections 290.067, subdivision 6; Minnesota Statutes 1993 Supplement, section 289A.25, subdivision 5a.

The bill was read for the first time and referred to the Committee on Taxes.

# Kelley, Kahn, Seagren and Delmont introduced:

H. F. No. 2949, A bill for an act relating to state and local government; establishing a process for increasing public access to government information and services through information technology; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 15.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Wejcman introduced:

H. F. No. 2950, A bill for an act relating to crime victims; raising attendance fees for victims and witnesses subpoenaed to testify; extending prohibition against employer retaliation for testifying in court to witnesses; providing that the court may not refuse to enforce an order of restitution on the basis that a civil judgment has been docketed; providing for an automatic docketing of unpaid restitution as a civil judgment at the end of an executed or stayed sentence; providing for notice to victim when offender is released to a less secure facility; extending required notice to police to 30 days for reparations claimants; extending application period for reparations claimants to two years; allowing reparations board to set a maximum for mental health benefits for reparations claimants at the beginning of each fiscal year; amending Minnesota Statutes 1992, sections 357.22; 357.241; 357.242; 611A.036; and 611A.53, subdivision 2; Minnesota Statutes 1993 Supplement, sections 357.24; 611A.04, subdivisions 1 and 3; 611A.06, subdivision 1; and 611A.52, subdivision 8.

The bill was read for the first time and referred to the Committee on Judiciary.

Rukavina, Greenfield, Wagenius, Rest and Milbert introduced:

H. F. No. 2951, A bill for an act relating to taxation; imposing a surtax on the tax liabilities of individuals, estates, and trusts; abolishing the tax on hospitals and health care providers; appropriating the proceeds of the surtax to the health care access fund; amending Minnesota Statutes 1992, sections 290.06, by adding a subdivision; and 290.62; Minnesota Statutes 1993 Supplement, sections 62P.04, subdivision 1; 214.16, subdivision 3; and 270B.01, subdivision 8; repealing Minnesota Statutes 1992, sections 295.50, as amended; 295.51, as amended; 295.52, as amended; 295.53, as amended; 295.54, as amended; 295.55, as amended; 295.57, as amended; 295.58, as amended; and 295.59, as amended; Minnesota Statutes 1993 Supplement, sections 144.1484, subdivision 2; and 295.582.

The bill was read for the first time and referred to the Committee on Taxes.

# 5222

Opatz, Greenfield, Van Dellen and Sarna introduced:

H. F. No. 2952, A bill for an act relating to insurance; professional liability; requiring that certain health care providers either maintain malpractice liability coverage or notify patients of the lack of coverage; permitting certain exceptions; proposing coding for new law in Minnesota Statutes, chapter 214.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kahn, Sarna, Rice and Jefferson introduced:

H. F. No. 2953, A bill for an act relating to local government; authorizing the park and recreation board of the city of Minneapolis to transfer conveyed land to the Minnesota department of transportation.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Johnson, A., introduced:

H. F. No. 2954, A bill for an act relating to insurance; requiring the commissioner of commerce to conduct a study of pollution coverage in Minnesota farm liability policies and report to the legislature.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

#### Rice introduced:

H. F. No. 2955, A bill for an act relating to economic development; appropriating money for a study of the feasibility of reestablishing foreign trade offices.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

#### Wejcman introduced:

H. F. No. 2956, A bill for an act relating to capital improvements; authorizing bonds and appropriating money for construction of light rail transit in the central corridor.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Carlson, Huntley and Reding introduced:

H. F. No. 2957, A bill for an act relating to insurance; extending to contract for deed vendors the protections contained in the mortgage clause of the standard fire insurance policy; amending Minnesota Statutes 1992, section 65A.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Carruthers, Reding, Bertram, Carlson and Lourey introduced:

H. F. No. 2958, A bill for an act relating to insurance; Medicare supplement; regulating premium rates; amending Minnesota Statutes 1993 Supplement, section 62A.31, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Winter, Reding, Asch, McCollum and Knight introduced:

H. F. No. 2959, A bill for an act relating to insurance; long-term care; regulating the length of the waiting period for benefits; amending Minnesota Statutes 1992, section 62A.48, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Asch introduced:

H. F. No. 2960, A bill for an act relating to occupations and professions; board of medical practice; providing for reinstatement of revoked licenses; amending Minnesota Statutes 1993 Supplement, sections 147.02, subdivision 1; and 147.037, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# Murphy introduced:

H. F. No. 2961, A bill for an act relating to employment; establishing the Minnesota youth program; repealing the wage subsidy program; amending Laws 1993, chapter 369, section 5, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1992, sections 268.551; and 268.552; Minnesota Rules, parts 3300.0100; 3300.0200; 3300.0300; 3300.0400; 3300.0500; 3300.0600; and 3300.0700.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Murphy, Rukavina and Anderson, I., introduced:

H. F. No. 2962, A bill for an act relating to employment; modifying the emergency jobs program; appropriating money; amending Minnesota Statutes 1992, sections 268.676, subdivision 1; and 268.677, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Weaver introduced:

H. F. No. 2963, A bill for an act relating to insurance; regulating claims practices; authorizing a private right of action for violations of certain auto claims standards; amending Minnesota Statutes 1992, section 72A.201, subdivision 6, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

#### Asch introduced:

H. F. No. 2964, A bill for an act relating to traffic regulations; increasing the penalty for failing to stop a vehicle for a school safety patrol member as required by law; amending Minnesota Statutes 1992, section 169.21, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

# Ozment, Munger, Trimble and Pauly introduced:

H. F. No. 2965, A bill for an act relating to the environment; appropriating money from the motor vehicle transfer account to reimburse used vehicle parts dealers; amending Minnesota Statutes 1992, section 115A.908, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Osthoff, Krueger, Tomassoni, Seagren and Kahn introduced:

H. F. No. 2966, A bill for an act relating to public employment; establishing a public employees insurance cooperative task force; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Wejcman introduced:

H. F. No. 2967, A bill for an act relating to local government; giving the Minneapolis school district and the municipal building commission the same authority as the city of Minneapolis to negotiate certain trade and craft contracts; amending Laws 1988, chapter 471, sections 1 and 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

### Carruthers introduced:

H. F. No. 2968, A bill for an act relating to crime; criminal procedure; clarifying prosecutor authority to initiate continuances for dismissal; increasing the penalty for committing certain escapes from custody; making technical changes; amending Minnesota Statutes 1992, sections 609.485, subdivision 4; and 626A.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

# Knight introduced:

H. F. No. 2969, A bill for an act relating to state government; reducing the size of the legislature; amending Minnesota Statutes 1992, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

#### Carruthers introduced:

H. F. No. 2970, A bill for an act relating to government data practices; civil actions for violations of the data practices act; eliminating awards for attorney fees; reducing the maximum available exemplary damages; amending Minnesota Statutes 1992, section 13.08, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Knight introduced:

H. F. No. 2971, A bill for an act relating to state government; preventing increases in the compensation of legislators and constitutional officers; amending Laws 1993, chapter 192, section 2, subdivision 6.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Knight introduced:

H. F. No. 2972, A bill for an act relating to the legislature; prescribing compensation for members; amending Minnesota Statutes 1992, section 3.099, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Evans; Kahn; Anderson, I.; Carruthers and Pauly introduced:

H. F. No. 2973, A bill for an act relating to buildings; specifying a required ratio of women's to men's restroom facilities for certain buildings; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Asch, Swenson, McCollum, Wejcman and Pugh introduced:

H. F. No. 2974, A bill for an act relating to insurance; automobile; requiring proof of prepaid automobile insurance prior to reinstatement of driver's license revoked for alcohol-related violation; amending Minnesota Statutes 1992, section 169.1261.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Kinkel; Kalis; Johnson, R.; Nelson and Swenson introduced:

H. F. No. 2975, A bill for an act relating to alcoholic beverages; increasing the sales tax rate on alcoholic beverages; providing for the dedication of a portion of the revenues from the sales tax on alcoholic beverages to the chemical dependency treatment account; eliminating requirements for a sliding fee schedule for persons eligible for chemical dependency fund services; amending Minnesota Statutes 1992, sections 254B.02, subdivision 1; 254B.04, subdivision 1; 297A.02, subdivision 3; and 297A.44, subdivision 1; repealing Minnesota Statutes 1992, section 254B.04, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

#### Weaver and Lynch introduced:

H. F. No. 2976, A bill for an act relating to ethics in government; clarifying conflicts of interest to be disclosed by certain officials; amending Minnesota Statutes 1992, section 10A.07, subdivision 1.

The bill was read for the first time and referred to the Committee on Ethics.

Kelley was excused for the remainder of today's session.

# MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 2213, A bill for an act relating to the city of St. Cloud; exempting a tax increment financing district from certain restrictions; providing expanded eminent domain authority.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 936, A bill for an act relating to the department of jobs and training; changing its name to the department of economic security.

The Senate has appointed as such committee:

Mr. Frederickson; Ms. Johnson, J. B., and Mr. Metzen.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

# Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the reappointment of the Conference Committee on H. F. No. 1094 and the re-reference of said bill to that committee for further consideration.

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; 2783.0050; 2783.0070; 2783.0080; 2783.0090; and 2783.0100.

The Senate has appointed as such committee:

Mr. Luther, Ms. Wiener, Mr. Solon, Ms. Berglin and Mr. Larson.

H. F. No. 1094 is herewith returned to the House.

#### PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1863, A bill for an act relating to ethics in government; providing for the house and senate ethics committees to perform specified duties in ethics leadership; changing various lobbyist and principal reporting requirements; prescribing penalties; amending Minnesota Statutes 1992, section 10A.04, subdivisions 4, 5, and 6; proposing coding for new law in Minnesota Statutes, chapters 3; and 10A.

PATRICK E. FLAHAVEN, Secretary of the Senate

# CONCURRENCE AND REPASSAGE

Olson, E., moved that the House concur in the Senate amendments to H. F. No. 1863 and that the bill be repassed as amended by the Senate.

A roll call was requested and properly seconded.

Bishop moved that the House refuse to concur in the Senate amendments to H. F. No. 1863, 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.

A roll call was requested and properly seconded.

# JOURNAL OF THE HOUSE

The question was taken on the Bishop motion and the roll was called. There were 20 yeas and 109 nays as follows:

Those who voted in the affirmative were:

Anderson, R. Bishop Brown, C.	Davids Dorn Frerichs	Haukoos Huntley Jaros	Johnson, R. Kahn Olson, E.	Olson, K. Ostrom Perlt	Rukavina Simoneau Solberg	Tomassoni Tunheim
		· · ·				

Those who voted in the negative were:

Abrams	Dempsey	Jefferson	Limmer	Neary	Rest	Van Engen
Asch	Erhardt	Jennings	Lindner	Nelson	Rhodes	Vellenga
Battaglia	Evans	Johnson, A.	Long	Ness	Rice	Vickerman
Beard	Farrell	Johnson, V.	Lourey	Olson, M.	Rodosovich	Wagenius
Bergson	Finseth	Kalis	Luther	Onnen	Sama	Waltman
Bertram	Garcia	Kelso	Lynch	Opatz	Seagren	Weaver
Bettermann	Girard	Kinkel	Macklin	Orenstein	Sekhon	Wejcman
Brown, K.	Goodno	Klinzing	Mahon	Orfield	Skoglund	Wenzel
Carlson	Greiling	Knickerbocker	Mariani	Osthoff	Smith	Winter
Carruthers	Gruenes	Knight	McCollum	Ozment	Stanius	Wolf
Clark	Gutknecht	Koppendraver	McGuire	Pauly	Steensma	Worke
Commers	Hasskamp	Krinkie	Milbert	Pawlenty	Sviggum	Workman
Cooper	Hausman	Krueger	Molnau	Pelowski	Swenson	Spk. Anderson, I.
Dawkins	Hoisten	Lasley	Morrison	Peterson	Tompkins	•
Dehler	Hugoson	Leppik	Mosel	Pugh	Trimble	
Delmont	Jacobs	Lieder	Murphy	Reding	Van Dellen	•

The motion did not prevail.

The question recurred on the Olson, E., motion that the House concur in the Senate amendments to H. F. No. 1863 and that the bill be repassed as amended by the Senate and the roll was called. There were 116 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Jefferson	Lieder	Neary	Reding	Van Dellen
Anderson, R.	Evans	Jennings	Limmer	Nelson	Rest	Van Engen
Asch	Farrell	Johnson, A.	Lindner	Ness	Rhodes	Vellenga
Battaglia	Finseth	Johnson, R.	Long	Olson, K.	Rice	Vickerman
Bergson	Frerichs	Johnson, V.	Lourey	Olson, M.	Sarna	Wagenius
Bertram	Garcia	Kahn	Luther	Onnen	Seagren	Waltman
Bettermann .	Girard	Kalis	Lynch	Opatz	Sekhon	Weaver
Brown, K.	Goodno	Kelso	Macklin	Orenstein	Simoneau	Wejcman
Carlson	Greiling	Kinkel	Mahon	Orfield	Skoglund	Wenzel
Carruthers	Gruenes	Klinzing	Mariani	Osthoff	Smith	Winter
Clark	Gutknecht	Knickerbocker	McCollum	Ozment	Solberg	Wolf
Commers	Hasskamp	Knight	McGuire	Pauly	Stanius	Worke
Cooper	Haukoos	Koppendrayer	Milbert	Pawlenty	Steensma	Workman
Dawkins	Hausman	Krinkie	Molnau	Pelowski	Sviggum	Spk. Anderson, I
Dehler	Holsten	Krueger	Morrison	Perlt	Swenson	•
Delmont	Hugoson	Lasley	Mosel	Peterson	Tompkins	
Dempsey	Jacobs	Leppik	Murphy,	Pugh	Trimble	

Those who voted in the negative were:

Beard	Brown, C.	Dorn	Jaros	Olson, E.	Rodosovich	Tomassoni	
Bishop	Davids	Huntley	Munger	Ostrom	Rukavina	Tunheim	

The motion prevailed.

#### THURSDAY, MARCH 17, 1994

H. F. No. 1863, A bill for an act relating to ethics in government; requiring lobbyists to report gifts of \$5 or more; prohibiting gifts by lobbyists and interested persons to certain officials under certain conditions; regulating certain solicitations by political party units; revising procedure for advisory opinions; amending Minnesota Statutes 1992, sections 10A.02, subdivision 12; 10A.04, subdivision 4; and 10A.065, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 10A.065, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 10A; and 471.

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 13 nays as follows:

Those who voted in the affirmative were:

Abrams	Erhardt	Jefferson	Lieder	Murphy	Reding	Trimble
Anderson, R.	Evans	Jennings	Limmer	Neary	Rest	Van Dellen
Asch	Farrell	Johnson, A.	Lindner	Nelson	Rhodes	Van Engen
Battaglia	Finseth	Johnson, R.	Long	Ness	Rice	Vellenga
Bergson	Frerichs	Johnson, V.	Lourey	Olson, M.	Sarna	Vickerman
Bertram	Garcia	Kahn	Luther	Onnen	Seagren	Wagenius
Bettermann	Girard	Kalis	Lynch	Opatz	Sekhon	Waltman
Brown, K.	Goodno	Kelso	Macklin	Orenstein	Simoneau	Weaver
Carlson	Greiling	Kinkel	Mahon	Orfield	Skoglund	Wejcman
Carruthers	Gruenes	Klinzing	Mariani	Osthoff	Smith	Wenzel
Clark	Gutknecht	Knickerbocker	McCollum	Ozment	Solberg	Winter
Commers	Hasskamp	Knight	McGuire	Pauly	Stanius	Wolf
Cooper	Haukoos	Koppendrayer	Milbert	Pawlenty	Steensma	Worke
Dawkins	Hausman	Krinkie	Molnau	Pelowski	Sviggum	Workman
Dehler	Holsten	Krueger	Morrison	Perlt	Swenson	Spk. Anderson, I.
Delmont	Hugoson	Lasley	Mosel	Peterson	Tomassoni	•
Dempsey	Jacobs	Leppík	Munger	Pugh	Tompkins	

Those who voted in the negative were:

Beard	Brown, C.	Dom	Jaros	Olson, K.	Rodosovich	Tunheim
Bishop	Davids	Huntley	Olson, E.	Ostrom	Rukavina	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1758, 2070, 2086, 1794, 1912, 1732, 1911 and 2118.

PATRICK E. FLAHAVEN, Secretary of the Senate

# FIRST READING OF SENATE BILLS

S. F. No. 1758, A bill for an act relating to welfare reform; requiring pregnant and parenting minors to live with their parents in order to receive aid to families with dependent children (AFDC); providing an exception to the AFDC overpayment statute; allowing start work offset to AFDC recipients in the first month of work; broadening the scope of the employment and training statute by requiring more AFDC recipients to participate in job search; allowing vendor emergency assistance payments for damage deposit; providing required workers' compensation insurance for community work experience program workers; expanding cost-neutral fraud prevention programs; allowing emergency assistance damage deposit be returned to the county; allowing the county to pay monthly general assistance differently; making general assistance and work readiness lump-sum criteria the same as the AFDC lump-sum criteria, with some exceptions; requiring a study to expand the parent's fair share pilot project statewide; requiring the departments of human services and revenue to design and implement a plan which supports working families; directing the commissioner of human services to seek several waivers from the federal government which

support and promote moving off welfare and becoming self-sufficient; expanding the parent's fair share pilot project into Ramsey county; expanding state support for basic sliding fee day care program; appropriating money; amending Minnesota Statutes 1992, sections 256.73, by adding subdivisions; 256.737, by adding a subdivision; 256.81; 256.979, by adding a subdivision; 256.983, subdivision 1; 256D.05, subdivision 6; 256D.09, by adding a subdivision; 256H.05, subdivision 1b; and 268.672, subdivision 6; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.73, subdivision 8; and 256.736, subdivisions 10 and 14; proposing coding for new law in Minnesota Statutes, chapters 256; and 256D; repealing Minnesota Statutes 1993 Supplement, section 256.734.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 2070, A bill for an act relating to cities; allowing home rule charter cities to apply law applicable to statutory cities in instances in which the charter is silent, with certain restrictions; proposing coding for new law in Minnesota Statutes, chapter 410.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 2086, A bill for an act relating to health; extending dispensing authority to physician assistants and advanced practice nurses; amending Minnesota Statutes 1992, sections 147.34, subdivision 1; 148.235, by adding a subdivision; and 151.37, subdivisions 2 and 2a; Minnesota Statutes 1993 Supplement, section 151.01, subdivision 23.

The bill was read for the first time.

Cooper moved that S. F. No. 2086 and H. F. No. 2318, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1794, A bill for an act relating to insurance; prohibiting insurers from obtaining or using HIV antibody test results arising out of exposure and testing for emergency medical service personnel; amending Minnesota Statutes 1992, section 72A.20, subdivision 29.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 1912, A bill for an act relating to insurance; accident and health; permitting short-term coverage; amending Minnesota Statutes 1993 Supplement, section 62A.65, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 1732, A bill for an act relating to conciliation courts; expanding conciliation court jurisdiction over matters involving rental property; allowing nonattorneys to represent condominium and cooperative associations; amending. Minnesota Statutes 1993 Supplement, sections 481.02, subdivision 3; 491A.01, subdivision 9; and 491A.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1911, A bill for an act relating to the secretary of state; changing filing procedures for corporations and certain organizations; providing for service of process on limited partnerships; changing requirements for filings governed by the uniform commercial code; amending Minnesota Statutes 1992, sections 302A.821, subdivision 1; 303.07, subdivision 2; 303.17, subdivisions 2 and 4; 315.23, subdivision 3; 315.44; Minnesota Statutes 1993 Supplement, sections 336.9-403; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 322A.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

S. F. No. 2118, A bill for an act relating to local government; clarifying that the Moose Lake Fire Protection District is a governmental subdivision for certain purposes; making other clarifications; amending Laws 1987, chapter 402, section 2, subdivisions 2, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

# CONSENT CALENDAR

H. F. No. 1901, A bill for an act relating to local government; permitting the city of Hutchinson to incur debt for certain improvements; authorizing a reverse referendum on the issuance of city bonds.

The bill was read for the third 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	Dorn	Jaros	Limmer	Ness	Rice	Van Engen
Anderson, R.	Erhardt	Jefferson	Lindner	Olson, E.	Rodosovich	Vellenga
Asch	Evans	Jennings	Long	Olson, K.	Rukavina	Vickerman
Beard	Farrell	Johnson, A.	Lourey	Olson, M.	Sama	Wagenius
Bergson	Finseth	Johnson, R.	Luther	Onnen	Seagren	Waltman
Bertram	Frerichs	Johnson, V.	Lynch	Opatz	Sekhon	Weaver
Bettermann	Garcia	Kahn	Macklin	Orenstein	Simoneau	Wejcman
Bishop	Girard	Kalis	Mahon	Orfield	Skoglund	Wenzel
Brown, K.	Goodno	Kelso	Mariani	Osthoff	Smith	Winter
Carlson	Greiling	Kinkel	McCollum	Ostrom	Solberg	Wolf
Carruthers	Gruenes	Klinzing	McGuire	Ozment	Stanius	Worke
Clark	Gutknecht	Knickerbocker	Milbert	Pauly	Steensma	Workman
Commers	Hasskamp	Knight	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Cooper	Haukoos	Koppendraver	Morrison	Perlt	Swenson	1
Davids	Hausman	Krinkie	Mosel	Peterson	Tomassoni	
Dawkins	Holsten	Krueger	Munger	Pugh	Tompkins	
Dehler	Hugoson	Laslev	Murphy	Reding	Trimble	
Delmont	Huntley	Leppik	Neary	Rest	Tunheim	· .
Dempsey	Jacobs	Lieder	Nelson	Rhodes	Van Dellen	

The bill was passed and its title agreed to.

H. F. No. 2016, A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332.

The bill was read for the third 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:

Bishop

Clark

Abrams
Anderson, R.
Asch
Battaglia
Beard
Bergson
Bertram
Bettermann

Davids Brown, C Dawkins Brown, K. Dehler Carlson Delmont Carruthers Dempsey Dom Commers Erhardt Cooper Evans

Farrell Finseth Frerichs Garcia Girard Goodno Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman Holsten Hugoson Huntley Jacobs

laros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis

Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger

## JOURNAL OF THE HOUSE

Sarna

Seagren

Sekhon

Smith

Solberg

Stanius

Steensma

Sviggum

Swenson

Simoneau

Skoglund

Pauly

Perlt

Pugh

Rest

Reding

Rhodes

Rodosovich

Rukavina

Pawlenty

Pelowski

Peterson

Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke

Spk. Anderson, I.

Workman

The bill was passed and its title agreed to.

Mariani

McCollum

McGuire

Milbert

Molnau

Mosel

Munger

Murphy

Neary

Nelson

Morrison

H. F. No. 2090, A bill for an act relating to local government; providing that the statutory procedure for tree removal does not apply to trees removed from town roads dedicated by plat; amending Minnesota Statutes 1992, section 160.22, subdivision 7a, and by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

Ness

Olson, E.

Olson, K.

Olson, M.

Orenstein

Onnen

Opatz

Orfield

Osthoff

Ostrom

Ozment -

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	Delmont	Huntley	Leppik	Neary	Reding	Tunheim
Anderson, R.	Dempsey	Jacobs	Lieder	Nelson	Rest	Van Dellen
Asch	Dom	Jaros	Limmer	Ness	Rhodes	Van Engen
Battaglia	Erhardt	Jefferson	Lindner	Olson, E.	Rodosovich	Vellenga
Beard	Evans	Jennings	Long	Olson, K.	Rukavina	Vickerman
Bergson	Farrell	Johnson, A.	Lourey	Olson, M.	Sama	Wagenius
Bertram	Finseth	Johnson, R.	Luther	Onnen	Seagren	Waltman
Bettermann	Frerichs	Johnson, V.	Lynch	Opatz	Sekhon	Weaver
Bishop	Garcia	Kahn	Macklin	Orenstein	Simoneau	Wejcman
Brown, C.	Girard	Kalis	Mahon	Orfield	Skoglund	Wenzel
Brown, K.	Goodno	Kelso	Mariani	Osthoff	Smith	Winter
Carlson	Greiling	Kinkel	McCollum	Ostrom	Solberg	Wolf
Carruthers	Gruenes	Klinzing	McGuire	Ozment	Stanius	Worke
Clark	Gutknecht	Knickerbocker	Milbert	Pauly	Steensma	Workman
Commers	Hasskamp	Knight	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Cooper	Haukoos	Koppendrayer	Morrison	Pelowski	Swenson	• · · · ·
Davids	Hausman	Krinkie	Mosel	Perlt	Tomassoni	
Dawkins	Holsten	Krueger	Munger	Peterson	Tompkins	
Dehler	Hugoson	Lasley	Murphy	Pugh	Trimble	

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. No. 2074.

H. F. No. 2074 was reported to the House.

Skoglund and Bauerly moved to amend H. F. No. 2074, the second engrossment, as follows:

Page 1, line 45, after "260.291;" insert "268.31;"

Page 34, after line 27, insert:

#### 5232

Lasley

Leppik

Lieder

Limmer

Lindner

Long

Lourey

Luther

Lynch

Macklin

Mahon

"Sec. 36. Minnesota Statutes 1992, section 268.31, is amended to read:

#### 268.31 [DEVELOPMENT OF YOUTH EMPLOYMENT OPPORTUNITIES.]

(a) To the extent of available funding, the commissioner of jobs and training shall establish a program to employ individuals from the ages of 14 years up to 22 years. Available money may be used to operate this program on a full calendar year basis, to provide transitional services, link basic skills training and remedial education to job training and school completion, and for support services. The commissioner shall ensure that all youth employment opportunities include components of work-related learning described in chapter 126B so that participating individuals learn necessary workplace skills. The amount spent on support services in any one fiscal year may not exceed 15 percent of the total annual appropriation for this program. Individuals employed in this program will be placed in service with departments, agencies, and instrumentalities of the state, county, local governments, school districts, with nonprofit organizations, and private sector employers. The maximum number of hours that an individual may be employed in a position supported under this program is 480 hours. Program funds may not be used for private sector placements. Program operators must use the targeted jobs tax credit, other federal, state, and local government resources, as well as private sector resources to fund private sector placements. The commissioner shall cooperate with the commissioner of human services in determining and implementing the most effective means of disregarding a youth's earnings from family income for purposes of the aid to families with dependent children program, to the extent permitted by the federal government.

(b) Upon request of the commissioner of the department of natural resources, the commissioner will contract for or provide available services for remedial skills, life skills, and career counseling activities to youth in the Minnesota conservation corps program.

(c) The commissioner shall evaluate the services provided under this section. The evaluation shall include information on the effectiveness of program services in promoting the employability of young people. In order to measure the long-term effectiveness of the program, the evaluation shall include follow-up information on each participant."

Page 58, line 4, after the period, insert:

"Any after-school programs created under this paragraph shall ensure that program participants learn necessary workplace skills consistent with the provisions in Minnesota Statutes, section 268.31."

Renumber subsequent sections

Correct internal cross references

The motion prevailed and the amendment was adopted.

Swenson, Limmer and Weaver moved to amend H. F. No. 2074, the second engrossment, as amended, as follows:

Page 14, line 13, before the period insert ", or that the child committed any felony offense while using, whether by brandishing, displaying, threatening with, or otherwise employing, a firearm"

Page 19, line 27, before "would" insert "either was a felony offense in which the child used a firearm, or

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Swenson, Carruthers, Orenstein, Skoglund and Dawkins moved to amend H. F. No. 2074, the second engrossment, as amended, as follows:

Page 14, delete lines 33 to 35

Renumber the clauses in sequence

Page 50, line 17, delete "subdivision 2" and insert "subdivisions 2 and 3"

Page 50, after line 32, insert:

"Subd. 3. [AGGRAVATING FACTOR.] The commission shall consider modifying sentencing guideline II.D. by adding to the list of aggravating factors the fact that the offender committed the crime as part of a group of three or more persons."

The motion prevailed and the amendment was adopted.

Long was excused for the remainder of today's session.

The Speaker called Kahn to the Chair.

Limmer, Swenson, Dempsey and Knickerbocker moved to amend H. F. No. 2074, the second engrossment, as amended, as follows:

Page 11, delete lines 17 to 20 and insert:

"(b) The term delinquent child does not include a child alleged to have committed any of the following crimes after becoming 16 years of age: murder in the first, second, or third degree; attempted murder in the first, second, or third degree; assault in the first degree; or criminal sexual conduct in the first or second degree involving force or violence under section 609.342, subdivision 1, clause (c), (d), (e), or (f), or section 609.343, subdivision 1, clause (c), (d), (e), or (f)."

Page 19, line 29, delete everything after "than" and insert "an offense listed in section 260.015, subdivision 5, paragraph (b)"

Page 19, line 30, delete everything before the comma

Page 42, delete lines 10 to 13 and insert:

"(b) A child who is alleged to have committed any of the following crimes after becoming 16 years of age is capable of committing a crime and may be prosecuted for the felony: murder in the first, second, or third degree; attempted murder in the first, second, or third degree; assault in the first degree; or criminal sexual conduct in the first or second degree involving force or violence under section 609.342, subdivision 1, clause (c), (d), (e), (f), or section 609.343, subdivision 1, clause (c), (d), (e), or (f)."

Amend the title accordingly

A roll call was requested and properly seconded.

Carruthers moved to amend the Limmer et al amendment to H. F. No. 2074, the second engrossment, as amended, as follows:

Page 2, after line 1 of the Limmer et al amendment, insert:

"Page 58, after line 7 insert:

"Subd. 11. [TRANSFER OF FUNDS; CORRECTIONS.] To fund the costs of incarcerating juveniles subject to automatic adult court criminal jurisdiction under sections 260.015, subdivision 5, paragraph (b), and 609.055, subdivision 2, paragraph (b), \$3,200,000 is transferred to the department of corrections from the governor's office budget and from the office of strategic and long-range planning from appropriations for fiscal year 1995."

## THURSDAY, MARCH 17, 1994

#### POINT OF ORDER

Abrams raised a point of order pursuant to rule 3.09 that the Carruthers amendment to the Limmer et al amendment was not in order. Speaker pro tempore Kahn ruled the point of order not well taken and the amendment in order.

The question recurred on the amendment to the amendment to H. F. No. 2074, the second engrossment, as amended. The motion prevailed and the amendment to the amendment was adopted.

Sviggum moved to amend the Limmer et al amendment, as amended, to H. F. No. 2074, the second engrossment, as amended, as follows:

Page 1, delete lines 10 to 12 of the Limmer et al amendment and insert "the legislative budget for fiscal year 1995."

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 47 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Abrams	Finseth	Holsten	Leppik	Olson, M.	Smith	Waltman
Bettermann	Frerichs	Hugoson	Limmer	Onnen	Stanius	Weaver
Commers	Girard	Johnson, V.	Lindner	Ozment	Sviggum	Wolf
Davids	Goodno	Knickerbocker	Lynch	Pauly	Swenson	Worke
Dehler	Gruenes	Knight	Molnau	Pawlenty	Van Dellen	Workman
Dempsey	Gutknecht	Koppendrayer	Mosel	Rhodes	Van Engen	
Erhardt	Haukoos	Krinkie	Ness	Seagren	Vickerman	

Those who voted in the negative were:

Anderson, R.	Clark	Jaros	Lasley	Murphy	Peterson	Solberg
Asch	Cooper	Jefferson	Lieder	Neary	Pugh	Steensma
Battaglia	Dawkins	Jennings	Lourey	Nelson	Reding	Tomassoni
Beard	Delmont	Johnson, A.	Luther	Olson, E.	Rest	Trimble
Bergson	Dom	Johnson, R.	Macklin	Opatz	Rice	Tunheim
Bertram	Evans	Kahn	Mahon	Orenstein	Rodosovich	Vellenga
Bishop	Farrell	Kalis	Mariani	Orfield	Rukavina	Wagenius
Brown, C.	Garcia	Kelso	McCollum	Osthoff	Sama	Wejcman
Brown, K.	Greiling	Kinkel	McGuire	Ostrom	Sekhon	Wenzel
Carlson	Huntley	Klinzing	Milbert	Pelowski	Simoneau	Winter
Carruthers	Jacobs	Krueger	Munger	Perlt	Skoglund	Spk. Anderson, I.

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Limmer et al amendment, as amended, and the roll was called. There were 64 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Davids	Erhardt	Girard	Gutknecht	Holsten
Beard	Bettermann	Dehler	Finseth	Goodno	Hasskamp	Hugoson
Bergson	Commers	Dempsey	Frerichs	Gruenes	Haukoos	Jacobs

## JOURNAL OF THE HOUSE

## [72ND DAY

Jennings	Krinkie	Molnau	Onnen	Seagren	Van Engen	Workman
Johnson, V.	Limmer	Morrison	Osthoff	Smith	Vickerman	
Kelso	Lindner	Mosel	Ozment	Stanius	Waltman	
Klinzing	Luther	Nelson	Pauly	Steensma	Weaver	
Knickerbocker	Lynch	Ness	Pawlenty	Sviggum	Wenzel	
Knight	Mahon	Olson, E.	Rhodes	Swenson	Wolf	
Koppendraver	Milbert	Olson, M.	Sama	Van Dellen	Worke	

Those who voted in the negative were:

Anderson, R.	Dawkins	Jefferson	Lourey	Orenstein	Rodosovich	Vellenga
Asch	Delmont	Johnson, A.	Macklin	Orfield	Rukavina	Wagenius
Battaglia	Dom	Johnson, R.	Mariani	Ostrom	Sekhon	Wejcman
Bishop	Evans	Kahn	McCollum	Pelowski	Simoneau	Winter
Brown, C.	Farrell	Kalis	McGuire	Perlt	Skoglund	Spk. Anderson, I.
Brown, K.	Garcia	Kinkel	Munger	Peterson	Solberg	
Carlson	Greiling	Krueger	Murphy	Pugh	Tomassoni	
Carruthers	Hausman	Lasley	Neary	Reding	Tompkins	÷
Clark	Huntley	Leppik	Olson, K.	Rest	Trimble	
Cooper	Jaros	Lieder	Opatz	Rice	Tunheim	

The motion did not prevail and the amendment, as amended, was not adopted.

Wenzel, Luther, Workman, Kalis, Bertram, Steensma, Jacobs, Perlt and Sarna moved to amend H. F. No. 2074, the second engrossment, as amended, as follows:

Page 11, line 18, after "degree" insert ", intentional murder in the second degree,"

Page 14, after line 13, insert:

"It also is presumed that a proceeding involving an offense committed by a child will be certified to adult court if the child was 14 or 15 years old at the time of the offense, and the delinquency petition alleges that the child committed murder in the first degree or intentional murder in the second degree."

Page 19, line 29, after "degree" insert ", intentional murder in the second degree,"

Page 19, line 32, before the period, insert "; or

(3) the child was 14 or 15 years old at the time of the alleged offense, the offense alleged was murder in the first degree or intentional murder in the second degree, and the prosecutor has designated in the delinquency petition that the child is a serious youthful offender"

Page 42, line 11, after the first "degree" insert ", intentional murder in the second degree,"

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 75 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Cooper	Erhardt	Gruenes	Hugoson	Johnson, V.	
Anderson, R.	Bettermann	Davids	Finseth	Gutknecht	Jacobs	Kalis	
Beard	Carruthers	Dehler	Girard	Hasskamp	Jennings	Kinkel	
Bergson	Commers	Dempsey	Goodno	Holsten	Johnson, R.	Klinzing	

Knickerbocker	Lynch	Nelson	Ozment	Rest	Swenson	Wenzel
Knight	Mahon	Ness	Pauly	Rukavina	Tomassoni	Winter
Koppendrayer	Milbert	Olson, E.	Pawlenty	Sama	Van Dellen	Wolf
Krueger	Molnau	Olson, M.	Pelowski	Smith	Van Engen	Worke
Limmer	Morrison	Onnen	Perlt	Stanius	Vickerman	Workmar
Lindner	Mosel	Opatz	Peterson	Steensma	Waltman	
Luther	Neary	Osthoff	Pugh	Sviggum	Weaver	

Those who voted in the negative were:

Asch	Delmont	Hausman	Leppik	Olson, K.	Seagren	Vellenga
Battaglia	Dorn	Huntley	Lieder	Orenstein	Sekhon	Wagenius
Bishop	Evans	Jaros	Lourey	Orfield	Simoneau	Wejcman
Brown, C.	Farrell	Jefferson	Mariani	Ostrom	Skoglund	Spk. Anderson, I.
Brown, K.	Frerichs	Johnson, A.	McCollum	Reding	Solberg	
Carlson	Garcia	Kahn	McGuire	Rhodes	Tompkins	
Clark	Greiling	Krinkie	Munger	Rice	Trimble	
Dawkins	Haukoos	Lasley	Murphy	Rodosovich	Tunheim	

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

H. F. No. 2074, A bill for an act relating to crime prevention; juvenile justice; providing for adult court jurisdiction over juveniles alleged to have committed first degree murder or first degree criminal sexual conduct after age 16; providing for presumptive certification to adult court for juveniles alleged to have committed other prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home delinquency placement is proposed; providing for adult court jurisdiction over juveniles alleged to have committed nonfelony-level traffic offenses after age 16; authorizing the juvenile court to require parents to attend delinquency hearings; providing for the sharing of certain data collected or maintained on juveniles; requiring county attorneys to establish juvenile diversion programs; providing mandatory minimum sentences for drive-by shooting crimes; expanding the crime relating to the possession of dangerous weapons on school property; increasing penalties for certain firearms offenses involving youth; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 242.31, subdivision 1; 242.32; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.125; 260.131, by adding a subdivision; 260.132; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a, 2, and by adding a subdivision; 260.181, subdivision 4; 260.185, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a subdivision; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 268.31; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; 611A.02, by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.155, subdivision 1; 260.161, subdivisions 1 and 3; 299A.35, subdivisions 1 and 2; 299C.65, subdivision 1; 401.065, subdivision 1, and by adding a subdivision; 609.11, subdivision 9; 609.66, subdivision 1d; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 260; 299A; 388; and 609; repealing Minnesota Statutes 1992, section 260.125, 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Asch	Beard	Bertram	Bishop	Brown, K.	Carruthers
Anderson, R.	Battaglia	Bergson	Bettermann	Brown, C.	Carlson	Clark

## JOURNAL OF THE HOUSE

[72ND DAY

Kelso Mahon Opatz Van Engen Gruenes Rukavina Commers Gutknecht Kinkel Mariani Orenstein Sama Vellenga Cooper Klinzing McCollum Orfield Vickerman Davids Hasskamp Seagren Osthoff Knickerbocker Wagenius Haukoos McGuire Sekhon Dawkins Waltman Dehler Hausman Knight Milbert Ostrom Simoneau Koppendrayer Krinkie Holsten Molnau Ozment Skoglund Weaver Delmont Wejcman Dempsey Hugoson Morrison Pauly Smith Wenzel Huntley Krueger Mosel Pawlenty Solberg Dom Lasley Pelowski Winter Erhardt Iacobs Munger Stanius Evans Iaros Leppik Murphy Perlt Steensma Wolf Worke Farrell Jefferson Lieder Neary Peterson Sviggum Workman **Jennings** Limmer Nelson Pugh Swenson Finseth Frerichs Johnson, A. Lindner Ness Reding Tomassoni Spk. Anderson, I. Tompkins Garcia Johnson, R. Lourey Olson, E. Rest Rhodes Girard Johnson, V. Luther . Olson, K. Trimble Rice Tunheim Goodno Kahn Lynch Olson, M. Kalis Macklin Rodosovich Van Dellen Greiling Onnen

The bill was passed, as amended, and its title agreed to.

# CALENDAR

Carruthers moved that the bills on the Calendar for today be continued. The motion prevailed.

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

# MOTIONS AND RESOLUTIONS

Garcia moved that the name of Haukoos be added as an author on H. F. No. 423. The motion prevailed.

Kalis moved that the name of Solberg be added as an author on H. F. No. 1879. The motion prevailed.

Kinkel moved that the names of Sarna, Sviggum and Anderson, I., be added as authors on H. F. No. 1961. The motion prevailed.

Pugh moved that the name of Reding be stricken and the name of Asch be added as an author on H. F. No. 1999. The motion prevailed.

Van Dellen moved that his name be stricken as chief author and the name of Macklin be added as chief author on H. F. No. 2181. The motion prevailed.

Rukavina moved that the name of Huntley be stricken and the name of Rice be added as an author on H. F. No. 2243. The motion prevailed.

Long moved that the name of Bauerly be added as an author on H. F. No. 2367. The motion prevailed.

Mosel moved that the name of Wenzel be added as an author on H. F. No. 2400. The motion prevailed.

Wejcman moved that the names of Clark and Pauly be added as authors on H. F. No. 2434. The motion prevailed.

Long moved that the name of Bauerly be added as an author on H. F. No. 2594. The motion prevailed.

Greiling moved that the name of McGuire be shown as chief author on H. F. No. 2645. The motion prevailed.

## THURSDAY, MARCH 17, 1994

Lourey moved that the name of Solberg be added as an author on H. F. No. 2675. The motion prevailed.

Brown, K., moved that the name of Vickerman be added as an author on H. F. No. 2782. The motion prevailed.

Brown, K., moved that the name of Peterson be added as an author on H. F. No. 2783. The motion prevailed.

Solberg moved that the name of Tomassoni be added as an author on H. F. No. 2793. The motion prevailed.

Greiling moved that H. F. No. 664 be recalled from the Committee on Education and be re-referred to the Committee on Governmental Operations and Gambling. The motion prevailed.

Murphy moved that H. F. No. 2068 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Judiciary/Judiciary Finance Division. The motion prevailed.

Tunheim moved that H. F. No. 2297 be recalled from the Committee on Education and be re-referred to the Committee on Governmental Operations and Gambling. The motion prevailed.

Rest moved that H. F. No. 2355 be recalled from the Committee on Taxes and be re-referred to the Committee on Transportation and Transit. The motion prevailed.

Simoneau moved that H. F. No. 2644 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on General Legislation, Veterans Affairs and Elections. The motion prevailed.

Simoneau moved that H. F. No. 2708 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Taxes. The motion prevailed.

Carruthers moved that S. F. No. 844 be recalled from the Committee on Labor-Management Relations and together with H. F. No. 2228, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Evans moved that S. F. No. 1750 be recalled from the Committee on Commerce and Economic Development and together with H. F. No. 2201, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Reding moved that H. F. No. 1487 be returned to its author. The motion prevailed.

Erhardt moved that H. F. No. 2136 be returned to its author. The motion prevailed.

Peterson moved that H. F. No. 2804 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Trimble moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 21, 1994. The motion prevailed.

Trimble moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 21, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION - 1994

# SEVENTY-THIRD DAY

# SAINT PAUL, MINNESOTA, FRIDAY, MARCH 18, 1994

The Senate met on Friday, March 18, 1994, which was the Seventy-third Legislative Day of the Seventy-eighth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION — 1994

# SEVENTY-FOURTH DAY

# SAINT PAUL, MINNESOTA, MONDAY, MARCH 21, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House.

Prayer was offered by the Reverend Dr. Donald M. Meisel, House Chaplain.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

lacobs

Jaros

Kahn

Kalis

Kelley

Kelso

Kinkel

Knight

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids Dawkins

Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman Holsten

Lasley Hugoson Huntley Leppik Lieder Limmer Jefferson Lindner Jennings Long Johnson, A. Lourey Luther Johnson, R. Johnson, V. Lynch Macklin Mahon Mariani McCollum McGuire Klinzing Milbert Knickerbocker Molnau Morrison Koppendrayer Mosel Krinkie Munger Krueger Murphy

Nearv Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Paulv Pawlenty Pelowski Perlt Peterson Pugh Reding

Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma . Sviggum Swenson Tomassoni Tompkins Trimble Tunheim

Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

The Chief Clerk proceeded to read the Journals of the preceding days. Dauner moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

S. F. No. 844 and H. F. No. 2228, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Carruthers moved that S. F. No. 844 be substituted for H. F. No. 2228 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1750 and H. F. No. 2201, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Evans moved that S. F. No. 1750 be substituted for H. F. No. 2201 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2086 and H. F. No. 2318, 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. 2086 be substituted for H. F. No. 2318 and that the House File be indefinitely postponed. The motion prevailed.

# **REPORTS OF STANDING COMMITTEES**

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1316, A bill for an act relating to occupations and professions; establishing a board of nutrition and dietetics practice; requiring nutritionists and dietitians to be licensed; establishing licensing requirements and exemptions; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 214.01, subdivision 2; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 148.

Reported the same back with the following amendments:

Page 3, line 34, after the period, insert "There must be at least three members of each gender."

Page 9, line 17, delete "<u>"dietitian" or</u>" and insert "<u>"dietitian," "licensed dietitian," "nutritionist," "licensed nutritionist,"</u> or any occupational title using the word "dietitian" or "nutritionist"

Page 9, delete line 18

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1449, A bill for an act relating to motor vehicles; requiring licensing of certain persons engaged in commercial practices related to new motor vehicles; providing for service of process for certain alleged violations; providing civil penalty; amending Minnesota Statutes 1992, section 168.27, subdivision 2, and by adding a subdivision.

Reported the same back without recommendation.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1659, A bill for an act relating to probate; updating article 2 on intestacy, wills, and donative transfers; correcting a reference; recodifying the Minnesota multiparty accounts act; amending Minnesota Statutes 1992, sections 524.1-201; 524.2-101; 524.2-102; 524.2-103; 524.2-104; 524.2-105; 524.2-106; 524.2-107; 524.2-108; 524.2-109; 524.2-101; 524.2-111; 524.2-113; 524.2-201; 524.2-201; 524.2-202; 524.2-205; 524.2-206; 524.2-207; 524.2-301; 524.2-302; 524.2-502; 524.2-504; 524.2-505; 524.2-507; 524.2-508; 524.2-509; 524.2-512; 524.2-602; 524.2-603; 524.2-604; 524.2-605; 524.2-606;

74TH DAY]

## MONDAY, MARCH 21, 1994

524.2-607; 524.2-608; 524.2-609; and 524.2-701; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1992, sections 524.2-112; 524.2-503; 524.2-610; 524.2-612; 524.3-905; 525.15; 525.151; 525.22; 525.221; 525.223.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 524.1-201, is amended to read:

524.1-201 [GENERAL DEFINITIONS.]

Subject to additional definitions contained in the subsequent articles which are applicable to specific articles or parts, and unless the context otherwise requires, in chapters 524 and 525:

(1) (2) "Application" means a written request to the registrar for an order of informal probate or appointment under article III, part 3.

(2) (3) "Beneficiary," as it relates to trust beneficiaries, includes a person who has any present or future interest, vested or contingent, and also includes the owner of an interest by assignment or other transfer and as it relates to a charitable trust, includes any person entitled to enforce the trust.

(3) (5) "Child" includes any individual entitled to take as a child under law by intestate succession from the parent whose relationship is involved and excludes any person who is only a stepchild, a foster child, a grandchild or any more remote descendant.

(4) (6) "Claims" includes liabilities of the decedent whether arising in contract or otherwise and liabilities of the estate which arise after the death of the decedent including funeral expenses and expenses of administration. The term does not include taxes, demands or disputes regarding title of a decedent to specific assets alleged to be included in the estate, tort claims, foreclosure of mechanic's liens, or to actions pursuant to section 573.02.

(5) (7) "Court" means the court or branch having jurisdiction in matters relating to the affairs of decedents. This court in this state is known as the probate court or county court.

(6) (8) "Conservator" means a person who is appointed by a court to manage the estate of a protected person.

(9) "Descendant" of an individual means all of the individual's descendants of all generations, with the relationship of parent and child at each generation being determined by the definition of child and parent contained in this section.

(7) (10) "Devise," when used as a noun, means a testamentary disposition of real or personal property and when used as a verb, means to dispose of real or personal property by will.

(8) (11) "Devisee" means any person designated in a will to receive a devise. In the case of a devise to an existing trust or trustee, or to a trustee on trust described by will, the trust or trustee is the devisee and the beneficiaries are not devisees.

(9) (12) "Disability" means cause for a protective order as described by section 525.54.

(10) (13) "Distributee" means any person who has received property of a decedent from the decedent's personal representative other than as a creditor or purchaser. A testamentary trustee is a distributee only to the extent of distributed assets or increment thereto remaining in the trustee's hands. A beneficiary of a testamentary trust to whom the trustee has distributed property received from a personal representative is a distributee of the personal representative. For purposes of this provision, "testamentary trustee" includes a trustee to whom assets are transferred by will, to the extent of the devised assets.

(11) (14) "Estate" includes all of the property of the decedent, trust, or other person whose affairs are subject to this chapter as originally constituted and as it exists from time to time during administration.

(12) (16) "Fiduciary" includes personal representative, guardian, conservator and trustee.

(13) (17) "Foreign personal representative" means a personal representative of another jurisdiction.

(14) (18) "Formal proceedings" means those conducted before a judge with notice to interested persons.

(15) (20) "Guardian" means a person who has qualified as a guardian of a minor or incapacitated person pursuant to testamentary or court appointment, but excludes one who is merely a guardian ad litem.

(16) (21) "Heirs" means those persons, including the surviving spouse, who are entitled under the statutes of intestate succession to the property of a decedent.

(17) (22) "Incapacitated person" is as described in section 525.54, other than a minor.

(18) (23) "Informal proceedings" means those conducted by the judge, the registrar, or the person or persons designated by the judge for probate of a will or appointment of a personal representative in accordance with sections 524.3-301 to 524.3-311.

(19) (24) "Interested person" includes heirs, devisees, children, spouses, creditors, beneficiaries and any others having a property right in or claim against the estate of a decedent, ward or protected person which may be affected by the proceeding. It also includes persons having priority for appointment as personal representative, and other fiduciaries representing interested persons. The meaning as it relates to particular persons may vary from time to time and must be determined according to the particular purposes of, and matter involved in, any proceeding.

(20) (27) "Lease" includes an oil, gas, or other mineral lease.

(21) (28) "Letters" includes letters testamentary, letters of guardianship, letters of administration, and letters of conservatorship.

(22) (30) "Mortgage" means any conveyance, agreement or arrangement in which property is used as security.

(23) (31) "Nonresident decedent" means a decedent who was domiciled in another jurisdiction at the time of death.

(24) (32) "Organization" includes a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal entity.

(25) (35) "Person" means an individual, a corporation, an organization, or other legal entity.

(26) (36) "Personal representative" includes executor, administrator, successor personal representative, special administrator, and persons who perform substantially the same function under the law governing their status. "General personal representative" excludes special administrator.

(27) (37) "Petition" means a written request to the court for an order after notice.

(28) (38) "Proceeding" includes action at law and suit in equity.

(29) (39) "Property" includes both real and personal property or any interest therein and means anything that may be the subject of ownership.

(30) (40) "Protected person" is as described in section 525.54, subdivision 2 1.

(31) (42) "Registrar" refers to the judge of the court or the person designated by the court to perform the functions of registrar as provided in section 524.1-307.

(32) (43) "Security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing.

(33) (44) "Settlement," in reference to a decedent's estate, includes the full process of administration, distribution and closing.

(34) (45) "Special administrator" means a personal representative as described by sections 524.3-614 to 524.3-618.

(35) (46) "State" includes any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession subject to the legislative authority of the United States.

(36) (47) "Successor personal representative" means a personal representative, other than a special administrator, who is appointed to succeed a previously appointed personal representative.

(37) (48) "Successors" means those persons, other than creditors, who are entitled to property of a decedent under the decedent's will, this chapter or chapter 525. "Successors" also means a funeral director or county government that provides the funeral and burial of the decedent.

(38) (49) "Supervised administration" refers to the proceedings described in sections 524.3-501 to 524.3-505.

(39) (51) "Testacy proceeding" means a proceeding to establish a will or determine intestacy.

(40) (53) "Trust" includes any express trust, private or charitable, with additions thereto, wherever and however created. It also includes a trust created or determined by judgment or decree under which the trust is to be administered in the manner of an express trust. "Trust" excludes other constructive trusts, and it excludes resulting trusts, conservatorships, personal representatives, trust accounts as defined in chapter 528, custodial arrangements pursuant to sections 149.11 to 149.14, 318.01 to 318.06, 527.01 to 527.44, business trusts providing for certificates to be issued to beneficiaries, common trust funds, voting trusts, security arrangements, liquidation trusts, and trusts for the primary purpose of paying debts, dividends, interest, salaries, wages, profits, pensions, or employee benefits of any kind, and any arrangement under which a person is nominee or escrowee for another.

(41) (54) "Trustee" includes an original, additional, or successor trustee, whether or not appointed or confirmed by court.

(42) (55) "Ward" is as described in section 525.54, subdivision 1.

(43) (56) "Will" includes codicil and any testamentary instrument which merely appoints an executor or revokes or revises another will.

Sec. 2. Minnesota Statutes 1992, section 524.2-101, is amended to read:

#### 524.2-101 [INTESTATE ESTATE.]

Except as provided in sections 525.14 and 525.145, and subject to the allowances provided in section 525.15, and the payment of the expenses of administration, funeral expenses, expenses of last illness, taxes, and debts, any part of the estate of a decedent not effectively disposed of by the decedent's will passes to the decedent's heirs as prescribed in sections 524.2 102 to 524.2 114.

(a) Any part of a decedent's estate not effectively disposed of by will passes by intestate succession to the decedent's heirs as prescribed in this chapter, except as modified by the decedent's will.

(b) A decedent by will may expressly exclude or limit the right of an individual or class to succeed to property of the decedent passing by intestate succession. If that individual or a member of that class survives the decedent, the share of the decedent's intestate estate to which that individual or class would have succeeded passes as if that individual or each member of that class had disclaimed his or her intestate share.

Sec. 3. Minnesota Statutes 1992, section 524.2-102, is amended to read:

524.2-102 [SHARE OF THE SPOUSE.]

The intestate share of the <u>a decedent's</u> surviving spouse is:

(1) if there is no surviving issue of the decedent, the entire intestate estate;

(2) if there are surviving issue all of whom are issue of the surviving spouse also, the first \$70,000, plus one half of the balance of the intestate estate;

(3) if there are surviving issue one or more of whom are not issue of the surviving spouse, one half of the intestate estate. the entire intestate estate if:

#### (i) no descendant of the decedent survives the decedent; or

(ii) all of the decedent's surviving descendants are also descendants of the surviving spouse and there is no other descendant of the surviving spouse who survives the decedent;

(2) the first \$150,000, plus one-half of any balance of the intestate estate, if all of the decedent's surviving descendants are also descendants of the surviving spouse and the surviving spouse has one or more surviving descendants who are not descendants of the decedent, or if one or more of the decedent's surviving descendants are not descendants of the surviving spouse.

Sec. 4. Minnesota Statutes 1992, section 524.2-103, is amended to read:

524.2-103 [SHARE OF HEIRS OTHER THAN SURVIVING SPOUSE.]

The <u>Any</u> part of the intestate estate not passing to the <u>decedent's</u> surviving spouse under section 524.2-102, or the entire intestate estate if there is no surviving spouse, passes as follows in the following order to the individuals <u>designated below who survive</u> the <u>decedent</u>:

(1) to the issue of the decedent; any who are children of the decedent take equally and others descendants by representation;

(2) if there is no surviving issue descendant, to the parent or decedent's parents equally if both survive, or to the surviving parent;

(3) if there is no surviving issue <u>descendant</u> or parent, to the issue <u>descendants</u> of the <u>decedent's</u> parents or either of them by representation;

(4) if there is no surviving issue descendant, parent, or issue descendant of a parent, but the decedent is survived by one or more grandparents or descendants of grandparents, half of the estate passes to the decedent's paternal grandparents equally if both survive, or to the surviving paternal grandparent, or to the descendants of the decedent's paternal grandparents or either of them if both are deceased, the descendants taking by representation; and the other half passes to the decedent's maternal relatives in the same manner; but if there is no surviving grandparent or descendant of a grandparent on either the paternal or the maternal side, the entire estate passes to the decedent's relatives on the other side in the same manner as the half;

(5) if there is no surviving descendant, parent, descendant of a parent, grandparent, or descendant of a grandparent, to the next of kin in equal degree, except that when there are two or more collateral kindred in equal degree claiming through different ancestors, those who claim through the nearest ancestor shall take to the exclusion of those claiming through an ancestor more remote.

Sec. 5. Minnesota Statutes 1992, section 524.2-104, is amended to read:

## 524.2-104 [REQUIREMENT THAT HEIR SURVIVE DECEDENT FOR 120 HOURS.]

A person An individual who fails to survive the decedent by 120 hours is deemed to have predeceased the decedent for purposes of descent of the homestead, exempt property, and intestate succession, and the decedent's heirs are determined accordingly. If the time of death of the decedent or of the person who would otherwise be an heir, or the times of death of both, cannot be determined, and it eannot be is not established that the person an individual who would otherwise be an heir has survived the decedent by 120 hours, it is deemed that the person individual failed to survive for the required period. This section is not to be applied where if its application would result in a taking of intestate estate by the state under section 524.2-105.

Sec. 6. Minnesota Statutes 1992, section 524.2-105, is amended to read:

#### 524.2-105 [NO TAKER.]

If there is no taker under the provisions of sections 524.2-102 to 524.2-114 this article, the intestate estate passes to the state.

Sec. 7. Minnesota Statutes 1992, section 524.2-106, is amended to read:

#### 524.2-106 [REPRESENTATION.]

(a) [APPLICATION.] If representation is called for by sections 524.2-102 to 524.2-114: this article, paragraphs (b) and (c) apply.

(1) (b) [DECEDENT'S DESCENDANTS.] In the case of issue <u>descendants</u> of the decedent, the estate is divided into as many shares as there are surviving children of the decedent and deceased children who left issue <u>descendants</u> who survive the decedent, each surviving child receiving one share and the share of each deceased child being divided among its issue <u>descendants</u> in the same manner.

(2) (c) [DESCENDANTS OF PARENTS OR GRANDPARENTS.] In the case of issue of the parents of the decedent (other than issue of the decedent) the If, under section 524.2-103, clause (3) or (4), a decedent's intestate estate or a part thereof passes by "representation" to the descendants of the decedent's deceased parents or either of them or to the descendants of the decedent's deceased paternal or maternal grandparents or either of them, the estate or part thereof is divided in the following manner:

(1) In the case of descendants of the decedent's deceased parents or either of them, the estate or part thereof is divided into as many equal shares as there are (i) surviving heirs descendants in the generation nearest degree of kinship and the deceased persons in the same degree parents or either of them, and (ii) deceased descendants in the same generation who left issue who survived the decedent surviving descendants, if any. Each surviving heirs descendant in the nearest degree receiving generation is allocated one share, and the share of each deceased persons in the surviving descendants of each deceased persons in the same degree being divided among the surviving descendants of each deceased person's children, and the descendants of deceased children of that deceased person descendant in the same generation are allocated one share, to be divided in the same manner as specified in clause (1) paragraph (b).

(2) In the case of descendants of the decedent's deceased paternal or maternal grandparents or either of them, the estate or part thereof is divided into as many equal shares as there are surviving descendants in the generation nearest the deceased grandparents or either of them that contains one or more surviving descendants. Each surviving descendant in the nearest generation is allocated one share.

Sec. 8. Minnesota Statutes 1992, section 524.2-108, is amended to read:

#### 524.2-108 [AFTERBORN AFTER-BORN HEIRS.]

Relatives of the decedent conceived before death but born thereafter inherit as if they had been born in the lifetime of the decedent. An individual in gestation at a particular time is treated as living at that time if the individual lives 120 hours or more after birth.

Sec. 9. Minnesota Statutes 1992, section 524.2-109, is amended to read:

#### 524.2-109 [MEANING OF CHILD AND RELATED TERMS ADVANCEMENTS.]

If, for purposes of intestate succession, a relationship of parent and child must be established to determine succession by, through, or from a person:

(1) An adopted person is the child of an adopting parent and not of the natural parents except that adoption of a child by the spouse of a natural parent has no effect on the relationship between the child and that natural parent. If a parent dies and a child is subsequently adopted by a stepparent who is the spouse of a surviving parent, any rights of inheritance of the child or the child's issue from or through the deceased parent of the child which exist at the time of the death of that parent shall not be affected by the adoption.

5250

(2) In cases not covered by clause (1), a person is the child of the person's parents regardless of the marital status of the parents and the parent-and child relationship may be established under the parentage act, sections 257.51 to 257.74.

(a) If an individual dies intestate as to all or a portion of his or her estate, property the decedent gave during the decedent's lifetime to an individual who, at the decedent's death, is an heir is treated as an advancement against the heir's intestate share only if:

(i) the decedent declared in a contemporaneous writing or the heir acknowledged in writing that the gift is an advancement; or

(ii) the decedent's contemporaneous writing or the heir's written acknowledgment otherwise indicates that the gift is to be taken into account in computing the division and distribution of the decedent's intestate estate.

(b) For purposes of paragraph (a), property advanced is valued as of the time the heir came into possession or enjoyment of the property or as of the time of the decedent's death, whichever first occurs.

(c) If the recipient of the property fails to survive the decedent, the property is not taken into account in computing the division and distribution of the decedent's intestate estate, unless the decedent's contemporaneous writing provides otherwise.

Sec. 10. Minnesota Statutes 1992, section 524.2-110, is amended to read:

## 524.2-110 [ADVANCEMENTS DEBTS TO DECEDENT.]

If a person dies intestate as to all the person's estate, property given while living to an heir is treated as an advancement against the latter's share of the estate only if declared in a contemporaneous writing by the decedent or acknowledged in writing by the heir to be an advancement. For this purpose the property advanced is valued as of the time the heir came into possession or enjoyment of the property or as of the time of death of the decedent, whichever first occurs. If the recipient of the property fails to survive the decedent, the property is not taken into account in computing the intestate share to be received by the recipient's issue, unless the declaration or acknowledgment provides otherwise. A debt owed to a decedent is not charged against the intestate, share of any individual except the debtor. If the debtor fails to survive the decedent, the debt is not taken into account in computing the intestate share of any individual except the debtor. If the debtor fails to survive the decedent, the debt is not taken into account in computing the intestate share of any individual except the debtor. If the debtor fails to survive the decedent, the debt is not taken into account in computing the intestate share of the bor's descendants.

Sec. 11. Minnesota Statutes 1992, section 524.2-111, is amended to read:

524.2-111 [DEBTS TO DECEDENT ALIENAGE.]

A debt owed to the decedent is not charged against the intestate share of any person except the debtor. If the debtor fails to survive the decedent, the debt is not taken into account in computing the intestate share of the debtor's issue. No individual is disqualified to take as an heir because the individual or an individual through whom he or she claims is or has been an alien.

Sec. 12. Minnesota Statutes 1992, section 524.2-113, is amended to read:

524.2-113 [PERSONS INDIVIDUALS RELATED TO DECEDENT THROUGH TWO LINES.]

A person <u>An individual</u> who is related to the decedent through two lines of relationship is entitled to only a single share based on the relationship which <u>that</u> would entitle such person <u>the individual</u> to the larger share.

Sec. 13. Minnesota Statutes 1992, section 524.2-114, is amended to read:

524.2-114 [INSTRUMENTS REFERENCING INTESTACY LAWS MEANING OF CHILD AND RELATED TERMS.]

If a maker has executed a will or other instrument on or before December 31, 1986, which directs disposition of all or part of the estate pursuant to the intestacy laws of the state of Minnesota, the laws to be applied shall be in accordance with the laws of intestate succession in effect on or before December 31, 1986, unless the will or instrument directs otherwise. If, for purposes of intestate succession, a relationship of parent and child must be established to determine succession by, through, or from a person:

(1) An adopted person is the child of an adopting parent and not of the natural parents except that adoption of a child by the spouse of a natural parent has no effect on the relationship between the child and that natural parent. If a parent dies and a child is subsequently adopted by a stepparent who is the spouse of a surviving parent, any rights of inheritance of the child or the child's descendant from or through the deceased parent of the child which exist at the time of the death of that parent shall not be affected by the adoption.

(2) In cases not covered by clause (1), a person is the child of the person's parents regardless of the marital status of the parents and the parent and child relationship may be established under the parentage act, sections 257.51 and 257.74.

#### Sec. 14. [524.2-115] [INSTRUMENTS REFERENCING INTESTACY LAWS.]

If a maker has executed a will or other instrument before the effective date of this act which directs disposition of all or part of the estate pursuant to the intestacy laws of the state of Minnesota, the laws to be applied shall be in accordance with the laws of intestate succession in effect on the date of the will or other instrument, unless the will or instrument directs otherwise.

#### Part 2

# ELECTIVE SHARE OF SURVIVING SPOUSE

# Sec. 15. [524.2-201] [DEFINITIONS.]

## In this part:

(1) As used in sections other than section 524.2-205, "decedent's nonprobate transfers to others" means the amounts that are included in the augmented estate under section 524.2-205.

(2) "Interest in property held with right of survivorship" means the severable interest owned by the person or persons whose interest is being determined in property held in joint tenancy or in other form of common ownership with a right of survivorship. The interest shall be identified and valued as of the time immediately prior to the death of the decedent or the date of the transfer which causes the property to be included in the augmented estate, as the case may be. In the case of an account described in article VI, part 2, the severable interest owned by the person is the amount which belonged to the person determined under section 524.6-203. In the case of property described in article VI, part 3, the severable interest owned by the person is the amount consistent with section 524.6-306.

(3) "Marriage," as it relates to a transfer by the decedent during marriage, means any marriage of the decedent to the decedent's surviving spouse.

(4) "Nonadverse party" means a person who does not have a substantial beneficial interest in the trust or other property arrangement that would be adversely affected by the exercise or nonexercise of the power that he or she possesses respecting the trust or other property arrangement. A person having a general power of appointment over property is deemed to have a beneficial interest in the property.

(5) "Power" or "power of appointment" includes a power to designate the beneficiary of an insurance policy or other contractual arrangement.

(6) "Presently exercisable general power of appointment" means a power possessed by a person at the time in question to create a present or future interest in the person, in the person's creditors, in the person's estate, or in the creditor of the person's estate, whether or not the person then had the capacity to exercise the power. "General power of appointment" means a power, whether or not presently exercisable, possessed by a person to create a present or future interest in the person's creditors, in the person to create a present or future interest in the person's creditors, in the person's estate, or in creditors of the person's estate.

[7] "Probate estate" means property that would pass by intestate succession if the decedent dies without a valid will.

(8) "Property" includes values subject to a beneficiary designation.

(9) "Right to income" includes a right to payments under a commercial or private annuity, an annuity trust, a unitrust, or a similar arrangement.

(10) "Transfer" includes: (i) the exercise, release, or lapse of a general power of appointment created by the decedent alone or in conjunction with any other person, or exercisable by a nonadverse party; and (ii) the exercise or release by the decedent of a presently exercisable general power of appointment created by someone other than the decedent. "Transfer" does not include the lapse, other than a lapse at death, of a power described in clause (ii).

(11) "Bona fide purchaser" means a purchaser for value in good faith and without notice or actual knowledge of an adverse claim, or a person who receives a payment or other item of property in partial or full satisfaction of a legally enforceable obligation in good faith without notice of an adverse claim. In the case of real property located in Minnesota purchased from a successor or successors in interest of a decedent, the purchaser is without notice of an adverse claim arising under this part or, if the decedent was not domiciled in Minnesota at the time of death, arising under similar provisions of the law of the decedent's domicile, unless the decedent's surviving spouse has filed a notice in the office of the county recorder of the county in which the real property is located or, if the property is registered land, in the office of the registrar of titles of the county in which the real property is located, containing the legal description of the property, a brief statement of the nature and extent of the interest claimed, and the venue, title, and file number of the proceeding for an elective share, if any has been commenced. The registrar of titles is authorized to accept for registration without production of the owner's duplicate of the certificate of title any such notice which relates to registered land.

Sec. 16. [524.2-202] [ELECTIVE SHARE.]

(a) [ELECTIVE SHARE AMOUNT.] The surviving spouse of a decedent who dies domiciled in this state has a right of election, under the limitations and conditions stated in this part, to take an elective-share amount equal to the value of the elective-share percentage of the augmented estate, determined by the length of time the spouse and the decedent were married to each other, in accordance with the following schedule:

If the decedent and the spouse were married to each other: ess than one year One year but less than two years Two years but less than three years Three years but less than four years Four years but less than five years Five years but less than six years <u>Six years but less than</u> seven years Seven years but less than eight years Eight years but less than nine years Nine years but less than ten years Ten years but less than 11 years 11 years but less than 12 years 12 years but less than 13 years 13 years but less than 14 years <u>14 years but less</u> than 15 years 15 years or more

The elective-share percentage is:

Supplemental amount only Three percent of the augmented estate Six percent of the augmented estate Nine percent of the augmented estate 12 percent of the augmented estate 15 percent of the augmented estate 18 percent of the augmented estate 21 percent of the augmented estate 24 percent of the augmented estate 27 percent of the augmented estate 30 percent of the augmented estate 34 percent of the augmented estate <u>38 percent of the</u> augmented estate 42 percent of the augmented estate 46 percent of the augmented estate <u>50 percent of the</u> augmented estate

(b) [SUPPLEMENTAL ELECTIVE-SHARE AMOUNT.] If the sum of the amounts described in sections 524.2-207, 524.2-209, paragraph (a), clause (1), and that part of the elective-share amount payable from the decedent's probate estate and nonprobate transfers to others under section 524.2-209, paragraphs (b) and (c), is less than \$50,000, the surviving spouse is entitled to a supplemental elective-share amount equal to \$50,000, minus the sum of the amounts described in those sections. The supplemental elective-share amount is payable from the decedent's probate estate and from recipients of the decedent's nonprobate transfers to others in the order of priority set forth in section 524.2-209, paragraphs (b) and (c).

(c) [EFFECT OF ELECTION ON STATUTORY BENEFITS.] If the right of election is exercised by or on behalf of the surviving spouse, the surviving spouse's homestead rights and other allowances under sections 524.2-402, 524.2-403 and 524.2-404, if any, are not charged against but are in addition to the elective-share and supplemental elective-share amounts.

(d) [NONDOMICILIARY.] The right, if any, of the surviving spouse of a decedent who dies domiciled outside this state to take an elective share in property in this state is governed by the law of the decedent's domicile at death.

Sec. 17. [524.2-203] [COMPOSITION OF THE AUGMENTED ESTATE.]

Subject to section 524.2-208, the value of the augmented estate, to the extent provided in sections 524.2-204, 524.2-205, 524.2-206, and 524.2-207, consists of the sum of the values of all property, whether real or personal, movable or immovable, tangible or intangible, wherever situated, that constitute the decedent's net probate estate, the decedent's nonprobate transfers to others, the decedent's nonprobate transfers to others, the decedent's nonprobate transfers to others.

Sec. 18. [524.2-204] [DECEDENT'S NET PROBATE ESTATE.]

The value of the augmented estate includes the value of the decedent's probate estate, reduced by funeral and administration expenses, the homestead, family allowances and exemptions, liens, mortgages, and enforceable claims.

Sec. 19. [524.2-205] [DECEDENT'S NONPROBATE TRANSFERS TO OTHERS.]

The value of the augmented estate includes the value of the decedent's nonprobate transfers to others, other than the homestead, of any of the following types, in the amount provided respectively for each type of transfer.

(1) Property owned or owned in substance by the decedent immediately before death that passed outside probate at the decedent's death. Property included under this category consists of:

(i) Property over which the decedent alone, immediately before death, held a presently exercisable general power of appointment. The amount included is the value of the property subject to the power, to the extent the property passed at the decedent's death, by exercise, release, lapse, default, or otherwise, to or for the benefit of any person other than the decedent's estate or surviving spouse.

(ii) The decedent's interest in property held with the right of survivorship. The amount included is the value of the decedent's interest, to the extent the interest passed by right of survivorship at the decedent's death to someone other than the decedent's surviving spouse.

(iii) Proceeds of insurance, including accidental death benefits, on the life of the decedent, if the decedent owned the insurance policy immediately before death or if and to the extent the decedent alone and immediately before death held a presently exercisable general power of appointment over the policy or its proceeds. The amount included is the value of the proceeds, to the extent they were payable at the decedent's death to or for the benefit of any person other than the decedent's estate or surviving spouse.

(iv) The value payable after the decedent's death to or for the benefit of any person other than the decedent's surviving spouse of the proceeds of annuity contracts under which the decedent was the primary annuitant. The amount included is any amount over which the person has an immediate right of withdrawal after the decedent's death plus the commuted value of other amounts payable in the future.

(v) The value payable after the decedent's death to or for the benefit of any person other than the decedent's surviving spouse of amounts under any public or private pension, disability compensation, benefit, or retirement plan or account, excluding the federal Social Security system. The amount included is any amount over which the person has an immediate right of withdrawal after the decedent's death plus the commuted value of other amounts payable in the future.

(2) Property transferred in any of the following forms by the decedent during marriage, to the extent not included under paragraph (1):

(i) Any irrevocable transfer in which the decedent retained the right to the possession or enjoyment of, or to the income from, the property if and to the extent the decedent's right terminated at or continued beyond the decedent's death. The amount included is the value of the fraction of the property to which the decedent's right related, to the extent the fraction of the property passed outside probate to or for the benefit of any person other than the decedent's estate or surviving spouse.

(ii) Any transfer in which the decedent created a general power of appointment over income or property exercisable by the decedent alone or in conjunction with any other person, or exercisable by a nonadverse party. The amount included with respect to a power over property is the value of the property subject to the power, and the amount included with respect to a power over income is the value of the property that produces or produced the income, to the extent in either case that the property passed at the decedent's death to or for the benefit of any person other than the decedent's estate or surviving spouse. If the power is a power over both income and property and the preceding sentence produces different amounts, the amount included is the greater amount.

(3) Property that passed during marriage and during the two-year period next preceding the decedent's death as a result of a transfer by the decedent if the transfer was of any of the following types:

(i) Any property that passed as a result of the termination of a right or interest in, or power over, property that would have been included in the augmented estate under paragraph (1), clause (i), (ii), (iv), or (v), or under paragraph (2), if the right, interest, or power had not terminated until the decedent's death. The amount included is the value of the property that would have been included under those paragraphs if the property were valued at the time the right, interest, or power terminated, and is included only to the extent the property passed upon termination to or for the benefit of any person other than the decedent or the decedent's estate, spouse, or surviving spouse. As used in this paragraph, "termination," with respect to a right or interest in property, occurs when the power is terminated by exercise, release, default, or otherwise, but with respect to a power described in paragraph (1), clause (i), "termination" occurs when the power is terminated by exercise or release, but not otherwise.

(ii) Any transfer of or relating to an insurance policy on the life of the decedent if the proceeds would have been included in the augmented estate under paragraph (1), clause (iii), had the transfer not occurred. The amount included is the value of the insurance proceeds to the extent the proceeds were payable at the decedent's death to or for the benefit of any person other than the decedent's estate or surviving spouse.

(iii) Any transfer of property, to the extent not otherwise included in the augmented estate, made to or for the benefit of a person other than the decedent's surviving spouse. The amount included is the value of the transferred property to the extent the aggregate transfers to any one donee in either of the two years exceeded \$10,000.

Sec. 20. [524.2-206] [DECEDENT'S NONPROBATE TRANSFERS TO THE SURVIVING SPOUSE.]

Excluding the homestead and property passing to the surviving spouse under the federal Social Security system, the value of the augmented estate includes the value of the decedent's nonprobate transfers to the decedent's spouse, which consists of all property that passed outside probate at the decedent's death from the decedent to the surviving spouse by reason of the decedent's death that would have been included in the augmented estate under section 524.2-205, paragraph (1) or (2), had the property passed to or for the benefit of a person other than the decedent's spouse, the decedent, or the decedent's creditors, estate, or estate creditors.

Sec. 21. [524.2-207] [SURVIVING SPOUSE'S PROPERTY AND NONPROBATE TRANSFERS TO OTHERS.]

(a) [INCLUDED PROPERTY.] Except to the extent included in the augmented estate under section 524.2-204 or 524.2-206, the value of the augmented estate includes the value of:

(1) property, other than the homestead, that was owned by the surviving spouse at the decedent's death, including the surviving spouse's interest in property held with right of survivorship; and

(2) property that would have been included in the surviving spouse's nonprobate transfers to others, other than the spouse's interest in property held with right of survivorship included under clause (1), had the spouse been the decedent.

(c) [REDUCTION FOR ENFORCEABLE CLAIMS.] The value of property included under this section is reduced by mortgages, liens, and enforceable claims against the property or against the surviving spouse.

Sec. 22. [524.2-208] [EXCLUSIONS, VALUATION, AND OVERLAPPING APPLICATION.]

(a) [EXCLUSIONS.] The value of any property is excluded from the decedent's nonprobate transfers to others (i) to the extent the decedent received adequate and full consideration in money or money's worth for a transfer of the property, or (ii) if the property was transferred with the written joinder of, or if the transfer was consented to in writing by, the surviving spouse.

(b) [PROTECTION OF BONA FIDE PURCHASERS.] <u>A bona fide purchaser who purchases property from a successor or successors in interest of the decedent or from a transferee of the decedent is neither obligated under this part to return the payment, item of property, or benefit nor is liable under this part for the amount of the payment or the value of the item of property or benefit.</u>

(c) [VALUATION.] The value of property:

(1) included in the augmented estate under section 524.2-205, 524.2-206, or 524.2-207 is reduced in each category by mortgages, liens, and enforceable claims against the included property; and

(2) includes the commuted value of any present or future interest and the commuted value of amounts payable under any trust, life insurance settlement option, annuity contract, public or private pension, disability compensation, death benefit or retirement plan, or any similar arrangement, exclusive of the federal Social Security system. The commuted value of the surviving spouse's interest in a life estate or in any trust shall be calculated as if worth one-half of the total value of the property subject to the life estate, or of the trust estate, unless higher or lower values for these interests are established by proof.

(d) [OVERLAPPING APPLICATION; NO DOUBLE INCLUSION.] In case of overlapping application to the same property of portions of section 524.2-205, 524.2-206, or 524.2-207, the property is included in the augmented estate under the provision yielding the greatest value, and under only one overlapping provision if they all yield the same value.

Sec. 23. [524.2-209] [SOURCES FROM WHICH ELECTIVE SHARE PAYABLE.]

(a) [ELECTIVE-SHARE AMOUNT ONLY.] In a proceeding for an elective share, the following are applied first to satisfy the elective-share amount and to reduce or eliminate any contributions due from the decedent's probate estate and recipients of the decedent's nonprobate transfers to others:

(1) amounts included in the augmented estate under section 524.2-204 which pass or have passed to the surviving spouse by testate or intestate succession and amounts included in the augmented estate under section 524.2-206;

(2) amounts included in the augmented estate which would have passed to the spouse but were disclaimed; and

(3) amounts included in the augmented estate under section 524.2-207 up to the applicable percentage thereof. For the purposes of this paragraph, the "applicable percentage" is twice the elective-share percentage set forth in the schedule in section 524.2-202, paragraph (a), appropriate to the length of time the spouse and the decedent were married to each other.

(b) [UNSATISFIED BALANCE OF ELECTIVE-SHARE AMOUNT; SUPPLEMENTAL ELECTIVE-SHARE AMOUNT.] If, after the application of paragraph (a), the elective-share amount is not fully satisfied or the surviving spouse is entitled to a supplemental elective-share amount, amounts included in the decedent's probate estate and in the decedent's nonprobate transfers to others, other than amounts included under section 524.2-205, paragraph (3), clause (i) or (iii), are applied first to satisfy the unsatisfied balance of the elective-share amount or the supplemental elective-share amount. The decedent's probate estate and that portion of the decedent's nonprobate transfers to others are so applied that liability for the unsatisfied balance of the elective-share amount or for the supplemental elective-share amount is equitably apportioned among the recipients of the decedent's probate estate and of that portion of the decedent's nonprobate transfers to others in proportion to the value of their interests therein.

(c) [UNSATISFIED BALANCE OF ELECTIVE-SHARE AND SUPPLEMENTAL ELECTIVE-SHARE AMOUNTS.] If, after the application of paragraphs (a) and (b), the elective-share or supplemental elective-share amount is not fully satisfied, the remaining portion of the decedent's nonprobate transfers to others is so applied that liability for the unsatisfied balance of the elective-share or supplemental elective-share amount is equitably apportioned among the recipients of the remaining portion of the decedent's nonprobate transfers to others in proportion to the value of their interests therein.

## Sec. 24. [524.2-210] [PERSONAL LIABILITY OF RECIPIENTS.]

(a) Only original recipients of the decedent's nonprobate transfers to others, and the donees of the recipients of the decedent's nonprobate transfers to others, to the extent the donees have the property or its proceeds, are liable to make a proportional contribution toward satisfaction of the surviving spouse's elective-share or supplemental elective-share amount. A person liable to make contribution may choose to give up the proportional part of the decedent's nonprobate transfers to him or her or to pay the value the amount for which he or she is liable.

(b) If any section or part of any section of this part is preempted by federal law with respect to a payment, an item of property, or any other benefit included in the decedent's nonprobate transfers to others, a person who is not a bona fide purchaser and who receives the payment, item of property, or any other benefit is obligated to return the payment, item of property, or benefit, or is personally liable for the amount of the payment or the value of that item of property or benefit, as provided in section 524.2-209, to the person who would have been entitled to it were that section or part of that section not preempted.

Sec. 25. [524.2-211] [PROCEEDING FOR ELECTIVE SHARE; TIME LIMIT.]

(a) Except as provided in paragraph (b), the election must be made by filing in the court and mailing or delivering to the personal representative, if any, a pétition for the elective share within nine months after the date of the decedent's death, or within six months after the probate of the decedent's will, whichever limitation later expires. The surviving spouse must give notice of the time and place set for hearing to persons interested in the estate and to the distributees and recipients of portions of the augmented estate whose interests will be adversely affected by the taking of the elective share. Except as provided in paragraph (b), the decedent's nonprobate transfers to others are not included within the augmented estate for the purpose of computing the elective share, if the petition is filed more than nine months after the decedent's death.

(b) Within nine months after a decedent's death, the surviving spouse may petition the court for an extension of time for making an election. If, within nine months after the decedent's death, the spouse gives notice of the petition to all persons interested in the decedent's nonprobate transfers to others, the court for cause shown by the surviving spouse may extend the time for election. If the court grants the spouse's petition for an extension, the decedent's nonprobate transfers to others are not excluded from the augmented estate for the purpose of computing the elective-share and supplemental elective-share amounts, if the spouse makes an election by filing in the court and mailing or delivering to the personal representative, if any, a petition fo the elective share within the time allowed by the extension.

(c) The surviving spouse may withdraw his or her demand for an elective share at any time before entry of a final determination by the court.

(d) After notice and hearing, the court shall determine the elective-share and supplemental elective-share amounts, and shall order its payment from the assets of the augmented estate or by contribution as appears appropriate under sections 524.2-209 and 524.2-210. If it appears that a fund or property included in the augmented estate has not come into the possession of the personal representative, or has been distributed by the personal representative, the court nevertheless shall fix the liability of any person who has any interest in the fund or property or who has possession thereof, whether as trustee or otherwise. The proceeding may be maintained against fewer than all persons against whom relief could be sought, but no person is subject to contribution in any greater amount than he or she would have been under sections 524.2-209 and 524.2-210 had relief been secured against all persons subject to contribution.

(e) An order of judgment of the court may be enforced as necessary in suit for contribution or payment in other courts of this state or other jurisdictions.

(f) Whether or not an election has been made under paragraph (a), the surviving spouse may elect statutory rights in the homestead by filing in the manner provided in this section a petition in which the spouse asserts the rights provided in section 524.2-402, provided that:

(1) when the homestead is subject to a testamentary disposition; the filing must be within nine months after the date of death, or within six months after the probate of the decedent's will, whichever limitation last expires; or

(2) where the homestead is subject to other disposition, the filing must be within nine months after the date of death.

The court may extend the time for election in the manner provided in paragraph (b).

Sec. 26. [524.2-212] [RIGHT OF ELECTION PERSONAL TO SURVIVING SPOUSE.]

The right of election of the surviving spouse may be exercised only during the surviving spouse's lifetime. In the case of a protected person, the right of election may be exercised only by order of the court in which protective proceedings as to the protected person's property are pending, after finding (1) that exercise is necessary to provide adequate support for the protected person during the protected person's probable life expectancy and (2) that the election will be consistent with the best interests of the natural bounty of the protected person's affection.

## Sec. 27. [524.2-213] [WAIVER OF RIGHT TO ELECT AND OF OTHER RIGHTS.]

The right of election of a surviving spouse and the rights of the surviving spouse to the homestead, exempt property, and family allowance, or any of them, may be waived, wholly or partially, after marriage, by a written contract, agreement, or waiver signed by the party waiving after fair disclosure. Unless it provides to the contrary, a waiver of "all rights," or equivalent language, in the property or estate of a spouse is a waiver only of the right to the elective share. Any waiver prior to marriage must be made pursuant to section 519.11.

Sec. 28. [524.2-214] [PROTECTION OF PAYORS AND OTHER THIRD PARTIES.]

(a) Although under section 524.2-205 a payment, item of property, or other benefit is included in the decedent's nonprobate transfers to others, a payor or other third party is not liable for having made a payment or transferred an item of property or other benefit to a beneficiary designated in a governing instrument, or for having taken any other action in good faith reliance on the validity of a governing instrument, upon request and satisfactory proof of the decedent's death, before the payor or other third party received written notice from the surviving spouse or spouse's representative of an intention to file a petition for the elective share or that a petition for the elective share or other third party received written notice from taken after the payor or other third party is liable for payments made or other actions taken after the payor or other third party received written notice share or that a petition for the elective share o

(b) A written notice of intention to file a petition for the elective share or that a petition for the elective share has been filed must be mailed to the payor's or other third party's main office or home by registered or certified mail, return receipt requested, or served upon the payor or other third party in the same manner as a summons in a civil action. Upon receipt of written notice of intention to file a petition for the elective share or that a petition for the elective share has been filed, a payor or other third party may pay any amount owed or transfer or deposit any item of property held by it to or with the court having jurisdiction of the probate proceedings relating to the decedent's estate or, if no proceedings have been commenced, to or with the court having jurisdiction of probate proceedings relating to the decedent's residence. The court shall hold the funds or item of property and, upon its determination under section 524.2-211, paragraph (d), shall order disbursement in accordance with the determination. If no petition is filed in the court within the specified time under section 524.2-211, paragraph (a), or, if filed, the demand for an elective share is withdrawn under section 524.2-211, paragraph (c), the court shall order disbursement to the designated beneficiary. Payments or transfers to the court or deposits made into court discharge the payor or other third party from all claims for amounts so paid or the value of property so transferred or deposited.

(c) Upon petition to the court described in paragraph (b) by the beneficiary designated in the governing instrument, the court may order that all or part of the property be paid to the beneficiary in an amount and subject to conditions consistent with this part.

Sec. 29. Minnesota Statutes 1992, section 524.2-301, is amended to read:

## 524.2-301 [OMITTED ENTITLEMENT OF SPOUSE; PREMARITAL WILL.]

(a) If a testator fails to provide by will for a surviving spouse who married the testator after the execution of the will, the omitted spouse shall receive the same share of the estate as if the decedent left no will unless it appears from the will that the omission was intentional or the testator provided for the spouse by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by statements of the testator or from the amount of the transfer or other evidence.

(b) In satisfying a share provided by this section, the devises made by the will abate as provided in section 524.3 902.

(a) If a testator's surviving spouse married the testator after the testator executed his or her will, the surviving spouse is entitled to receive, as an intestate share, no less than the value of the share of the estate he or she would have received if the testator had died intestate as to that portion of the testator's estate, if any, that neither is devised to a child of the testator who was born before the testator married the surviving spouse and who is not a child of the surviving spouse nor is devised to a descendant of such a child or passes under section 524.2-603 or 524.2-604 to such a child or to a descendant of such a child, unless:

(1) it appears from the will or other evidence that the will was made in contemplation of the testator's marriage to the surviving spouse;

(2) the will expresses the intention that it is to be effective notwithstanding any subsequent marriage; or

(3) the testator provided for the spouse by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by the testator's statements or is reasonably inferred from the amount of the transfer or other evidence.

(b) In satisfying the share provided by this section, devises made by the will to the testator's surviving spouse, if any, are applied first, and other devises, other than a devise to a child of the testator who was born before the testator married the surviving spouse and who is not a child of the surviving spouse or a devise or substitute gift under section 524.2-603 or 524.2-604 to a descendant of such a child, abate as provided in section 524.3-902.

Sec. 30. Minnesota Statutes 1992, section 524.2-302, is amended to read:

#### 524.2-302 [PRETERMITTED OMITTED CHILDREN.]

(a) If a testator fails to provide for any child born or adopted after the execution of the testator's will, the omitted child receives a share in the estate equal in value to that which that child would have received if the testator had died intestate unless:

(1) it appears from the will that the omission was intentional;

(2) when the will was executed the testator had one or more children and devised substantially all the estate to the other parent of the omitted child; or

(3) the testator provided for the child by transfer-outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by statements of the testator or from the amount of the transfer or other evidence.

(b) If at the time of execution of the will the testator fails to provide for a living child solely because of a belief that the child is dead, the child receives a share in the estate equal in value to that which that child would have received if the testator had died-intestate.

(c) In satisfying a share provided by this section, the devises made by the will abate as provided in section 524.3 902.

(a) Except as provided in paragraph (b), if a testator fails to provide in his or her will for any of his or her children born or adopted after the execution of the will, the omitted after-born or after-adopted child receives a share in the estate as follows: (1) If the testator had no child living when he or she executed the will, an omitted after-born or after-adopted child receives a share in the estate equal in value to that which the child would have received had the testator died intestate, unless the will devised all or substantially all the estate to the other parent of the omitted child and that other parent survives the testator and is entitled to take under the will.

(2) If the testator had one or more children living when he or she executed the will, and the will devised property or an interest in property to one or more of the then-living children, an omitted after-born or after-adopted child is entitled to share in the testator's estate as follows:

(i) The portion of the testator's estate in which the omitted after-born or after-adopted child is entitled to share is limited to devises made to the testator's then-living children under the will.

(ii) The omitted after-born or after-adopted child is entitled to receive the share of the testator's estate, as limited in subclause (i), that the child would have received had the testator included all omitted after-born and after-adopted children with the children to whom devises were made under the will and had given an equal share of the estate to each child.

(iii) To the extent feasible, the interest granted an omitted after-born or after-adopted child under this section must be of the same character, whether equitable or legal, present or future, as that devised to the testator's then-living children under the will.

(iv) In satisfying a share provided by this paragraph, devises to the testator's children who were living when the will was executed abate ratably. In abating the devises of the then-living children, the court shall preserve to the maximum extent possible the character of the testamentary plan adopted by the testator.

(b) Neither paragraph (a), clause (1) or (2), nor paragraph (c), applies if:

(1) it appears from the will that the omission was intentional; or

(2) the testator provided for the omitted after-born or after-adopted child by transfer outside the will and the intent that the transfer be in lieu of a testamentary provision is shown by the testator's statements or is reasonably inferred from the amount of the transfer or other evidence.

(c) If at the time of execution of the will the testator fails to provide in his or her will for a living child solely because he or she believes the child to be dead, the child receives a share in the estate equal in value to that which the child would have received had the testator died intestate.

(d) In satisfying a share provided by paragraph (a), clause (1), or (c), devises made by the will abate under section 524.3-902.

Part 4

## EXEMPT PROPERTY AND ALLOWANCES

Sec. 31. [524.2-401] [APPLICABLE LAW.]

This part applies to the estate of a decedent who dies domiciled in this state. Rights to homestead, exempt property, and family allowance for a decedent who dies not domiciled in this state are governed by the law of the decedent's domicile at death.

Sec. 32. [524.2-402] [DESCENT OF HOMESTEAD.]

(a) If there is a surviving spouse, the homestead, including a manufactured home which is the family residence, descends free from any testamentary or other disposition of it to which the spouse has not consented in writing or as provided by law, as follows:

(1) if there is no surviving descendant of decedent, to the spouse; or

(2) if there are surviving descendants of decedent, then to the spouse for the term of the spouse's natural life and the remainder in equal shares to the decedent's descendants by representation.

5260

(b) If there is no surviving spouse and the homestead has not been disposed of by will it descends as other real estate.

(c) If the homestead passes by descent or will to the spouse or decedent's descendants, it is exempt from all debts which were not valid charges on it at the time of decedent's death except that the homestead is subject to a claim filed pursuant to section 246.53 for state hospital care or 256B.15 for medical assistance benefits. If the homestead passes to a person other than a spouse or decedent's descendants, it is subject to the payment of the items mentioned in section 524.2-101. No lien or other charge against a homestead so exempted is enforceable in the probate court, but the claimant may enforce the lien or charge by an appropriate action in the district court.

(d) For purposes of this section, except as provided in section 524.2-301, the surviving spouse is deemed to consent to any testamentary or other disposition of the homestead to which the spouse has not previously consented in writing unless the spouse files in the manner provided in section 524.2-211, paragraph (f), a petition that asserts the homestead rights provided to the spouse by this section.

Sec. 33. [524.2-403] [EXEMPT PROPERTY.]

(a) If there is a surviving spouse, then, in addition to the homestead and family allowance, the surviving spouse is entitled from the estate to:

(1) property not exceeding \$10,000 in value in excess of any security interests therein, in household furniture, furnishings, appliances, and personal effects, subject to an award of sentimental value property under section 525.152; and

(2) one automobile, if any, without regard to value.

(b) If there is no surviving spouse, the decedent's children are entitled jointly to the same property as provided in paragraph (a).

(c) If encumbered chattels are selected and the value in excess of security interests, plus that of other exempt property, is less than \$10,000, or if there is not \$10,000 worth of exempt property in the estate, the surviving spouse or children are entitled to other personal property of the estate, if any, to the extent necessary to make up the \$10,000 value.

(d) Rights to exempt property and assets needed to make up a deficiency of exempt property have priority over all claims against the estate, but the right to any assets to make up a deficiency of exempt property abates as necessary to permit earlier payment of the family allowance.

(e) The rights granted by this section are in addition to any benefit or share passing to the surviving spouse or children by the decedent's will, unless otherwise provided by intestate succession or by way of elective share.

Sec. 34. [524.2-404] [FAMILY ALLOWANCE.]

(a) In addition to the right to the homestead and exempt property, the decedent's surviving spouse and minor children whom the decedent was obligated to support, and children who were in fact being supported by the decedent, shall be allowed a reasonable family allowance in money out of the estate for their maintenance as follows:

(1) for one year if the estate is inadequate to discharge allowed claims; or

(2) for 18 months if the estate is adequate to discharge allowed claims.

(b) The amount of the family allowance may be determined by the personal representative in an amount not to exceed \$1,500 per month.

(c) The family allowance is payable to the surviving spouse, if living, otherwise to the children, their guardian or conservator, or persons having their care and custody.

(d) The family allowance is exempt from and has priority over all claims.

(e) The family allowance is not chargeable against any benefit or share passing to the surviving spouse or children by the will of the decedent unless otherwise provided, by intestate succession or by way of elective share. The death of any person entitled to family allowance does not terminate the right of that person to the allowance. (f) The personal representative or an interested person aggrieved by any determination, payment, proposed payment, or failure to act under this section may petition the court for appropriate relief, which may include a family allowance other than that which the personal representative determined or could have determined.

## Sec. 35. [524.2-405] [SOURCE, DETERMINATION, AND DOCUMENTATION.]

(a) If the estate is otherwise sufficient, property specifically devised may not be used to satisfy rights to exempt property. Subject to this restriction, the surviving spouse, guardians or conservators of minor children, or children who are adults may select property of the estate as exempt property. The personal representative may make those selections if the surviving spouse, the children, or the guardians of the minor children are unable or fail to do so within a reasonable time or there is no guardian of a minor child.

(b) The personal representative may execute an instrument or deed of distribution to establish the ownership of property taken as exempt property.

(c) The personal representative or an interested person aggrieved by any selection, determination, payment, proposed payment, or failure to act under this section may petition the court for appropriate relief, which may include a selection or determination under this section other than that which the surviving spouse, guardians or conservators of minor children, children who are adults, or the personal representative selected, could have selected, determined, or could have determined.

Sec. 36. Minnesota Statutes 1992, section 524.2-502, is amended to read:

# 524.2-502 [EXECUTION; WITNESSED WILLS.]

Except as provided for writings within section 524.2-513 and wills within section 524.2-506, every will shall be in writing signed by the testator or in the testator's name by some other person in the testator's presence and by the testator's direction, and shall be signed by at least two persons each of whom witnessed either the signing or the testator's acknowledgment of the signature or of the will. Except as provided in sections 524.2-506 and 524.2-513, a will must be:

(1) in writing;

(2) signed by the testator or in the testator's name by some other individual in the testator's conscious presence and by the testator's direction; and

(3) signed by at least two individuals, each of whom signed within a reasonable time after he or she witnessed either the signing of the will as described in clause (2) or the testator's acknowledgment of that signature or acknowledgment of the will.

Sec. 37. Minnesota Statutes 1992, section 524.2-504, is amended to read:

#### 524.2-504 [SELF-PROVED WILL.]

An attested will may at the time of its execution or at any subsequent date be made self-proved, by the acknowledgment thereof by the testator and the affidavits of the witnesses, each made before an officer authorized to administer oaths under the laws of this state, or under the laws of the state where execution occurs, and evidenced by the officer's certificate, under official scal, attached or annexed to the will in form and content substantially as follows:

## THE STATE OF .....

COUNTY OF .....

We, ....., and ....., and ......, the testator and the witnesses, respectively, whose names are signed to the attached or foregoing instrument, being first-duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as the testator's last will, that the testator signed it willingly or directed another JOURNAL OF THE HOUSE

to sign it for the testator, that it was executed as a free and voluntary act for the purposes therein expressed, and that each of the witnesses, in the presence and hearing of the testator, signed the will as witnesses, and that to the best of their knowledge the testator was at the time 18 or more years of age, of sound mind and under no constraint or undue influence.

# Testator Witness Witness

(SEAL)

(Signed).....

(a) A will may be contemporaneously executed, attested, and made self-proved, by acknowledgment thereof by the testator and affidavits of the witnesses, each made before an officer authorized to administer oaths under the laws of the state in which execution occurs and evidenced by the officer's certificate, under official seal, in substantially the following form:

I, ....., the testator, sign my name to this instrument this ... day of ....., and being first duly sworn, do hereby declare to the undersigned authority that I sign and execute this instrument as my will and that I sign it willingly (or willingly direct another to sign for me), that I execute it as my free and voluntary act for the purposes therein expressed, and that I am 18 years of age or older, of sound mind, and under no constraint or undue influence.

We, ......, the witnesses, sign our names to this instrument, being first duly sworn, and do hereby declare to the undersigned authority that the testator signs and executes this instrument as the testator's will and that the testator signs it willingly (or willingly directs another to sign for the testator), and that each of us, in the presence and hearing of the testator, hereby signs this will as witness to the testator's signing, and that to the best of our knowledge the testator is 18 years of age or older, of sound mind, and under no constraint or undue influence.

.....

Testator

<u>Witness</u>

Witness

State of .....

County of .....

(Seal)

(Signed).....

(Official capacity of officer)

(b) An attested will may be made self-proved at any time after its execution by the acknowledgment thereof by the testator and the affidavits of the witnesses, each made before an officer authorized to administer oaths under the laws of the state in which the acknowledgment occurs and evidenced by the officer's certificate, under the official seal, attached or annexed to the will in substantially the following form:

State of .....

County of .....

We, ....., and ...., the testator and the witnesses, respectively, whose names are signed to the attached or foregoing instrument, being first duly sworn, do hereby declare to the undersigned authority that the testator signed and executed the instrument as the testator's will and that the testator had signed willingly (or willingly directed another to sign for the testator), and that the testator executed it as the testator's free and voluntary act for the purposes therein expressed, and each of the witnesses, in the presence and hearing of the testator, signed the will as witness and that to the best of the witness' knowledge the testator was at the time 18 years of age or older, of sound mind, and under no constraint or undue influence.

<u>.....</u>

<u>Testator</u>

\*\*\*\*\*\*\*\*\*\*

Witness

····

Witness

(Seal)

<u>(Signed).....</u>

\_\_\_\_\_

(Official capacity of officer)

(c) A signature affixed to a self-proving affidavit attached to a will is considered a signature affixed to the will, if necessary to prove the will's due execution.

Sec. 38. Minnesota Statutes 1992, section 524.2-505, is amended to read:

524.2-505 [WHO MAY WITNESS.]

(a) Any person An individual generally competent to be a witness may act as a witness to a will.

(b) A will is not invalid because the will is signed The signing of a will by an interested witness does not invalidate the will or any provision of it.

Sec. 39. Minnesota Statutes 1992, section 524.2-507, is amended to read:

524.2-507 [REVOCATION BY WRITING OR BY ACT.]

(a) A will or any part thereof is revoked:

(1), by a subsequent will which revokes the prior will or part expressly or by inconsistency; or

(2) by being burned, torn, canceled, obliterated, or destroyed, with the intent and for the purpose of revoking it by the testator or by another person in the testator's presence and by the testator's direction. by executing a subsequent will that revokes the previous will or part expressly or by inconsistency; or

(2) by performing a revocatory act on the will, if the testator performed the act with the intent and for the purpose of revoking the will or part or if another individual performed the act in the testator's conscious presence and by the testator's direction. For purposes of this clause, "revocatory act on the will" includes burning, tearing, canceling, obliterating, or destroying the will or any part of it. A burning, tearing, or canceling may be a "revocatory act on the will," whether or not the burn, tear, or cancellation touched any of the words on the will.

(b) If a subsequent will does not expressly revoke a previous will, the execution of the subsequent will wholly revokes the previous will by inconsistency if the testator intended the subsequent will to replace rather than supplement the previous will.

(c) The testator is presumed to have intended a subsequent will to replace rather than supplement a previous will if the subsequent will makes a complete disposition of the testator's estate. If this presumption arises and is not rebutted by clear and convincing evidence, the previous will is revoked; only the subsequent will is operative on the testator's death.

(d) The testator is presumed to have intended a subsequent will to supplement rather than replace a previous will if the subsequent will does not make a complete disposition of the testator's estate. If this presumption arises and is not rebutted by clear and convincing evidence, the subsequent will revokes the previous will only to the extent the subsequent will is inconsistent with the previous will; each will is fully operative on the testator's death to the extent they are not inconsistent.

Sec. 40. Minnesota Statutes 1992, section 524.2-508, is amended to read:

524.2-508 [REVOCATION BY <del>DISSOLUTION OF MARRIAGE; NO REVOCATION BY OTHER</del> CHANGES OF CIRCUMSTANCES.]

If after executing a will the testator's marriage is dissolved or annulled, the dissolution or annulment revokes any disposition or appointment of property made by the will to the former spouse, any provision conferring a general or special power of appointment on the former spouse, and any nomination of the former spouse as executor, trustee, conservator, or guardian, unless the will expressly provides otherwise. Property prevented from passing to a former spouse because of revocation by dissolution of marriage or annulment passes as if the former spouse failed to survive the decedent, and other provisions conferring some power or office on the former spouse are interpreted as if the spouse failed to survive the decedent. If provisions are revoked solely by this section, they are revived by testator's remarriage to the former spouse. For purposes of this chapter and chapter 525, dissolution of marriage includes divorce. A decree of separation which does not terminate the status of husband and wife is not a dissolution of marriage for purposes of this section. No change of circumstances other than as described in this section revokes a will.

Except as provided in sections 524.2-802 and 524.2-803, a change of circumstances does not revoke a will or any part of it.

Sec. 41. Minnesota Statutes 1992, section 524.2-509, is amended to read:

# 524.2-509 [REVIVAL OF REVOKED WILL.]

(a) If a second will which, had it remained effective at death; would have revoked the first will in whole or in part, is thereafter revoked by acts under section 524.2 507, the first will is revoked in whole or in part unless it is evident from the circumstances of the revocation of the second will or from testator's contemporary or subsequent declarations that the testator intended the first will to take effect as executed.

(b) If a second will which, had it remained effective at death, would have revoked the first will in whole or in part, is thereafter revoked by a third will, the first will is revoked in whole or in part, except to the extent it appears from the terms of the third will that the testator intended the first will to take effect.

(a) If a subsequent will that wholly revoked a previous will is thereafter revoked by a revocatory act under section 524.2-507, paragraph (a), clause (2), the previous will remains revoked unless it is revived. The previous will is revived if it is evident from the circumstances of the revocation of the subsequent will or from the testator's contemporary or subsequent declarations that the testator intended the previous will to take effect as executed.

5264

(b) If a subsequent will that partly revoked a previous will is thereafter revoked by a revocatory act under section 524.2-507, paragraph (a), clause (2), a revoked part of the previous will is revived unless it is evident from the circumstances of the revocation of the subsequent will or from the testator's contemporary or subsequent declarations that the testator did not intend the revoked part to take effect as executed.

(c) If a subsequent will that revoked a previous will in whole or in part is thereafter revoked by another later will, the previous will remains revoked in whole or in part, unless it or its revoked part is revived. The previous will or its revoked part is revived to the extent it appears from the terms of the later will that the testator intended the previous will to take effect.

# Sec. 42. [524.2-511] [TESTAMENTARY ADDITIONS TO TRUSTS.]

(a) A will may validly devise property to the trustee of a trust established or to be established (i) during the testator's lifetime by the testator, by the testator and some other person, or by some other person, including a funded or unfunded life insurance trust, although the settlor has reserved any or all rights of ownership of the insurance contracts, or (ii) at the testator's death by the testator's devise to the trustee, if, in either case, the trust is identified in the testator's will and its terms are set forth in a written instrument, other than a will, executed before, concurrently with, or after the execution of the testator's will or in another individual's will if that other individual has predeceased the testator, regardless of the existence, size, or character of the corpus of the trust. The devise is not invalid because the trust is amendable or revocable, or because the trust was amended after the execution of the will or the testator's death.

(b) Unless the testator's will provides otherwise, property devised to a trust described in paragraph (a) is not held under a testamentary trust of the testator, but it becomes a part of the trust to which it is devised, and must be administered and disposed of in accordance with the provisions of the governing instrument setting forth the terms of the trust, including any amendments thereto made before or after the testator's death.

(c) Unless the testator's will provides otherwise, a revocation or termination of the trust before the testator's death causes the devise to lapse.

(d) This section does not invalidate a devise made by a will executed before February 21, 1963.

Sec. 43. Minnesota Statutes 1992, section 524.2-512, is amended to read:

524.2-512 [EVENTS OF INDEPENDENT SIGNIFICANCE.]

A will may dispose of property by reference to acts and events which <u>that</u> have significance apart from their effect upon the dispositions made by the will, whether they occur before or after the execution of the will or before or after the testator's death. The execution or revocation of a <u>another individual's</u> will <del>of another person</del> is such an event.

Sec. 44. [524.2-514] [CONTRACTS CONCERNING SUCCESSION.]

A contract to make a will or devise, or not to revoke a will or devise, or to die intestate, if executed after January 1, 1976, may be established only by (i) provisions of a will stating material provisions of the contract, (ii) an express reference in a will to a contract and extrinsic evidence proving the terms of the contract, or (iii) a writing signed by the decedent evidencing the contract. The execution of a joint will or mutual wills does not create a presumption of a contract not to revoke the will or wills.

Sec. 45. [524.2-515] [DEPOSIT OF WILL WITH COURT IN TESTATOR'S LIFETIME.]

<u>A will may be deposited by the testator or the testator's agent with any court for safekeeping, under rules of the court. The will must be sealed and kept confidential. During the testator's lifetime, a deposited will must be delivered only to the testator or to a person authorized in writing signed by the testator to receive the will. A conservator or guardian may be allowed to examine a deposited will of a protected testator under procedures designed to maintain the confidential character of the document to the extent possible, and to ensure that it will be resealed and kept on deposit after the examination. Upon being informed of the testator's death, the court may deliver the will to the appropriate court.</u>

# Sec. 46. [524.2-516] [DUTY OF CUSTODIAN OF WILL; LIABILITY.]

After the death of a testator and on request of an interested person, a person having custody of a will of the testator shall deliver it with reasonable promptness to an appropriate court. A person who willfully fails to deliver a will is liable to any person aggrieved for any damages that may be sustained by the failure. A person who willfully refuses or fails to deliver a will after being ordered by the court in a proceeding brought for the purpose of compelling delivery is subject to penalty for contempt of court.

# Sec. 47. [524.2-517] [PENALTY CLAUSE FOR CONTEST.]

A provision in a will purporting to penalize an interested person for contesting the will or instituting other proceedings relating to the estate is unenforceable if probable cause exists for instituting proceedings.

Part 6

# RULES OF CONSTRUCTION APPLICABLE ONLY TO WILLS

Sec. 48. [524.2-601] [SCOPE.]

In the absence of a finding of a contrary intention, the rules of construction in this part control the construction of a will.

Sec. 49. Minnesota Statutes 1992, section 524.2-602, is amended to read:

# 524.2-602 [CHOICE OF LAW AS TO MEANING AND EFFECT OF WILLS WILL MAY PASS ALL PROPERTY AND AFTER-ACQUIRED PROPERTY.]

The meaning and legal effect of a disposition in a will shall be determined by the local law of a particular state selected by the testator in the testator's instrument unless the application of that law is contrary to the public policy of this state otherwise applicable to the disposition. A will may provide for the passage of all property the testator owns at death and all property acquired by the estate after the testator's death.

Sec. 50. Minnesota Statutes 1992, section 524.2-603, is amended to read:

524.2-603 [RULES OF CONSTRUCTION AND INTENTION ANTILAPSE; DECEASED DEVISEE; CLASS GIFTS.]

The intention of a testator as expressed in the testator's will controls the legal effect of the testator's dispositions. The rules of construction expressed in the succeeding sections of this part apply unless a contrary intention is indicated by the will.

(a) [DEFINITIONS.] In this section:

(1) "Alternative devise" means a devise that is expressly created by the will and, under the terms of the will, can take effect instead of another devise on the happening of one or more events, including survival of the testator or failure to survive the testator, whether an event is expressed in condition-precedent, condition-subsequent, or any other form. A residuary clause constitutes an alternative devise with respect to a nonresiduary devise only if the will specifically provides that, upon lapse or failure, the nonresiduary devise, or nonresiduary devises in general, pass under the residuary clause.

(2) "Class member" includes an individual who fails to survive the testator but who would have taken under a devise in the form of a class gift had he or she survived the testator.

(3) <u>"Devise" includes an alternative devise, a devise in the form of a class gift, and an exercise of a power of appointment.</u>

(4) "Devisee" includes (i) a class member if the devise is in the form of a class gift, (ii) an individual or class member who was deceased at the time the testator executed his or her will as well as an individual or class member who was then living but who failed to survive the testator, and (iii) an appointee under a power of appointment exercised by the testator's will.

74TH DAY]

(5) "Surviving devisee" or "surviving descendant" means a devisee or a descendant who neither predeceased the testator nor is deemed to have predeceased the testator under section 524.2-702.

(6) "Testator" includes the donee of a power of appointment if the power is exercised in the testator's will.

(b) [SUBSTITUTE GIFT.] If a devisee fails to survive the testator and is a grandparent or a descendant of a grandparent of either the testator or the donor of a power of appointment exercised by the testator's will, the following apply:

(1) Except as provided in paragraph (4), if the devise is not in the form of a class gift and the deceased devisee leaves surviving descendants, a substitute gift is created in the devisee's surviving descendants. They take by representation the property to which the devisee would have been entitled had the devisee survived the testator.

(2) Except as provided in paragraph (4), if the devise is in the form of a class gift, other than a devise to "issue," "descendants," "heirs of the body," "heirs," "next of kin," "relatives," or "family," or a class described by language of similar import, a substitute gift is created in the surviving descendants of any deceased devisee. The property to which the devisees would have been entitled had all of them survived the testator passes to the surviving devisees and the surviving descendants of the deceased devisees. Each surviving devisee takes the share to which he or she would have been entitled had the deceased devisees survived the testator. Each deceased devisee's surviving descendants who are substituted for the deceased devisee take by representation the share to which the deceased devisee would have been entitled had the deceased devisee survived the testator. For the purposes of this paragraph, "deceased devisee" means a class member who failed to survive the testator and left one or more surviving descendants.

(3) For the purpose of section 524.2-601, words of survivorship, such as in a devise to an individual "if he survives me," or in a devise to "my children who survive me," are a sufficient indication of an intent contrary to the application of this section.

(4) If the will creates an alternative devise with respect to a devise for which a substitute gift is created by clause (1) or (2), the substitute gift is superseded by the alternative devise only if an expressly designated devisee of the alternative devise is entitled to take under the will.

(c) [MORE THAN ONE SUBSTITUTE GIFT; WHICH ONE TAKES.] If, under paragraph (b), substitute gifts are created and not superseded with respect to more than one devise and the devises are alternative devises, one to the other, the determination of which of the substitute gifts takes effect is resolved as follows:

(1) Except as provided in clause (2), the devised property passes under the primary substitute gift.

(2) If there is a younger-generation devise, the devised property passes under the younger-generation substitute gift and not under the primary substitute gift.

(3) In this paragraph:

(i) "Primary devise" means the devise that would have taken effect had all the deceased devisees of the alternative devises who left surviving descendants survived the testator.

(ii) "Primary substitute gift" means the substitute gift created with respect to the primary devise.

(iii) "Younger-generation devise" means a devise that (A) is to a descendant of a devisee of the primary devise, (B) is an alternative devise with respect to the primary devise, (C) is a devise for which a substitute gift is created, and (D) would have taken effect had all the deceased devisees who left surviving descendants survived the testator except the deceased devisee or devisees of the primary devise.

(iv) "Younger-generation substitute gift" means the substitute gift created with respect to the younger-generation devise.

Sec. 51. Minnesota Statutes 1992, section 524.2-604, is amended to read:

524.2-604 [CONSTRUCTION THAT WILL PASSES ALL PROPERTY; AFTER ACQUIRED PROPERTY FAILURE OF TESTAMENTARY PROVISION.]

A will is construed to pass all property which the testator owns at death including property acquired after the execution of the will.

(a) Except as provided in section 524.2-603, a devise, other than a residuary devise, that fails for any reason becomes a part of the residue.

(b) Except as provided in section 524.2-603, if the residue is devised to two or more persons, the share of a residuary devisee that fails for any reason passes to the other residuary devisee, or to other residuary devisees in proportion to the interest of each in the remaining part of the residue.

Sec. 52. Minnesota Statutes 1992, section 524.2-605, is amended to read:

524.2-605 [ANTILAPSE; DECEASED DEVISEE; CLASS CIFTS INCREASE IN SECURITIES; ACCESSIONS.]

If a devisee who is a grandparent or a lineal descendant of a grandparent of the testator is dead at the time of execution of the will, or fails to survive the testator, the issue of the deceased devisee who survive the testator take in place of the deceased devisee and if they are all of the same degree of kinship to the devisee they take equally, but if of unequal degree then those of more remote degree take by representation. One who is a grandparent or a lineal descendant of a grandparent of the testator and who would have been a devisee under a class gift on surviving the testator is treated as a devisee for purposes of this section whether death occurred before or after the execution of the will.

(a) If a testator executes a will that devises securities and the testator then owned securities that meet the description in the will, the devise includes additional securities owned by the testator at death to the extent the additional securities were acquired by the testator after the will was executed as a result of the testator's ownership of the described securities and are securities of any of the following types:

(1) securities of the same organization acquired by reason of action initiated by the organization or any successor, related, or acquiring organization, excluding any acquired by exercise of purchase options;

(2) securities of another organization acquired as a result of a merger, consolidation, reorganization, or other distribution by the organization or any successor, related, or acquiring organization; or

(3) securities of the same organization acquired as a result of a plan of reinvestment.

(b) Distributions in cash before death with respect to a described security are not part of the devise.

Sec. 53. Minnesota Statutes 1992, section 524.2-606, is amended to read:

524.2-606 [FAILURE OF TESTAMENTARY PROVISION NONADEMPTION OF SPECIFIC DEVISES; UNPAID PROCEEDS OF SALE, CONDEMNATION, OR INSURANCE; SALE BY CONSERVATOR OR GUARDIAN.]

(a) Except as provided in section 524.2 605 if a devise other than a residuary devise fails for any reason, it becomes a part of the residue.

(b) Except as provided in section 524.2 605 if the residue is devised to two or more persons and the share of one of the residuary devisees fails for any reason, that share passes to the other residuary devisee, or to other residuary devises in proportion to their interests in the residue. A specific devisee has a right to the specifically devised property in the testator's estate at death and:

(1) any balance of the purchase price, together with any security agreement, owing from a purchaser to the testator at death by reason of sale of the property;

(2) any amount of a condemnation award for the taking of the property unpaid at death;

(3) any proceeds unpaid at death on fire or casualty insurance on or other recovery for injury to the property; and

(4) property owned by the testator at death and acquired as a result of foreclosure, or obtained in lieu of foreclosure, of the security interest for a specifically devised obligation.

(b) If specifically devised property is sold or mortgaged by a conservator or guardian, or if a condemnation award, insurance proceeds, or recovery for injury to the property are paid to a conservator or guardian, the specific devisee has the right to a general pecuniary devise equal to the net sale price, the amount of the unpaid loan, the condemnation award, the insurance proceeds, or the recovery.

74TH DAY]

(c) The right of a specific devisee under paragraph (b) is reduced by any right the devisee has under paragraph (a).

(d) For the purposes of the references in paragraph (b) to a conservator or guardian, paragraph (b) does not apply if after the sale, mortgage, condemnation, casualty, or recovery, it was adjudicated that the testator's incapacity ceased and the testator survived the adjudication by one year.

Sec. 54. Minnesota Statutes 1992, section 524.2-607, is amended to read:

524.2-607 [CHANCE IN SECURITIES; ACCESSIONS; NONADEMPTION NONEXONERATION.]

(a) If the testator intended a specific devise of certain sceunitics rather than the equivalent value thereof, the specific devisee is entitled only to:

(1) as much of the devised securities as is a part of the estate at time of the testator's death;

(2) any additional or other securities of the same entity owned by the testator by reason of action initiated by the entity excluding any acquired by exercise of purchase options;

(3) securities of another entity owned by the testator as a result of a merger, consolidation, reorganization or other similar action initiated by the entity; and

(4) any additional securities of the entity owned by the testator as a result of a plan of reinvestment if it is a regulated investment company.

(b) Distributions prior to death with respect to a specifically devised security not provided for in subsection (a) are not part of the specific devise.

A specific devise passes subject to any mortgage or security interest existing at the date of death, without right of exoneration, regardless of a general directive in the will to pay debts.

Sec. 55. Minnesota Statutes 1992, section 524.2-608, is amended to read:

524.2-608 [NONADEMPTION OF SPECIFIC DEVISES IN CERTAIN CASES; SALE BY CONSERVATOR OR CUARDIAN; UNPAID PROCEEDS OF SALE, CONDEMNATION OR INSURANCE EXERCISE OF POWER OF APPOINTMENT.]

(a) If specifically devised property is sold by a conservator or guardian, or if a condemnation award or insurance proceeds are paid to a conservator or guardian as a result of condemnation, fire, or casualty, the specific devisee has the right to a general pecuniary devise equal to the net sale price, the condemnation award, or the insurance proceeds. This subsection does not apply if subsequent to the sale, condemnation, or casualty, it is adjudicated that the disability of the testator has ceased and the testator survives the adjudication by one year. The right of the specific devisee under this subsection is reduced by any right possessed under subsection (b).

(b) Any specific devisee has the right to the remaining specifically devised property and

(1) any balance of the purchase price together with any security interest owing from a purchaser to the testator at death by reason of sale of the property;

(2) any amount of a condemnation award for the taking of the property unpaid at death;

(3) any proceeds unpaid at death on fire or casualty insurance on the property; and

(4) property owned by testator at death as a result of forcelosure, or obtained in lieu of forcelosure, of the security for a specifically devised obligation.

A general residuary clause in a will, or a will making general disposition of all of the testator's property, does not exercise a power of appointment held by the testator unless the testator's will manifests an intention to include property subject to the power.

Sec. 56. Minnesota Statutes 1992, section 524.2-609, is amended to read:

524.2-609 [NONEXONERATION ADEMPTION BY SATISFACTION.]

A specific devise passes subject to any security interest existing at the date of death, without right of exoneration, regardless of a general directive in the will to pay debts.

(a) Property a testator gave in his or her lifetime to a person is treated as a satisfaction of a devise in whole or in part, only if (i) the will provides for deduction of the gift, (ii) the testator declared in a contemporaneous writing that the gift is in satisfaction of the devise or that its value is to be deducted from the value of the devise, or (iii) the devisee acknowledged in writing that the gift is in satisfaction of the devise or that its value of the devise or that its value of the devise.

(b) For purposes of partial satisfaction, property given during lifetime is valued as of the time the devisee came into possession or enjoyment of the property or at the testator's death, whichever occurs first.

(c) If the devisee fails to survive the testator, the gift is treated as a full or partial satisfaction of the devise, as appropriate, in applying sections 524.2-603 and 524.2-604, unless the testator's contemporaneous writing provides otherwise.

Part 7

## CONTRACTUAL ARRANGEMENTS RELATING TO DEATH

# RULES OF CONSTRUCTION APPLICABLE TO WILLS

# AND OTHER GOVERNING INSTRUMENTS

Sec. 57. Minnesota Statutes 1992, section 524.2-701, is amended to read:

# 524.2-701 [CONTRACTS CONCERNING SUCCESSION SCOPE.]

A contract to make a will or devise, or not to revoke a will or devise, or to die intestate, if executed after January 1, 1976, can be established only by (1) provisions of a will stating material provisions of the contract; (2) an express reference in a will to a contract and extrinsic evidence proving the terms of the contract; or (3) a writing signed by the decedent evidencing the contract. The execution of a joint will or mutual wills does not create a presumption of a contract not to revoke the will or wills.

In the absence of a finding of a contrary intention, the rules of construction in this part control the construction of a governing instrument. The rules of construction in this part apply to a governing instrument of any type, except as the application of a particular section is limited by its terms to a specific type or types of provision or governing instrument.

Sec. 58. [524.2-703] [CHOICE OF LAW AS TO MEANING AND EFFECT OF GOVERNING INSTRUMENT.]

The meaning and legal effect of a governing instrument is determined by the local law of the state selected in the governing instrument, unless the application of that law is contrary to the provisions relating to the elective share described in part 2, the provisions relating to exempt property and allowances described in part 4, or any other public policy of this state otherwise applicable to the disposition.

Sec. 59. [524.2-704] [POWER OF APPOINTMENT; MEANING OF SPECIFIC REFERENCE REQUIREMENT.]

If a governing instrument creating a power of appointment expressly requires that the power be exercised by a reference, an express reference, or a specific reference, to the power or its source, it is presumed that the donor's intention, in requiring that the donee exercise the power by making reference to the particular power or to the creating instrument, was to prevent an inadvertent exercise of the power and an attempt to exercise the power by a donee who had knowledge of and intended to exercise the power is effective.

Sec. 60. [524.2-705] [CLASS GIFTS CONSTRUED TO ACCORD WITH INTESTATE SUCCESSION.]

Adopted individuals and individuals born out of wedlock, and their respective descendants if appropriate to the class, are included in class gifts and other terms of relationship in accordance with the rules for intestate succession. Terms of relationship that do not differentiate relationships by blood from those by affinity, such as "uncles," "aunts," "nieces," or "nephews," are presumed to exclude relatives by affinity. Terms of relationship that do not differentiate relationships by affinity. Terms of relationship that do not differentiate relationships by affinity. Terms of relationship that do not differentiate relationships by affinity. Terms of relationship that do not differentiate relationships by the half blood from those by the whole blood, such as "brothers," "sisters," "nieces," or "nephews," are presumed to include both types of relationships.

Sec. 61. [524.2-708] [CLASS GIFTS TO "DESCENDANTS," "ISSUE," OR "HEIRS OF THE BODY"; FORM OF DISTRIBUTION IF NONE SPECIFIED.]

If a class gift in favor of "descendants," "issue," or "heirs of the body" does not specify the manner in which the property is to be distributed among the class members, the property is distributed among the class members who are

living when the interest is to take effect in possession or enjoyment, in such shares as they would receive, under the applicable law of intestate succession, if the designated ancestor had then died intestate owning the subject matter of the class gift.

Sec. 62. [524.2-709] [REPRESENTATION; PER STIRPES; PER CAPITA AT EACH GENERATION.]

(a) [DEFINITIONS.] In this section:

(1) "Deceased child" or "deceased descendant" means a child or a descendant who either predeceased the distribution date or is deemed to have predeceased the distribution date under section 524.2-702.

(2) "Distribution date," with respect to an interest, means the time when the interest is to take effect in possession or enjoyment. The distribution date need not occur at the beginning or end of a calendar day, but can occur at a time during the course of a day.

(3) "Surviving ancestor," "surviving child," or "surviving descendant" means an ancestor, a child, or a descendant who neither predeceased the distribution date nor is deemed to have predeceased the distribution date under section 524.2-702.

(b) [REPRESENTATION; PER STIRPES.] If an applicable statute or governing instrument calls for property to be distributed by "representation" or "per stirpes," the property is divided into as many equal shares as there are (i) surviving children of the designated ancestor and (ii) deceased children who left surviving descendants. Each surviving child, if any, is allocated one share. The share of each deceased child with surviving descendants is divided in the same manner, with subdivision repeating at each succeeding generation until the property is fully allocated among surviving descendants.

(c) [PER CAPITA AT EACH GENERATION.] If a governing instrument calls for property to be distributed "per capita at each generation," the property is divided into as many equal shares as there are (i) surviving descendants in the generation nearest to the designated ancestor which contains one or more surviving descendants and (ii) deceased descendants in the same generation who left surviving descendants, if any. Each surviving descendant in the nearest generation is allocated one share. The remaining shares, if any, are combined and then divided in the same manner among the surviving descendants of the deceased descendants as if the surviving descendants who were allocated a share and their surviving descendants had predeceased the distribution date.

(d) [DECEASED DESCENDANT WITH NO SURVIVING DESCENDANT DISREGARDED.] For the purposes of paragraphs (b) and (c), an individual who is deceased and left no surviving descendant is disregarded, and an individual who leaves a surviving ancestor who is a descendant of the designated ancestor is not entitled to a share.

Sec. 63. [INSTRUCTION TO REVISOR.]

In the next and subsequent editions of Minnesota Statutes, the revisor shall renumber each section in column A with the corresponding number in column B and correct all cross-references to affected sections.

<u>Column A</u>	<u>Column B</u>
525.90	<u>524.2-702</u>
<u>528.01</u>	<u>524.6-214</u>
528.02	<u>524.6-201</u>
528.03	<u>524.6-202</u>
528.04	<u>524.6-203</u>
528.05	<u>524.6-204</u>
<u>528.06</u>	<u>524.6-205</u>
<u>528.07</u>	<u>524.6-206</u>
<u>528.08</u>	<u>524.6-207</u>
<u>528.09</u>	<u>524.6-208</u>
<u>528.10</u>	<u>524.6-209</u>
<u>528.11</u>	<u>524.6-210</u>
<u>528.13</u>	<u>524.6-211</u>
<u>528.14</u>	<u>524.6-212</u>
<u>528.15</u>	<u>524.6-213</u>

Sec. 64. [REPEALER.]

<u>Minnesota Statutes 1992, sections 524.2-112; 524.2-201; 524.2-202; 524.2-203; 524.2-204; 524.2-205; 524.2-206; 524.2-207; 524.2-503; 524.2-610; 524.2-612; 524.3-905; 525.15; 525.151; 525.22; 525.221; and 525.223, are repealed.</u>

Sec. 65. [EFFECTIVE DATE; PROVISIONS FOR TRANSITION.]

(a) This act takes effect on January 1, 1996.

(b) Except as provided elsewhere in this act:

(1) this act applies to the rights of successors of decedents dying on or after its effective date and to any wills of decedents dying on or after its effective date;

(2) if, before the effective date of this act, a right is either acquired, extinguished, waived, or barred upon the expiration of a prescribed period of time which commenced to run by the provisions of any statute before the effective date, the provisions of this act neither revoke, revive, restore, nor remove the bar of such right; and

(3) any rule of construction or presumption provided in this act applies to instruments executed and multiple party accounts opened before the effective date of this act unless there is a clear indication of contrary intent."

#### Delete the title and insert:

"A bill for an act relating to probate; updating article 2 on intestacy, wills, and donative transfers; correcting a reference; recodifying the Minnesota multiparty accounts act; amending Minnesota Statutes 1992, sections 524.1-201; 524.2-102; 524.2-103; 524.2-104; 524.2-105; 524.2-106; 524.2-108; 524.2-109; 524.2-101; 524.2-111; 524.2-112; 524.2-302; 524.2-502; 524.2-504; 524.2-505; 524.2-507; 524.2-508; 524.2-509; 524.2-509; 524.2-502; 524.2-602; 524.2-603; 524.2-604; 524.2-605; 524.2-606; 524.2-607; 524.2-608; 524.2-609; and 524.2-701; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1992, sections 524.2-112; 524.2-201; 524.2-202; 524.2-203; 524.2-204; 524.2-205; 524.2-206; 524.2-503; 524.2-610; 524.2-612; 524.3-905; 525.15; 525.151; 525.22; 525.221; and 525.223."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1840, A bill for an act relating to local government; requiring the metropolitan council to study housing redevelopment and rehabilitation costs.

Reported the same back with the following amendments:

Page 1, line 9, delete "<u>the costs</u>" and insert "<u>what standards local units of government should use when evaluating</u> the costs and benefits"

Page 1, line 10, after "Costs" insert "and benefits"

Page 1, line 14, delete "must" and insert "should"

Page 1, line 20, delete "impact of the costs of" and insert "costs and benefits associated with"

Page 2, line 6, after the semicolon, insert "and"

Page 2, line 10, delete "; and" and insert a period

74TH DAY]

Page 2, delete lines 11 and 12

Page 2, delete lines 13 and 14

Page 2, line 15, delete "as requested." and insert:

"(c)" and after "costs" insert "and benefits"

Page 2, line 16, delete "shall"

Page 2, delete lines 17 and 18, and insert "may use a case study approach utilizing at least three representative housing redevelopment and rehabilitation projects. By July 1,"

Page 2, after line 21, insert:

"Sec. 2. [STATE AND LOCAL SUPPORT.]

The Minnesota housing finance agency, the Minnesota office of strategic and long range planning, and all housing and redevelopment authorities in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, shall provide the data and information that the metropolitan council determines is necessary to conduct the study required in section 1. When requested by the metropolitan council, those local units of government that have adopted zoning ordinances or a building code must provide the council data and information on the impact of those zoning ordinances or building codes on housing redevelopment and rehabilitation projects within the jurisdiction of the local unit of government.

Sec. 3. [EFFECTIVE DATE; APPLICATION.]

This act is effective the day following final enactment and applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Amend the title as follows:

Page 1, line 4, before the period insert "and benefits; requiring local governments in the seven-county metropolitan area to cooperate with the metropolitan council for purposes of the study"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1936, A bill for an act relating to game and fish; requiring return to the water of fish snagged in certain waters; amending Minnesota Statutes 1993 Supplement, section 97C.331.

Reported the same back with the following amendments:

Page 1, line 15, before the comma, insert "and tributaries to Lake Superior with no posted boundaries"

With the recommendation that when so amended the bill pass.

The report was adopted.

5273

# Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1995, A bill for an act relating to waste management; applying government waste reduction requirements to compilations of game and fish laws; clarifying the state's waste management goals; adding heat pumps to the definition of major appliances; authorizing larger capital assistance grants to resource recovery projects under certain circumstances; establishing enforcement of the authority of certain counties to inspect records of certain facilities; clarifying management of waste motor oil filters; establishing a process for resolution of disputes related to toxics in packaging and requiring a report; requiring and authorizing training and certification of appliance recyclers and services respectively; removing the federal government from the definition of commercial transporter of medical waste; requiring medical waste management plans to contain information regarding mailing of sharps; banning sale of apparel containing mercury switches; expanding the restriction on disposal of unprocessed waste from the metropolitan area; requiring a report on management of waste electronic appliances; requiring a report on products that contain mercury; requiring a report on recycling facilities; amending Minnesota Statutes 1992, sections 97A.051, subdivision 1; 115A.02; 115A.03, subdivision 17a; 115A.554; 115A.557, subdivisions 3 and 4; 115A.87; 115A.882, by adding a subdivision; 115A.918, subdivision 1, and by adding a subdivision; 115A.95; 115A.9561, subdivision 2; 115A.965, subdivision 6, and by adding a subdivision; 116.07, subdivision 4h; 116.76, subdivision 4; 116.92, subdivision 8; 473.843, subdivision 1; 473.844, subdivision 1a; 473.845, subdivision 3; and 473.848, subdivision 1; Minnesota Statutes 1993 Supplement, sections 115A.54, subdivision 2a; 115A.916; 115A.929; 115A.981, subdivision 3; 116.79, subdivision 1; 473.149, subdivision 6; and 473.846; proposing coding for new law in Minnesota Statutes, chapter 116; repealing Minnesota Statutes 1993 Supplement, section 115A.542.

Reported the same back with the following amendments:

Page 5, after line 8, insert:

"(i) Notwithstanding anything in this subdivision to the contrary, a project to construct a new mixed municipal solid waste transfer station that has an enforceable long-term commitment to serve an existing resource recovery facility may receive grant assistance up to 75 percent of the capital cost of the project if addition of the transfer station will increase substantially the geographical area served by the resource recovery facility and the ability of the resource recovery facility to operate more efficiently on a regional basis and the facility meets the criteria in paragraph (c), the second clause (2). A transfer station eligible for assistance under this paragraph is not eligible for assistance under any other paragraph of this subdivision."

Page 6, delete section 7

Page 6, after line 33, insert:

"Sec. 8. Minnesota Statutes 1992, section 115A.882, subdivision 3, is amended to read:

Subd. 3. [INSPECTION.] A person authorized by a county in which a designation ordinance is effective may, anywhere in the state:

(1) upon presentation of identification and without a search warrant, inspect or copy the records required to be kept on a waste collection vehicle under subdivision 2 and inspect the waste on the vehicle at the time of deposit of the waste at a facility;

(2) when reasonable notice under the circumstances has been given, upon presentation of identification and without a search warrant, inspect or copy the records of an owner or operator of a solid waste facility that are required to be maintained under subdivision 2;

(3) request, in writing, copies of records of a solid waste collector that indicate the type, origin, and weight or, if applicable, the volume of waste collected, the identity of the facility at which the waste was deposited, and the date of deposit at the facility; and

(4) upon presentation of identification and without a search warrant, inspect or copy that portion of the business records of a waste collector necessary to comply with clause (3) at the central record-keeping location of the waste collector only if the collector fails to provide copies of the records within 15 days of receipt of a written request for them, unless the time has been extended by agreement of the parties.

Records or information received, inspected, or copied by a county under this section are classified as nonpublic data as defined in section 13.02, subdivision 9, and may be used by the county solely for enforcement of a designation ordinance. A waste collector or the owner or operator of a waste facility shall maintain business records needed to comply with this section for two years."

Page 7, line 22, delete "shall" and insert "may"

Page 7, after line 23, insert:

"Sec. 10. Minnesota Statutes 1992, section 115A.9157, subdivision 4, is amended to read:

Subd. 4. [PILOT PROJECTS.] By April 15, 1992, manufacturers whose rechargeable batteries or products powered by rechargeable batteries are sold in this state shall implement pilot projects for the collection and proper management of all rechargeable batteries and the participating manufacturers' products powered by nonremovable rechargeable batteries. Manufacturers may act as a group or through a representative organization. The pilot projects must run for a minimum of 18 months and be designed to collect sufficient statewide data for the design and implementation of permanent collection and management programs that may be reasonably expected to collect at least 90 percent of waste rechargeable batteries and the participating manufacturers' products powered by rechargeable batteries that are generated in the state.

By December 1, 1991, the manufacturers or their representative organization shall submit plans for the projects to the legislative commission. At least every six months during the pilot projects the manufacturers shall submit progress reports to the commission. The commission shall review the plans and progress reports.

By November 1, 1993, the manufacturers or their representative organization shall report to the legislative commission the final results of the projects and plans for implementation of permanent programs. The commission shall review the final results and plans.

By October 1, 1994 and by October 1, 1995, each manufacturer or a representative organization shall submit to the commission additional reports that detail progress made toward implementing permanent management programs. The October 1, 1995, report must include a description of the programs implemented under subdivision 5. These progress reports must include the estimated amount of rechargeable batteries subject to this section sold in the state by each manufacturer and the amount of batteries each collected during the previous year. A representative organization may report amounts in aggregate for all the members of the group.

Sec. 11. Minnesota Statutes 1992, section 115A.9157, subdivision 5, is amended to read:

Subd. 5. [COLLECTION AND MANAGEMENT PROGRAMS.] By April 15, 1994 September 20, 1995, the manufacturers or their representative organization shall implement permanent programs, based on the results of the pilot projects required in subdivision 4, that may be reasonably expected to collect 90 percent of the waste rechargeable batteries and the participating manufacturers' products powered by rechargeable batteries that are generated in the state. The batteries and products collected must be recycled or otherwise managed or disposed of properly.

In every odd-numbered year after 1995, each manufacturer or a representative organization shall provide information to the commission that specifies at least the estimated amount of rechargeable batteries subject to this section sold in the state by each manufacturer and the amount of batteries each collected during the previous two years. A representative organization may report the amounts in aggregate for all the members of the group."

Page 8, lines 6 and 7, strike "July 1, 1995" and insert "December 31, 1996"

Page 8, after line 31, insert:

"Sec. 15. Minnesota Statutes 1992, section 115A.919, subdivision 3, is amended to read:

Subd. 3. [EXEMPTIONS.] (a) Waste residue from recycling facilities at which recyclable materials are separated or processed for the purpose of recycling, or from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from any fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county, except that for facilities operating outside of the metropolitan area the commissioner shall prescribe procedures for verifying the required 85 percent volume reduction.

(b) A facility permitted for the disposal of construction debris is exempt from 25 percent of a fee imposed under subdivision 1 if the facility has implemented a recycling program approved by the county and 25 percent if the facility contains a liner and leachate collection system approved by the agency.

Sec. 16. Minnesota Statutes 1992, section 115A.921, subdivision 1, is amended to read:

Subdivision 1. [MIXED MUNICIPAL SOLID WASTE.] A city or town may impose a fee, not to exceed \$1 per cubic yard of waste, or its equivalent, on operators of facilities for the disposal of mixed municipal solid waste located within the city or town. The revenue from the fees must be credited to the city or town general fund. Revenue produced by 25 cents of the fee must be used only for purposes of landfill abatement or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities. Revenue produced by the balance of the fee may be used for any general fund purpose.

Waste residue from recycling facilities at which recyclable materials are separated or processed for the purpose of recycling, or from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from the fee imposed by a city or town under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate city or town, except that for facilities operating outside of the metropolitan area the commissioner shall prescribe procedures for verifying the required 85 percent volume reduction."

Page 9, after line 20, insert:

"Sec. 18. Minnesota Statutes 1992, section 115A.9301, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [ALTERNATIVE.] A local government unit may satisfy the requirements of this section by establishing, for households that generate small volumes of waste, a waste collection unit that is smaller than and priced lower than for other generators if the local government unit:

(1) operates or contracts for the operation of a residential recycling program that collects more categories of recyclable materials than required in section 115A.552;

(2) has a residential participation rate in its recycling programs of at least 70 percent or in excess of the participation rate for the county in which it is located, whichever is greater; and

(3) is located in a county that has exceeded the recycling goals in section 115A.551."

Page 10, line 24, after the period, insert "<u>A package for which a request for exemption has been submitted to the</u> <u>commissioner is not subject to enforcement action pending the commissioner's determination.</u>"

Page 10, after line 36, insert:

"Sec. 23. Minnesota Statutes 1993 Supplement, section 115A.9651, is amended to read:

115A.9651 [TOXICS IN SPECIFIED PRODUCTS; ENFORCEMENT.]

<u>Subdivision</u> <u>1.</u> [PROHIBITION.] (a) After July September 1, 1994, no person may deliberately intentionally introduce lead, cadmium, mercury, or hexavalent chromium into any ink, dye, pigment, paint, or fungicide that is intended distributed for use or for sale in this state.

Until July 1, 1997, this section does not apply to electrodeposition primer coating or primer coating used on aircraft, 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.

(b) For the purposes of this subdivision, "intentionally introduce" means to deliberately use a metal listed in paragraph (a) as an element during manufacture or distribution of an item listed in paragraph (a). Intentional introduction does not include the incidental presence of any of the prohibited elements.

74TH DAY]

5277

(c) The total concentration level of all metals listed in paragraph (a) may not exceed 100 parts per million by weight.

Subd. 2. [TEMPORARY EXEMPTION.] (a) An item listed in subdivision 1 is exempt from this section until July 1, 1997, if the manufacturer of the item submits to the commissioner a written request for an exemption by September 1, 1994. The request must include at least:

(1) an explanation of why compliance is not technically feasible at the time of the request;

(2) how the manufacturer will comply by July 1, 1997; and

(3) the name, address, and telephone number of a person the commissioner can contact for further information.

(b) A person who uses an item listed in subdivision 1, into which one of the listed metals has been intentionally introduced, may submit, on behalf of the manufacturer, a request for temporary exemption as provided in paragraph (a). The request must include:

(1) an explanation of why the person must continue to use the item and a discussion of potential alternatives;

(2) an explanation of why it is not technically feasible at the time of the request to formulate or manufacture the item without intentionally introducing a listed metal;

(3) that the person will stop using the item by July 1, 1997, if it still contains an intentionally introduced listed metal; and

(4) the name, address, and telephone number of a person the commissioner can contact for further information.

(c) A person who submits a request for temporary exemption under paragraph (b) may submit a request for a temporary exemption after September 1, 1994, for an item that the person will use as an alternative to the item for which the request was originally made as long as the new item has a total concentration level of all the listed metals that is significantly less than in the original item. An exemption under this paragraph expires July 1, 1997, and the person who requests it must submit the progress description required in paragraph (e).

(d) By October 1, 1994, and annually thereafter if requests are received under paragraph (c), the commissioner shall submit to the legislative commission on waste management a list of manufacturers and persons that have requested an exemption under this subdivision and the items for which exemptions were sought, along with copies of the requests.

(e) By July 1, 1996, each manufacturer on the list shall submit to the commissioner a description of the progress the manufacturer has made toward compliance with subdivision 1, and the date compliance has been achieved or the date on or before July 1, 1997, by which the manufacturer anticipates achieving compliance. By July 1, 1996, each person who has requested an exemption under paragraph (b) or (c) shall submit to the commissioner:

(1) a description of progress made to eliminate the listed metal or metals from the item or progress made by the person to find a replacement item that does not contain an intentionally introduced listed metal; and

(2) the date or anticipated date the item is or will be free of intentionally introduced metals or the date the person has stopped or will stop using the item.

By October 1, 1996, the commissioner shall submit to the legislative commission a summary of the progress made by the manufacturers and other persons and any recommendations for appropriate legislative or other action to ensure that products are not distributed in the state after July 1, 1997, that violate subdivision 1.

Subd. 3. [APPLICATION; ENFORCEMENT.] (a) This section does not apply to art supplies.

(b) 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."

Page 12, line 7, after "closure" insert "for a mixed municipal solid waste disposal facility or for a minimum of 20 years after closure, as determined by agency rules, for any other solid waste disposal facility"

Page 12, line 32, delete "30" and strike "years" and before "after" insert "the time period required in paragraph (a)"

Page 14, after line 1, insert:

"Sec. 26. [116.073] [FIELD CITATIONS.]

<u>Subdivision 1.</u> [AUTHORITY TO ISSUE.] <u>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 section 116.06, subdivision 22, 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 of or otherwise manage the waste or reimburse any government agency that has disposed of the waste for the reasonable costs of disposal.</u>

Subd. 2. [PENALTY AMOUNT.] The citation must impose the following penalty amounts:

(1) \$100 per major appliance, as defined in section 115A.03, subdivision 17a, up to a maximum of \$2,000;

(2) \$25 per waste tire, as defined in section 115A.90, subdivision 11, up to a maximum of \$2,000;

(3) \$25 per lead acid battery governed by section 115A.915, up to a maximum of \$2,000;

(4) \$1 per pound of other solid waste or \$20 per cubic foot up to a maximum of \$2,000; and

(5) up to \$200 for any amount of waste that escapes from a vehicle used for the transportation of solid waste if, after receiving actual notice that waste has escaped the vehicle, the person or company transporting the waste fails to immediately collect the waste.

<u>Subd. 3.</u> [APPEALS.] <u>Citations may be appealed under the procedures in section 116.072, subdivision 6, if the person requests a hearing by notifying the commissioner in writing within 15 days after receipt of the citation. If a hearing is not requested within the 15-day period, the citation becomes a final order not subject to further review.</u>

Subd. 4. [ENFORCEMENT OF FIELD CITATIONS.] Field citations may be enforced under section 116.072, subdivisions 9 and 10.

Subd. 5. [CUMULATIVE REMEDY.] The authority to issue field citations is in addition to other remedies available under statutory or common law, except that the state may not seek penalties under any other provision of law for the incident subject to the citation."

Page 17, after line 6, insert:

"Sec. 32. Minnesota Statutes 1992, section 473.803, is amended by adding a subdivision to read:

<u>Subd. 5.</u> [ROLE OF PRIVATE SECTOR; COUNTY OVERSIGHT.] <u>A county may include in its solid waste</u> management master plan and in its plan for county land disposal abatement a determination that the private sector will achieve, either in part or in whole, the goals and requirements of sections 473.149 and 473.803, as long as the county:

(1) retains active oversight over the efforts of the private sector and monitors performance to ensure compliance with the law and the goals and standards of the council and the county as expressed in the metropolitan solid waste management plan and the county master plan;

(2) continues to meet its responsibilities under the law for ensuring proper waste management, including, at a minimum, enforcing waste management law, providing waste education, promoting waste reduction, and providing its residents the opportunity to recycle waste materials; and

(3) continues to provide all required reports on the county's progress in meeting the waste management goals and standards of this chapter and chapter 115A.

Sec. 33. Minnesota Statutes 1992, section 473.811, subdivision 5, is amended to read:

Subd. 5. [ORDINANCES; SOLID WASTE COLLECTION AND TRANSPORTATION.] (a) Each metropolitan county may adopt ordinances governing the collection of solid waste. A county may adopt, but may not be required to adopt, an ordinance that requires the separation from mixed municipal waste, by generators before collection, of

5278

materials that can readily be separated for use or reuse as substitutes for raw materials or for transformation into a usable soil amendment.

(b) Each local unit of government within the metropolitan area shall adopt an ordinance governing the collection of solid waste within its boundaries. If the county within which it is located has adopted a collection ordinance, the local unit shall adopt either the county ordinance by reference or a more strict ordinance. If the county within which it is located has adopted a separation ordinance, the ordinance applies in all local units within the county that have failed to meet the local abatement performance standards, as stated in the most recent annual county report.

(c) Ordinances of counties and local government units may establish reasonable conditions respecting but shall not prevent the transportation of solid waste by a licensed collector through and between counties and local units, except as required for the enforcement of any designation of a facility by a county under chapter 115A or for enforcement of the prohibition on disposal of unprocessed mixed municipal solid waste under sections 473.848 and 473.849.

(d) A licensed collector or a metropolitan county or local government unit may request review by the council of an ordinance adopted under this subdivision. The council shall approve or disapprove the ordinance within 60 days of the submission of a request for review. The ordinance shall remain in effect unless it is disapproved.

(e) Ordinances of counties and local units of government:

(1) shall provide for the enforcement of any designation of facilities by the counties under chapter  $115A_{2}$ 

(2) may require waste collectors and transporters to deliver unprocessed mixed municipal waste generated in the county to processing facilities; and

(3) may prohibit waste collectors and transporters from delivering unprocessed mixed municipal solid waste generated in the county to disposal facilities for final disposal.

(f) Nothing in this subdivision shall be construed to limit limits the authority of the local government unit to regulate and license collectors of solid waste or to require review or approval by the council for ordinances regulating collection.

Sec. 34. Minnesota Statutes 1992, section 473.811, subdivision 5a, is amended to read:

Subd. 5a. [ORDINANCES; SOLID WASTE FACILITIES.] Each metropolitan county shall by ordinance establish and from time to time revise rules, regulations, and standards for solid waste facilities within the county, relating to location, sanitary operation, periodic inspection and monitoring, maintenance, termination and abandonment, and other pertinent matters. The county ordinance may require facilities accepting mixed municipal solid waste for disposal to install scales. The county ordinance may prohibit disposal facilities from accepting unprocessed mixed municipal solid waste for final disposal. The county ordinance shall require permits or licenses for solid waste facilities and shall require that such facilities be registered with a county office.

## Sec. 35. [473.812] [RECORDS; INSPECTION.]

For the purpose of enforcing section 473.811 or ordinances adopted under that section, a county has the responsibilities and authorities for record inspection under section 115A.882, regardless of whether the county has adopted a designation ordinance under sections 115A.80 to 115A.893."

Page 19, line 27, after "unless" insert "the waste disposal facility meets the standards in section 473.849 and"

Page 20, after line 4, insert:

"Sec. 41. Minnesota Statutes 1992, section 473.848, subdivision 5, is amended to read:

Subd. 5. [DEFINITION.] (a) 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. separation of materials for resource recovery through recycling, incineration for energy production, production and use of refuse-derived fuel, composting, or any combination of these processes so that the percentage, by weight, of the collected waste that must be disposed of in a mixed municipal solid waste disposal facility, on an annual average, is not more than: 5280

(1) 35 percent for waste collected from generators for whom a waste collector or local government unit provides collection and management of recyclables separately from collection and management of mixed municipal solid waste; or

(2) 20 percent for waste collected from generators for whom a waste collector or local government unit provides collection of recyclables combined with mixed municipal solid waste.

(b) For the purposes of paragraph (a), a mixed municipal solid waste generator is provided separate collection and management of recyclables if the generator has the opportunity to separately recycle as described in section 115A.552 and the waste collector that serves the generator does not override the opportunity to separately recycle by collecting recyclables combined with mixed municipal solid waste for separate or combined management of the recyclables after collection.

(c) Nothing in this section affects the responsibility of counties for recycling activities under chapter 115A."

Page 21, after line 32, insert:

"Sec. 45. [DELAYED REPORTS.]

<u>The 1994 date for reports required under Minnesota Statutes, sections 115A.551, subdivision 4; and 115A.557, subdivision 4, is delayed until August 1, 1994.</u>"

Page 21, after line 35, insert:

"Sec. 47. [APPLICATION.]

Sections 31 to 41 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Page 22, line 2, delete "7 and 23" and insert "30 and 45"

Page 22, after line 3, insert:

"Section 23 is effective the day following final enactment."

Page 22, line 4, delete "28" and insert "39"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to waste management; applying government waste reduction requirements to compilations of game and fish laws; clarifying the state's waste management goals; adding heat pumps to the definition of major appliances; authorizing larger capital assistance grants to resource recovery projects under certain circumstances; establishing enforcement of the authority of certain counties to inspect records of certain facilities; clarifying management of waste motor oil filters; establishing a process for resolution of disputes related to toxics in packaging and requiring a report; clarifying the prohibition on toxics in certain products and providing for exemptions; authorizing the issuance of field citations; requiring and authorizing training and certification of appliance recyclers and services respectively; removing the federal government from the definition of commercial transporter of medical waste; requiring medical waste management plans to contain information regarding mailing of sharps; banning sale of apparel containing mercury switches; clarifying the potential role of the private sector in metropolitan waste management; authorizing metropolitan counties to enforce prohibitions on disposal of unprocessed waste and to inspect the records of waste management facilities; expanding the restriction on disposal of unprocessed waste from the metropolitan area; requiring a report on management of waste electronic appliances; requiring a report on products that contain mercury; requiring a report on recycling facilities; amending Minnesota Statutes 1992, sections 97A.051, subdivision 1; 115A.02; 115A.03, subdivision 17a; 115A.554; 115A.557, subdivision 3; 115A.87; 115A.882, subdivision 3, and by adding a subdivision; 115A.9157, subdivisions 4 and 5; 115A.918, subdivision 1, and by adding a subdivision; 115A.919, subdivision 3; 115A.921, subdivision 1; 115A.9301, by adding a subdivision; 115A.95;

# 74TH DAY]

### MONDAY, MARCH 21, 1994

115A.9561, subdivision 2; 115A.965, subdivision 6, and by adding a subdivision; 116.07, subdivision 4h; 116.76, subdivision 4; 116.92, subdivision 8; 473.803, by adding a subdivision; 473.811, subdivisions 5 and 5a; 473.843, subdivision 1; 473.844, subdivision 1a; 473.845, subdivision 3; and 473.848, subdivisions 1 and 5; Minnesota Statutes 1993 Supplement, sections 115A.54, subdivision 2a; 115A.916; 115A.929; 115A.9651; 115A.981, subdivision 3; 116.79, subdivision 1; 473.149, subdivision 6; and 473.846; proposing coding for new law in Minnesota Statutes, chapters 116; and 473; repealing Minnesota Statutes 1993 Supplement, section 115A.542."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2046, A bill for an act relating to wild animals; restricting the killing of dogs wounding, killing, or pursuing big game within the metropolitan area; amending Minnesota Statutes 1992, section 97B.011.

Reported the same back with the following amendments:

Page 1, line 13, after "person" insert "if the dog is"

Page 1, line 14, before the period, insert "or within the metropolitan area where the discharge of firearms is allowed"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2055, A bill for an act relating to human services; modifying provisions dealing with the administration and enforcement of child support; amending Minnesota Statutes 1992, sections 214.101, as amended; and 609.375, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 518.551, subdivisions 10 and 12; and 609.375, subdivision 2.

#### Reported the same back with the following amendments:

Page 3, after line 11, insert:

"Sec. 2. Minnesota Statutes 1993 Supplement, section 256.87, subdivision 5, is amended to read:

Subd. 5. [CHILD NOT RECEIVING ASSISTANCE.] A person or entity having physical and legal custody of a dependent child not receiving assistance under sections 256.72 to 256.87 has a cause of action for child support against the child's absent parents. Upon an order to show cause and a motion served on the absent parent, the court shall order child support payments from the absent parent under chapter 518. This subdivision applies only if the person has custody with the consent of the absent parent or approval of the court.

Sec. 3. Minnesota Statutes 1993 Supplement, section 518.171, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] (a) Every child support order must expressly assign or reserve the responsibility for maintaining medical insurance for the minor children and the division of uninsured medical and dental costs. The court shall order the party with the better group dependent health and dental insurance coverage to name the minor

child as beneficiary on any health and dental insurance plan that is comparable to or better than a number two qualified plan and available to the party on a group basis or through an employer or union. "Health insurance coverage" as used in this section does not include medical assistance provided under chapter 256, 256B, or 256D. "Insurer" means an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a nonprofit health service plan corporation operating under chapter 62C; a health maintenance organization operating under chapter 62D; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; or any other person providing health or dental insurance. "Number two qualified plan" means a plan described in section 62E.06, subdivision 2.

(b) If the court finds that dependent health or dental insurance is not available to the obligor or obligee on a group basis or through an employer or union, or that the group insurer is not accessible to the obligee, the court may require the obligor (1) to obtain other dependent health or dental insurance, (2) to be liable for reasonable and necessary medical or dental expenses of the child, or (3) to pay no less than \$50 per month to be applied to the medical and dental expenses of the children or to the cost of health insurance dependent coverage.

(c) If the court finds that the available dependent health or dental insurance does not pay all the reasonable and necessary medical or dental expenses of the child, including any existing or anticipated extraordinary medical expenses, and the court finds that the obligor has the financial ability to contribute to the payment of these medical or dental expenses, the court shall require the obligor to be liable for all or a portion of the medical or dental expenses of the child not covered by the required health or dental plan. Medical and dental expenses include, but are not limited to, necessary orthodontia and eye care, including prescription lenses.

(d) If the obligor is employed by a self-insured employer subject only to the federal Employee Retirement Income Security Act (ERISA) of 1974, and the insurance benefit plan meets the above requirements, the court shall order the obligor to enroll the dependents within 30 days of the court order effective date or be liable for all medical and dental expenses occurring while coverage is not in effect. If enrollment in the ERISA plan is precluded by exclusionary clauses, the court shall order the obligor to obtain other coverage or make payments as provided in paragraph (b) or (c).

(e) Unless otherwise agreed by the parties and approved by the court, if the court finds that the obligee is not receiving public assistance for the child and has the financial ability to contribute to the cost of medical and dental expenses for the child, including the cost of insurance, the court shall order the obligee and obligor to each assume a portion of these expenses based on their proportionate share of their total net income as defined in section 518.54, subdivision 6.

(f) Payments ordered under this section are subject to section 518.611. An obligee who fails to apply payments received to the medical expenses of the dependents may be found in contempt of this order.

Sec. 4. Minnesota Statutes 1993 Supplement, section 518.551, subdivision 5, is amended to read:

Subd. 5. [NOTICE TO PUBLIC AUTHORITY; GUIDELINES.] (a) The petitioner shall notify the public authority of all proceedings for dissolution, legal separation, determination of parentage or for the custody of a child, if either party is receiving aid to families with dependent children or applies for it subsequent to the commencement of the proceeding. The notice must contain the full names of the parties to the proceeding, their social security account numbers, and their birth dates. After receipt of the notice, the court shall set child support as provided in this subdivision. The court may order either or both parents owing a duty of support to a child of the marriage to pay an amount reasonable or necessary for the child's support, without regard to marital misconduct. The court shall approve a child support stipulation of the parties if each party is represented by independent counsel, unless the stipulation does not meet the conditions of paragraph (i). In other cases the court shall determine and order child support in a specific dollar amount in accordance with the guidelines and the other factors set forth in paragraph (b) and any departure therefrom. The court may also order the obligor to pay child support in the form of a percentage share of the obligor's net bonuses, commissions, or other forms of compensation, in addition to, or if the obligor receives no base pay, in lieu of, an order for a specific dollar amount.

(b) The court shall derive a specific dollar amount for child support by multiplying the obligor's net income by the percentage indicated by the following guidelines:

MONDAY, MARCH 21, 1994

•••		Number of	Children						
1	2	3	4	5	6	7 or			
~	·	Order based on the ability of the obligor to provide support at these income levels, or at higher levels, if the obligor has the earning ability.			obligor to provide support at these income levels, or at higher levels, if the obligor has				more
16%	19%	22%	25%	28%	30%	32%			
17%	21%	24%	27%	29%	32%	34%			
18%	22%	25%	28%	31%	34%	36%			
19%	23%	27%	30%	33%	36%	38%			
20%		28%	31%			40%			
						42%			
22%		31%				44%			
23%		32%				46%			
						48%			
25%	30%	35%	39%	43%	47%	50%			
	17% 18% 19% 20% 21% 22% 23% 23% 24%	16%       19%         17%       21%         18%       22%         19%       23%         20%       24%         21%       25%         22%       27%         23%       28%         24%       29%	1         2         3           Order based obligor to p at these incu- levels, if the the earning           16%         19%         22%           17%         21%         24%           18%         22%         25%           19%         23%         27%           20%         24%         28%           21%         25%         29%           22%         27%         31%           23%         28%         32%           24%         29%         34%	Order based on the abili obligor to provide support at these income levels, o levels, if the obligor has the earning ability.           16%         19%         22%         25%           17%         21%         24%         27%           18%         22%         25%         25%           19%         23%         27%         30%           20%         24%         28%         31%           21%         25%         29%         33%           22%         27%         31%         34%           23%         28%         32%         36%           24%         29%         34%         38%	1         2         3         4         5           Order based on the ability of the obligor to provide support at these income levels, or at higher levels, if the obligor has the earning ability.           16%         19%         22%         25%         28%           17%         21%         24%         27%         29%           18%         22%         25%         28%         31%           19%         23%         27%         30%         33%           20%         24%         28%         31%         35%           21%         25%         29%         33%         36%           22%         27%         31%         34%         38%           23%         28%         32%         36%         40%           24%         29%         34%         38%         41%	1         2         3         4         5         6           Order based on the ability of the obligor to provide support at these income levels, or at higher levels, if the obligor has the earning ability.           16%         19%         22%         25%         28%         30%           17%         21%         24%         27%         29%         32%           18%         22%         25%         28%         31%         34%           19%         23%         27%         30%         33%         36%           20%         24%         28%         31%         35%         38%           21%         25%         29%         33%         36%         40%           22%         27%         31%         34%         38%         41%           23%         28%         32%         36%         40%         43%           24%         29%         34%         38%         41%         45%			

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Guidelines for support for an obligor with a monthly income in excess of the income limit currently in effect under paragraph (k) shall be the same dollar amounts as provided for in the guidelines for an obligor with a monthly income equal to the limit in effect.

\*(i)

\*(ii)

Net Income defined as:

Total monthly income less

\*Standard Deductions applyuse of tax tables recommended

Social Security (iii) Deductions Reasonable (iv) Pension Deductions Union Dues (v) (vi) Cost of Dependent Health Insurance Coverage (vii) Cost of Individual or Group Health/Hospitalization Coverage or an Amount for Actual Medical Expenses A Child Support or (viii) Maintenance Order that is

Currently Being Paid.

Federal Income Tax

State Income Tax

"Net income" does not include:

(1) the income of the obligor's spouse, but does include in-kind payments received by the obligor in the course of employment, self-employment, or operation of a business if the payments reduce the obligor's living expenses; or

(2) compensation received by a party for employment in excess of a 40-hour work week, provided that:

(i) support is nonetheless ordered in an amount at least equal to the guidelines amount based on income not excluded under this clause; and

(ii) the party demonstrates, and the court finds, that:

(A) the excess employment began after the filing of the petition for dissolution;

(B) the excess employment reflects an increase in the work schedule or hours worked over that of the two years immediately preceding the filing of the petition;

(C) the excess employment is voluntary and not a condition of employment;

(D) the excess employment is in the nature of additional, part-time or overtime employment compensable by the hour or fraction of an hour; and

(E) the party's compensation structure has not been changed for the purpose of affecting a support or maintenance obligation.

(c) The court shall review the work-related and education-related child care costs of <u>paid by</u> the custodial parent and shall allocate the costs to each parent in proportion to each parent's income after the transfer of child support <u>and spousal maintenance</u>, unless the allocation would be substantially unfair to either parent. The cost of child care for purposes of this section is determined by subtracting the amount of any federal and state income tax credits available to a parent from the actual cost paid for child care. For purposes of this paragraph, "child care" has the meaning given it in section 256H.01. "Child care costs" is the amount remaining after the calculations required in clauses (1) and (2).

(1) From the amount which the custodial parent paid for child care, deduct any federal, state, or county child care subsidy received by the custodial parent, to determine net child care costs.

(2) From the net child care costs, deduct the approximate value of state and federal tax credits available to the custodial parent.

For purposes of this paragraph, the approximate value of state and federal tax credits is determined as follows: For custodial parents with incomes of less than \$12,000, the approximate value of state and federal tax credits equals the lesser of (i) 30 percent of the net child care costs paid by the custodial parent; or (ii) \$720 for the child care costs incurred on behalf of one child or \$1,440 for the child care costs incurred on behalf of two or more children.

For custodial parents with incomes of at least \$12,000 but less than \$20,000, the approximate value of state and federal tax credits equals the lesser of (i) 20 percent of the net child care costs paid by the custodial parent; or (ii) \$1,080 for the child care costs incurred on behalf of one child or \$2,160 for the child care costs incurred on behalf of two or more children.

For custodial parents with incomes of at least \$20,000 but less than \$25,000, the approximate value of state and federal tax credits equals the lesser of (i) 20 percent of the net child care costs paid by the custodial parent; or (ii) \$720 for the child care costs incurred on behalf of one child or \$1,440 for the child care costs incurred on behalf of two or more children.

For custodial parents with incomes of \$25,000 or more, the approximate value of state and federal tax credits equals the lesser of (i) 20 percent of the net child care costs paid by the custodial parent; or (ii) \$480 for the child care costs incurred on behalf of one child or \$960 for the child care costs incurred on behalf of two or more children. The amount allocated for child care expenses costs is considered child support, but is not subject to a cost-of-living adjustment under section 518.641.

(e) (d) In addition to the child support guidelines, the court shall take into consideration the following factors in setting or modifying child support or in determining whether to deviate from the guidelines:

(1) all earnings, income, and resources of the parents, including real and personal property, but excluding income from excess employment of the obligor or obligee that meets the criteria of paragraph (b), clause (2)(ii);

(2) the financial needs and resources, physical and emotional condition, and educational needs of the child or children to be supported;

(3) the standards of living the child would have enjoyed had the marriage not been dissolved, but recognizing that the parents now have separate households;

(4) which parent receives the income taxation dependency exemption and what financial benefit the parent receives from it;

(5) the parents' debts as provided in paragraph (d); and

(6) the obligor's receipt of assistance under sections 256.72 to 256.87 or 256B.01 to 256B.40.

(d) (e) In establishing or modifying a support obligation, the court may consider debts owed to private creditors, but only if:

(1) the right to support has not been assigned under section 256.74;

(2) the court determines that the debt was reasonably incurred for necessary support of the child or parent or for the necessary generation of income. If the debt was incurred for the necessary generation of income, the court shall consider only the amount of debt that is essential to the continuing generation of income; and

(3) the party requesting a departure produces a sworn schedule of the debts, with supporting documentation, showing goods or services purchased, the recipient of them, the amount of the original debt, the outstanding balance, the monthly payment, and the number of months until the debt will be fully paid.

(e) (f) Any schedule prepared under paragraph (d), clause (3), shall contain a statement that the debt will be fully paid after the number of months shown in the schedule, barring emergencies beyond the party's control.

(f) (g) Any further departure below the guidelines that is based on a consideration of debts owed to private creditors shall not exceed 18 months in duration, after which the support shall increase automatically to the level ordered by the court. Nothing in this section shall be construed to prohibit one or more step increases in support to reflect debt retirement during the 18-month period.

(g) (h) If payment of debt is ordered pursuant to this section, the payment shall be ordered to be in the nature of child support.

(h) (i) Nothing shall preclude the court from receiving evidence on the above factors to determine if the guidelines should be exceeded or modified in a particular case.

(i) (i) The guidelines in this subdivision are a rebuttable presumption and shall be used in all cases when establishing or modifying child support. If the court does not deviate from the guidelines, the court shall make written findings concerning the amount of the obligor's income used as the basis for the guidelines calculation and any other significant evidentiary factors affecting the determination of child support. If the court deviates from the guidelines, the court shall make written findings giving the amount of support calculated under the guidelines, the reasons for the deviation, and shall specifically address the criteria in paragraph (b) and how the deviation serves the best interest of the child. The provisions of this paragraph apply whether or not the parties are each represented by independent counsel and have entered into a written agreement. The court shall review stipulations presented to it for conformity to the guidelines and the court is not required to conduct a hearing, but the parties shall provide the documentation of earnings required under subdivision 5b.

(i) (k) If the child support payments are assigned to the public agency under section 256.74, the court may not deviate downward from the child support guidelines unless the court specifically finds that the failure to deviate downward would impose an extreme hardship on the obligor.

(k) (1) The dollar amount of the income limit for application of the guidelines must be adjusted on July 1 of every even-numbered year to reflect cost-of-living changes. The supreme court shall select the index for the adjustment from the indices listed in section 518.641. The state court administrator shall make the changes in the dollar amount required by this paragraph available to courts and the public on or before April 30 of the year in which the amount is to change."

Page 3, line 21, after the period, insert "<u>The implementation plan shall include provisions for training the counties</u> by region and for training <u>Hennepin and Ramsey counties after the other counties have been trained but no later than</u> July of <u>1995.</u>" Page 3, line 23, after "and" insert "modification of"

Page 3, line 24, before "are" insert "orders if combined with contested child support proceedings"

Page 3, line 28, after the period, insert "Nothing contained herein shall prevent a party, upon timely notice to the public authority, from bringing a motion for the establishment, modification or enforcement of child support or maintenance orders in the district court. If the public authority is a party, or provides services to a party or parties, to a district court proceeding in which a motion for child support is pending, the motion may be decided by the district court."

Page 4, line 34, after "notices," insert "summary orders,"

Page 5, line 32, reinstate the stricken language and delete the new language

Page 6, after line 23, insert:

"(3) A party may request in writing that the public authority begin the administrative process. If the public authority determines that the request is unfounded, a summary order denying the request for relief shall be issued. The denial shall not preclude a party from bringing an action in district court. If the action in district court results in a modification of a child support order, the modification may be made retroactive only from the date of the written request for public authority action, provided that the motion in district court is brought within 14 days of the issuance of the summary order denying the request. A denial of public authority action shall not prejudice an action on the matter in district court."

Renumber the remaining paragraphs

Page 7, line 5, delete "(3)" and insert "(4)"

Page 7, line 19, after the period, insert "<u>A party alleging domestic abuse by the other party shall not be required</u> to participate in a conference. In such a case, the public authority shall meet separately with the parties in order to determine whether an agreement can be reached."

Page 7, line 22, delete "(3)" and insert "(4)"

Page 8, line 6, delete "(3)" and insert "(4)"

Page 8, line 25, after the period, insert "The <u>commissioner of human services</u>, in <u>consultation with the</u> <u>commissioner's advisory committee for child support enforcement</u>, shall <u>continue to develop and implement a plan</u> to restructure the administrative process which shall include contested hearings."

Renumber the sections in sequence

Correct the internal refrences

Amend the title as follows:

Page 1, line 7, after "sections" insert "256.87, subdivision 5; 518.171, subdivision 1;" and delete "10" and insert "5, 10,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2067, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water or natural wetlands in Anoka county.

5287

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CONVEYANCE OF TAX-FORFEITED LAND BORDERING ON PUBLIC WATER OR NATURAL WETLANDS, ANOKA COUNTY, TO THE CITY OF ANOKA.]

<u>Subdivision 1.</u> [SALE REQUIREMENTS.] (a) <u>Notwithstanding Minnesota Statutes, sections 92.45, 103F.535, and</u> 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Anoka county may convey to the city of Anoka the tax-forfeited lands bordering public water or natural wetlands in the city of Anoka that are described in subdivision 2, under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The county has determined that the county's land management interests would best be served if the lands were retained in public ownership.

(c) The conveyances must be in a form approved by the attorney general and must provide that the land reverts to the state of Minnesota if it is not used for open space purposes under applicable laws, ordinances, and regulations.

<u>Subd. 2.</u> [DESCRIPTIONS.] The lands that may be conveyed are located in Anoka county and, as set forth in each of the following clauses, are designated by the parcel number contained within the parentheses, and are legally described as specified:

(1) City of Anoka, (PIN No. 35-32-25-34-0003) the south 120.00 feet of Government Lot 2, Section 35, Township 32, Range 25, said land also being known as the south 120.00 feet of Lot 27, Auditor's Subdivision No. 96, according to the plat on file in the office of the Anoka county recorder;

(2) City of Anoka, (PIN No. 35-32-25-34-0002) all that part of Government Lot 2, Section 35, Township 32, Range 25, described as follows: Commencing at the northeast corner of Lot 7, Dickenson's Mississippi Estate, according to the plat on file in the office of the Anoka county recorder, said corner being the point of beginning of a line hereinafter referred to as line "A"; thence South 67 degrees 00 minutes 00 seconds East along the southeasterly extension of the north line of said Lot 7 and along line "A" 75.00 feet; thence South 85 degrees 41 minutes 00 seconds East 195.00 feet; thence South 4 degrees 19 minutes 00 seconds East 310.00 feet to the point of beginning of the land to be described; thence South 33 degrees 07 minutes 00 seconds East 213.10 feet; thence South 44 degrees 42 minutes 00 seconds East 300.00 feet; thence South 51 degrees 15 minutes 00 seconds East 230.80 feet; thence South 37 degrees 53 minutes 00 seconds East 300.00 feet; thence South 44 degrees 55 minutes 00 seconds East 300 feet, more or less, to the north line of said Government Lot 2, and said line "A" there terminating; thence easterly along said anorth line to a point on a line parallel with and 66.00 feet easterly of said line "A", as measured at right angles to said line "A"; thence northwesterly line of Lot 14, said Auditor's Subdivision No. 96 and a line parallel with and 150.00 feet, nore or less, to the thread of the Mississippi River and said line "B" there terminating; thence southwesterly along said parallel line of said Lot 14; thence southwesterly along said parallel line and its southwesterly extension 500.00 feet; thence southwesterly deflecting to the right 45 degrees 00 minutes 00 seconds 900 feet, more or less, to the thread of the Mississippi River and said line "B" there terminating; thence southwesterly along said line "A"; thence southwesterly along said line "A" to the point of beginning;

(3) City of Anoka, (PIN No. 35-32-25-34-0005) Lot 29, Auditor's Subdivision No. 96, according to the plat on file in the office of the Anoka county recorder; and

(4) City of Anoka, (PIN No. 35-32-25-34-0004) Lot 28, Auditor's Subdivision No. 96, according to the plat on file in the office of the Anoka county recorder.

Sec. 2. [PUBLIC SALE OF TAX-FORFEITED LAND BORDERING ON PUBLIC WATER OR NATURAL WETLANDS; ANOKA COUNTY; SCENIC EASEMENT RESERVED.]

<u>Subdivision 1.</u> [SALE REQUIREMENTS.] (a) <u>Notwithstanding Minnesota Statutes, sections 92.45, 103F.535, and 282.018, subdivision 1, Anoka county may sell the tax-forfeited lands bordering public water or natural wetlands that are described in subdivision 2, under the remaining provisions of Minnesota Statutes, chapter 282.</u>

(b) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

(c) The conveyances must be in a form approved by the attorney general and must reserve to the state of Minnesota a scenic easement in a form prescribed by the department of natural resources.

<u>Subd. 2.</u> [DESCRIPTIONS.] <u>The lands that may be conveyed are located in Anoka county and, as set forth in each of the following clauses, are designated by the parcel number contained within the parentheses, and are legally described as specified:</u>

(1) City of St. Francis, (PIN No. 29-34-24-11-0009) Outlot 2, King's Ranch Addition, according to the plat on file in the office of the Anoka county recorder;

(2) City of Oak Grove, (PIN No. 05-33-24-42-0002) the Northwest Quarter of the Southeast Quarter of Section 5, Township 33, Range 24, EXCEPT that part thereof lying westerly of the Rum River; and

(3) City of St. Francis, (PIN No. 05-33-24-13-0009) Outlot 22, Village of St. Francis, according to the plat on file in the office of the Anoka county recorder, EXCEPT the north 3 acres thereof.

Sec. 3. [SALE OF TAX-FORFEITED LAND BORDERING ON PUBLIC WATER OR NATURAL WETLANDS TO GOVERNMENTAL SUBDIVISIONS OR ADJACENT PRIVATE LANDOWNERS; ANOKA COUNTY.]

<u>Subdivision 1.</u> [SALE REQUIREMENTS.] (a) Notwithstanding Minnesota Statutes, sections 92.45, 103F.535, and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Anoka county may convey the tax-forfeited lands bordering public water or natural wetlands that are described in subdivision 2 to the governmental subdivision in which the lands are located or, if authorized by this subdivision, may sell the lands to adjoining landowners, under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The county has determined that the county's land management interests would best be served if the lands were disposed of as follows:

(1) the parcels described in subdivision 2, clauses (1), (3), and (4), should be retained in public ownership and may be conveyed only to the governmental subdivision in which the lands are located; and

(2) the parcel described in subdivision 2, clause (2), may be retained in public ownership and conveyed to the governmental subdivision in which the land is located, or may be sold to owners of land adjoining the land to be sold.

(c) The conveyances must be in a form approved by the attorney general and must provide that land sold to a governmental subdivision reverts to the state if it is not used for open space purposes under applicable laws, ordinances, and regulations.

<u>Subd. 2.</u> [DESCRIPTIONS.] The lands that may be conveyed are located in Anoka county and, as set forth in each of the following clauses, are designated by the parcel number contained within the parentheses, and are legally described as specified:

(1) Township of Columbus, (PIN No. 36-33-22-43-0008) that part of Government Lot 1, Section 36, Township 33, Range 22, lying southeasterly of the centerline of County Road No. 62, also known as Kettle River Boulevard, and lying northeasterly of the following described line: Commencing at the southwest corner of said Government Lot 1; thence South 89 degrees 58 minutes 19 seconds East, on an assumed bearing, along the south line of said Government Lot 1 a distance of 193.00 feet; thence North 14 degrees 01 minutes 41 seconds East 675.00 feet; thence North 0 degrees 01 minutes 41 seconds East 295.00 feet; thence South 89 degrees 58 minutes 19 seconds East 435.00 feet to the point of beginning of said line; thence South 58 degrees 55 minutes 41 seconds East 290 feet, more or less, to the shoreline of Higgins Lake, and there terminating;

(2) City of East Bethel, (PIN No. 35-33-23-32-0002) Lots 2 and 3, Block 1, Lake View Point, according to the plat on file in the office of the Anoka county recorder;

(3) City of East Bethel, (PIN No. 16-33-23-44-0001) all that part of Government Lot 8, Section 16, Township 33, Range 23, lying easterly of the northerly extension of the east line of the Northwest Quarter of the Northeast Quarter of Section 21, Township 33, Range 23; and

(4) City of Oak Grove, (PIN No. 16-33-24-22-0005) Lot 17, Auditor's Subdivision No. 20, according to the plat on file in the office of the Anoka county recorder.

Sec. 4. [PUBLIC SALE OF TAX-FORFEITED LAND BORDERING ON PUBLIC WATER OR NATURAL WETLANDS; ANOKA COUNTY; CONSERVATION EASEMENT REQUIRED.]

<u>Subdivision 1.</u> [SALE REQUIREMENTS.] (a) Notwithstanding Minnesota Statutes, sections 92.45, 103F.535, and 282.018, subdivision 1, Anoka county may sell the tax-forfeited lands bordering public water or natural wetlands that are described in subdivision 2 under the remaining provisions of Minnesota Statutes, chapter 282.

5288

(b) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership. The purchaser of the land described in subdivision 2, clause (3), must agree to record a conservation easement in a form prescribed by the department of natural resources.

(c) The conveyances must be in a form approved by the attorney general.

Subd. 2. [DESCRIPTIONS.] The lands that may be conveyed are located in Anoka county and, as set forth in each of the following clauses, are designated by the parcel number contained within the parentheses, and are legally described as specified:

(1) City of Ham Lake, (PIN No. 19-32-23-21-0001) the west two-thirds of the Northeast Quarter of the Northwest Quarter of Section 19, Township 32, Range 23;

(2) City of Coon Rapids, (PIN No. 09-31-24-11-0002) all that part of the north 25 acres of the Northeast Quarter of the Northeast Quarter of Section 9, Township 31, Range 24, lying easterly of the centerline of Coon Creek, EXCEPT the east 100.00 feet thereof; and

(3) City of Andover, (PIN No. 34-32-24-23-0055) Outlot B, Red Oaks Manor 5th Addition, according to the plat on file in the office of the Anoka county recorder.

Sec. 5. [SALE OF ACQUIRED STATE LAND; ANOKA COUNTY.]

(a) Notwithstanding the public sale requirements of Minnesota Statutes, sections 94.09 to 94.165, the commissioner of natural resources may sell by private sale the land which is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 94.

(b) The conveyance must be in a form approved by the attorney general.

(c) The land that may be sold is located in Anoka county, consists of about 0.09 acres, and is described as follows:

That part of Government Lot 1, Section 10, Township 33 North, Range 24 West, lying northeasterly of Lots 3, 4 and 5 of Block 2, Eakman's Addition to Shady Oaks, according to the plat on file and of record in the Office of the County Recorder; lying southwesterly of the southwesterly right-of-way line of Lake George Drive as recorded in that certain right-of-way easement filed for record on October 26, 1973, as Document No. 399586; and lying easterly of the northerly extension of the west line of Lot 5 of Block 2, Eakman's Addition to Shady Oaks, and

That part of Government Lot 1, Section 10, Township 33 North, Range 24 West, lying northeasterly of Lot 6 of Block 2, Eakman's Addition to Shady Oaks, according to the plat on file and of record in the Office of the County Recorder; lying southwesterly of the southwesterly right-of-way line of Lake George Drive as recorded in that certain right-of-way easement filed for record on October 26, 1973, as Document No. 399586; lying westerly of the northerly extension of the east line of Lot 6 of Block 2, Eakman's Addition to Shady Oaks; and lying easterly of Verdin St.

(d) The commissioner has determined that the land is no longer useful for any natural resource purpose, or any other public purpose, and intends to sell this unneeded land to the adjoining landowners to provide them with additional land to comply with zoning requirements and to provide legal access.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective 30 days after final enactment."

Amend the title as follows:

Page 1, line 4, before the period, insert "; authorizing the sale of certain state land in Anoka county"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2200, A bill for an act relating to game and fish; preference to certain aged or disabled hunters in issuance of game refuge deer permits; amending Minnesota Statutes 1993 Supplement, section 97A.091, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 1, after the comma, insert "up to"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2212, A bill for an act relating to the environment; genetically engineered organisms; authorizing the department of agriculture to exempt certain federally monitored releases; authorizing the environmental quality board to adopt rules relating to certain releases; providing for certain exemptions; amending Minnesota Statutes 1992, sections 18F.01; 18F.02, subdivisions 1, 5, and by adding a subdivision; 18F.04; 18F.07; 18F.12; 116C.91, subdivision 1; 116C.94; and 116C.96; proposing coding for new law in Minnesota Statutes, chapters 18F; and 116C; repealing Minnesota Statutes 1992, section 18F.02, subdivision 7.

Reported the same back with the following amendments:

Page 2, line 3, delete "and/or" and insert "or"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2237, A bill for an act relating to game and fish; requiring informational meetings and an open season on giant Canada geese in a certain area prior to the regular goose season; proposing coding for new law in Minnesota Statutes, chapter 97B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [97B.804] [LAC QUI PARLE WATERFOWL SEASONS AND NOTICE.]

Annually, the commissioner must hold a public informational meeting in the vicinity of the Lac qui Parle wildlife management area at least a week before the goose season opens. The commissioner must publish notice of the meeting within each county included in the goose zone that encompasses the Lac qui Parle wildlife management area, not less than one nor more than two weeks before the meeting date.

Sec. 2. [STUDY.]

The commissioner of the pollution control agency shall study, and make recommendations on, pollution from migratory waterfowl that affects water quality in the Minnesota River above the Lac qui Parle dam. A report shall be prepared and presented to the house and senate committees on environment and natural resources."

MONDAY, MARCH 21, 1994

5291

Amend the title as follows:

Page 1, line 3, delete "and an open season on giant Canada geese"

Page 1, line 4, after the semicolon, insert "directing a study of waterfowl pollution of certain waters,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2360, A bill for an act relating to transportation; authorizing commissioner of transportation to contract with state of Wisconsin to build and operate truck inspection station in Wisconsin.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2429, A bill for an act relating to Koochiching county; permitting the appointment of the recorder; authorizing the reorganization of the office.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2439, A bill for an act relating to local government; authorizing the city of Gaylord to establish special service districts.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2451, A resolution memorializing the President and Congress to act expeditiously in procuring a site or sites for the storage of high-level radioactive waste.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2475, A bill for an act relating to real property; eliminating authority of county recorders to collect certain fees; repealing Minnesota Statutes 1993 Supplement, section 357.18, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1993 Supplement, 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 \$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 50 cents of this surcharge to be retained by the county to cover its administrative costs and \$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.

5292

## MONDAY, MARCH 21, 1994

5293

Sec. 2. Minnesota Statutes 1993 Supplement, 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; <del>plus a \$4.50</del> 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 50 cents of this surcharge to be retained by the county to cover its administrative eosts and \$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."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "recorders" insert "and registrars of titles" and after the semicolon, insert "amending Minnesota Statutes 1993 Supplement, sections 508.82; and 508A.82;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2487, A bill for an act relating to local government; authorizing towns in Olmsted county to adopt and enforce the state building code.

Reported the same back with the following amendments:

Page 1, line 12, delete "; OTHER CONTRACTS"

Page 1, line 15, delete "A town may"

Page 1, delete lines 16 to 18

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2497, A bill for an act relating to game and fish; requiring availability of 24-hour angling licenses until the end of the season; amending Minnesota Statutes 1992, section 97A.485, subdivision 8.

Reported the same back with the following amendments:

Page 1, line 19, delete "angling season" and insert "license year"

Amend the title as follows:

Page 1, line 3, delete "season" and insert "license year"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2665, A bill for an act relating to parks and recreation; adding lands to certain state parks; converting certain recreation areas to state parks; deleting land from a recreation area; combining a trail and certain waysides

5294

# MONDAY, MARCH 21, 1994

into a recreation area; abolishing a state park; amending Minnesota Statutes 1992, section 85.054, by adding a subdivision; repealing Minnesota Statutes 1992, sections 85.012, subdivision 24; and 85.013, subdivisions 16, 18a, 24, 26, and 28.

Reported the same back with the following amendments:

Page 3, after line 4, insert:

"Notwithstanding the provisions of section 85.012, subdivision 1, tax-forfeited land located within Tettegouche state park is not withdrawn from sale and transferred from the custody of the county board."

Page 4, line 15, delete everything after the first comma and insert "section"

Page 4, line 16, delete the first "and"

Amend the title as follows:

Page 1, line 9, delete everything before "85.013," and insert "section"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2729, A bill for an act relating to snowmobiles; clarifying restrictions on operation by certain minors and responsibilities of owners; amending Minnesota Statutes 1993 Supplement, section 84.872.

Reported the same back with the following amendments:

Page 1, line 23, after "land" insert ", public easement,"

Page 2, line 4, after "lands" insert ", public easements,"

With the recommendation that when so amended the bill pass.

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 1449, 1659, 1840, 1936, 2046, 2055, 2200, 2212, 2237, 2360, 2429, 2451, 2487, 2497, 2665 and 2729 were read for the second time.

# SECOND READING OF SENATE BILLS

S. F. Nos. 844, 1750 and 2086 were read for the second time.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

McGuire introduced:

H. F. No. 2977, A bill for an act relating to data practices; modifying certain human service licensing data provisions; authorizing access by the department of human services to certain data maintained by the department of jobs and training; amending Minnesota Statutes 1992, section 256.0361, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 13.46, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Anderson, I., introduced:

H. F. No. 2978, A bill for an act relating to education; modifying teacher contract arbitration provisions; amending Minnesota Statutes 1992, section 179A.16, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bishop; Pugh; Brown, C.; Murphy and Macklin introduced:

H. F. No. 2979, A bill for an act relating to attorneys; expanding remedies for the unauthorized practice of law; amending Minnesota Statutes 1992, section 481.02, subdivision 8.

The bill was read for the first time and referred to the Committee on Judiciary.

Carlson, Rodosovich, Bertram, Leppik and Seagren introduced:

H. F. No. 2980, A bill for an act relating to commerce; directing the commissioner of commerce to conduct a study of the Minnesota pawnbroker industry.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Olson, M., introduced:

H. F. No. 2981, A bill for an act relating to education; requiring all students' performances to be assessed; repealing the requirement for an amended graduation rule; amending Minnesota Statutes 1992, section 120.101, subdivision 8, and by adding a subdivision; repealing Minnesota Statutes 1993 Supplement, section 121.11, subdivision 7c.

The bill was read for the first time and referred to the Committee on Education.

#### Asch introduced:

H. F. No. 2982, A bill for an act relating to ethics in government; requiring certain notice and public hearing by a local government lobbying certain issues; requiring conflict of interest and economic interest disclosure by local officials and public employees; providing a code of ethics for local officials and public employees; creating an employee review board to determine conflicts of interest for state employees; changing the name of the ethical practices board; imposing penalties; amending Minnesota Statutes 1992, sections 10A.02, subdivision 1; and 43A.38, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 10A; proposing coding for new law as Minnesota Statutes, chapter 10B.

The bill was read for the first time and referred to the Committee on Ethics.

## MONDAY, MARCH 21, 1994

Battaglia, for the Committee on Environment and Natural Resources Finance, introduced:

H. F. No. 2983, 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 issuance of bonds; authorizing assessments for debt service; appropriating money, with certain conditions; amending Minnesota Statutes 1992, section 103F.175.

The bill was read for the first time and referred to the Committee on Capital Investment.

#### Bishop, Skoglund, Reding, Farrell and Osthoff introduced:

H. F. No. 2984, A bill for an act relating to insurance; health plans; prohibiting provisions that grant the health carrier a subrogation right, except where the covered person has been fully compensated from another source; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

# Wejcman introduced:

H. F. No. 2985, A bill for an act relating to crime; driver license suspension; clarifying the conditions under which a juvenile who violates the underage drinking law may receive driver license suspension; amending Minnesota Statutes 1993 Supplement, section 340A.503, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Carruthers introduced:

H. F. No. 2986, A bill for an act relating to education; modifying the referendum allowance reduction; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 3b.

The bill was read for the first time and referred to the Committee on Education.

Greenfield, Lourey, Winter and Clark introduced:

H. F. No. 2987, A bill for an act relating to human services; increasing the state standard of need in the program of aid to families with dependent children; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Girard, Davids and Bertram introduced.

H. F. No. 2988, A bill for an act relating to taxation; providing that certain sales to veterinarians are exempt from the sales tax; amending Minnesota Statutes 1992, section 297A.25, subdivision 9.

The bill was read for the first time and referred to the Committee on Taxes.

Bertram, Asch and Stanius introduced:

H. F. No. 2989, A bill for an act relating to taxation; hospital and health care providers gross earnings taxes; exempting certain payments; requiring reporting of certain expenses paid by third-party purchasers; imposing penalties; amending Minnesota Statutes 1993 Supplement, sections 295.53, subdivision 1; and 295.582.

The bill was read for the first time and referred to the Committee on Taxes.

Bertram; Cooper; Brown, C.; Johnson, V., and Krueger introduced:

H. F. No. 2990, A bill for an act relating to insurance; township mutual fire insurance; allowing companies to issue policies in combination with the policies of other insurers; proposing coding for new law in Minnesota Statutes, chapter 67A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Bertram, Opatz and Gruenes introduced:

H. F. No. 2991, A bill for an act relating to traffic regulations; authorizing immediate towing after 12 hours advance notice of restricted parking in cities under 50,000; amending Minnesota Statutes 1992, section 169.041, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

#### Carruthers introduced:

H. F. No. 2992, A bill for an act relating to education; modifying the formula for abatement aids; appropriating money; amending Minnesota Statutes 1992, sections 124.214, subdivision 2; and 124A.032.

The bill was read for the first time and referred to the Committee on Education.

Workman, McCollum, Kelso, Frerichs and Pauly introduced:

H. F. No. 2993, A bill for an act relating to metropolitan government; establishing four-year community-based transit service initiative demonstration program; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Sekhon introduced:

H. F. No. 2994, A bill for an act relating to retirement; teachers retirement association; permitting certain retired members to choose a different annuity option.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Kelley, Pauly and Orenstein introduced:

H. F. No. 2995, A bill for an act relating to crime prevention; providing release conditions for persons charged with crimes against persons; providing for the treatment of the firearms of persons charged; proposing coding for new law in Minnesota Statutes, chapter 629.

The bill was read for the first time and referred to the Committee on Judiciary.

Pawlenty and Commers introduced:

H. F. No. 2996, A bill for an act relating to retirement; authorizing the city of Eagan to make certain lump sum payments to volunteer firefighters.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

5298

Stanius, Finseth and Johnson, V., introduced:

H. F. No. 2997, A bill for an act relating to game and fish; prohibiting additional regulation of archery bows; amending Minnesota Statutes 1992, section 97B.051.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanius, Finseth and Johnson, V., introduced:

H. F. No. 2998, A bill for an act relating to game and fish; allowing use of retractable broadhead arrows in taking big game; amending Minnesota Statutes 1992, section 97B.211, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanius, Finseth, Peterson, Asch and Johnson, V., introduced:

H. F. No. 2999, A bill for an act relating to game and fish; authorizing the taking of two deer in a certain area; amending Minnesota Statutes 1992, section 97B.301, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Olson, K.; Dorn and Hausman introduced:

H. F. No. 3000, A bill for an act relating to education; appropriating money for community living programs for youths with disabilities.

The bill was read for the first time and referred to the Committee on Education.

Tunheim; Olson, K.; Johnson, R.; Morrison and Brown, C., introduced:

H. F. No. 3001, A bill for an act relating to education; special education; expanding essential personnel to include directors and supervisors; amending Minnesota Statutes 1993 Supplement, section 124.32, subdivision 1f.

The bill was read for the first time and referred to the Committee on Education.

Kelso, Bauerly, Koppendrayer and Orenstein introduced.

H. F. No. 3002, A bill for an act relating to health; developing a program for teens with a goal of reducing teen pregnancy; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Krueger, Kinkel, Wenzel and Nelson introduced:

H. F. No. 3003, A bill for an act relating to education; providing aid to combined or consolidated school districts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Jaros introduced:

H. F. No. 3004, A bill for an act relating to elections; providing for simulated elections for minors; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

Krueger, Kahn and Johnson, R., introduced:

H. F. No. 3005, A bill for an act relating to state government; creating an employee training incentive program; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Stanius introduced:

H. F. No. 3006, A bill for an act relating to education; modifying general education revenue formula allowance; modifying the earmark of general education revenue for staff development; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 124A.22, subdivision 2; and 124A.29, subdivision 1; Laws 1993, chapter 224, article 1, section 41, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Gruenes and Lourey introduced:

H. F. No. 3007, A bill for an act relating to health; establishing health care network cooperatives and health provider cooperatives; establishing licensure, solvency and other requirements for health care cooperatives; providing loans to integrated service networks; expanding the summer health care intern program; providing grants for emergency room coverage and rural medical school planning; requiring a study of physical therapist degree programs; appropriating money; amending Minnesota Statutes 1992, section 256.9657, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 62N.23; and 144.1464; proposing coding for new law in Minnesota Statutes, chapters 62E; and 144; proposing coding for new law as Minnesota Statutes, chapter 308B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Vellenga, Leppik, Krueger, Lasley and Osthoff introduced:

H. F. No. 3008, A bill for an act relating to education; establishing a grant program to assist school districts in using technology to improve education; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

#### Murphy and Carlson introduced:

H. F. No. 3009, A bill for an act relating to education; changing the designation of Fond du Lac center; clarifying its mission; appropriating money; amending Minnesota Statutes 1992, section 136.60; proposing coding for new law in Minnesota Statutes, chapter 136.

The bill was read for the first time and referred to the Committee on Education.

#### Leppik introduced:

H. F. No. 3010, A bill for an act relating to health; continuing the planning for the establishment of the institute for child and adolescent sexual health; providing for pilot projects; requiring reports; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Osthoff and McCollum introduced:

H. F. No. 3011, A bill for an act relating to highways; changing mileage limitation for municipal state-aid streets; amending Minnesota Statutes 1992, section 162.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

McCollum introduced:

H. F. No. 3012, A bill for an act relating to transportation; establishing and providing for appointments to an advisory council on major transportation projects; appropriating money.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Brown, K., by request, introduced:

H. F. No. 3013, A bill for an act relating to landlords and tenants; clarifying the effective date for certain tenant report provisions; amending Minnesota Statutes 1993 Supplement, section 504.30, subdivision 4.

The bill was read for the first time and referred to the Committee on Housing.

Ness, Bauerly, Vellenga, Cooper and Bettermann introduced:

H. F. No. 3014, A bill for an act relating to education; providing four years of revenue for all districts in the cooperation and combination program; amending Minnesota Statutes 1992, section 124.2725, subdivision 16; Minnesota Statutes 1993 Supplement, section 124.2725, subdivisions 2, 4, 5, 6, and 9.

The bill was read for the first time and referred to the Committee on Education.

Murphy, Limmer, Swenson, Skoglund and McGuire introduced:

H. F. No. 3015, A bill for an act relating to corrections; establishing productive day initiative programs in local correctional facilities in Hennepin, Ramsey, and St. Louis counties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 241.

The bill was read for the first time and referred to the Committee on Judiciary.

Lindner, Bettermann, Van Engen, Tompkins and Nelson introduced:

H. F. No. 3016, A bill for an act relating to marriage; declaring certain marriages contracted in other states to be invalid in Minnesota; amending Minnesota Statutes 1992, section 517.20.

The bill was read for the first time and referred to the Committee on Judiciary.

Jefferson, Trimble, Peterson and Carruthers introduced.

H. F. No. 3017, A bill for an act relating to dangerous dogs; changing the definition of a dangerous dog; restricting the ability to license a dangerous dog; requiring the production of a dog under certain circumstances; imposing penalties; providing a civil fine for dangerous dog offenses; amending Minnesota Statutes 1992, sections 347.50, subdivisions 2, 3, and 6; 347.51, subdivision 2; and 347.54, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 347.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

Milbert introduced:

H. F. No. 3018, A bill for an act relating to the city of South St. Paul; authorizing the extension of the duration of a tax increment financing district.

The bill was read for the first time and referred to the Committee on Taxes.

Jefferson; Garcia; Morrison; Olson, K., and Lieder introduced:

H. F. No. 3019, A bill for an act relating to transportation; establishing and providing for appointments to an advisory council to study and report on statewide paratransit; appropriating money.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Dauner introduced:

H. F. No. 3020, A bill for an act relating to alcoholic beverages; authorizing the Clay county board to issue one off-sale intoxicating liquor license.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Sviggum and Kalis introduced:

H. F. No. 3021, A bill for an act relating to education; modifying state aid for districts that reorganize; amending Minnesota Statutes 1992, section 124A.22, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Farrell, Dawkins, Mariani and Orenstein introduced:

H. F. No. 3022, A bill for an act relating to retirement; St. Paul teachers retirement fund association; requiring proportional representation for various membership groups on the association board of trustees; proposing coding for new law in Minnesota Statutes, chapter 354A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Rest introduced:

H. F. No. 3023, A bill for an act relating to retirement; Crystal and New Hope volunteer firefighters relief associations; authorizing a consolidated volunteer firefighters relief association for a joint powers fire department servicing the cities of Crystal and New Hope; authorizing a conversion of existing defined benefit plans to a defined contribution plan; ratifying prior benefit plans and related actions; repealing Laws 1969, chapter 1088; Laws 1971, chapter 114; Laws 1978, chapters 562, section 32; and 753; Laws 1979, chapters 97; and 201, section 27; Laws 1981, chapter 224, sections 250 and 254.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Tunheim introduced:

H. F. No. 3024, A bill for an act relating to education; changing computations for purposes of sparsity and supplemental revenue; amending Minnesota Statutes 1993 Supplement, section 124A.22, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

Evans, Asch, Opatz, Krueger and Knickerbocker introduced:

H. F. No. 3025, A bill for an act relating to state government; requiring the state to provide citizens with electronic access to state agencies for the purpose of obtaining certain licenses and permits; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Orenstein introduced:

H. F. No. 3026, A bill for an act relating to taxation; extending the availability of valuation exclusions for certain improvements made to property in 1992; amending Laws 1993, chapter 375, article 5, section 44.

The bill was read for the first time and referred to the Committee on Taxes.

74TH DAY]

Mosel; Anderson, I.; Peterson; Kalis and Olson, E., introduced:

H. F. No. 3027, A bill for an act relating to taxation; sales and use tax; providing an exemption for certain capital equipment purchases.

The bill was read for the first time and referred to the Committee on Taxes.

Orenstein and Rest introduced:

H. F. No. 3028, A bill for an act relating to taxation; requiring disclosure of and a vote by local governing bodies on increases in property taxes due to reduced market value; amending Minnesota Statutes 1993 Supplement, section 275.065, subdivision 6.

The bill was read for the first time and referred to the Committee on Taxes.

Kahn and Gruenes introduced:

H. F. No. 3029, A bill for an act relating to alcoholic beverages; increasing the amount of malt liquor that may be brewed on the premises of a brewery-restaurant; amending Minnesota Statutes 1992, section 340A.301, subdivision 6.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

McGuire introduced:

H. F. No. 3030, A bill for an act relating to child support; requiring the court reserve child support pending a custody evaluation under certain circumstances; amending Minnesota Statutes 1992, section 518.18.

The bill was read for the first time and referred to the Committee on Judiciary.

Carlson, Seagren, Ozment, Kinkel and Skoglund introduced:

H. F. No. 3031, A bill for an act relating to education; expanding payment of special education aid to include special education cooperatives or intermediate school districts as designated by a participating school district; amending Minnesota Statutes 1993 Supplement, section 124.32, subdivision 12.

The bill was read for the first time and referred to the Committee on Education.

Pugh; Johnson, V.; Milbert and Dorn introduced:

H. F. No. 3032, A bill for an act relating to game and fish; clarifying the purposes for which various game and fish revenues may be spent; requiring establishment of citizen oversight committees to review expenditures of game and fish revenues; appropriating money and reducing earlier appropriations; amending Minnesota Statutes 1992, sections 97A.055, by adding a subdivision; 97A.061, subdivision 1; 97A.071, subdivision 3, and by adding subdivisions; 97A.075, subdivisions 2, 3, and 4; 97A.165; 97A.475, subdivisions 6, 7, 8, and 13; and 97A.485, subdivision 7; Minnesota Statutes 1993 Supplement, sections 97A.055, subdivision 4; 97A.061, subdivision 3; 97A.071, subdivision 2; and 97A.475, subdivision 12; repealing Minnesota Statutes 1992, sections 97A.065, subdivision 3; 97A.071, subdivision 4; 97A.475, subdivision 9; and 103E.615, subdivision 6.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Olson, E., introduced:

H. F. No. 3033, A bill for an act relating to education; establishing a pilot continuing education program in multicultural education for teachers in independent school district No. 38, Red Lake; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Erhardt and Seagren introduced:

H. F. No. 3034, A bill for an act relating to education; restoring intermediate school districts; modifying staff development revenue; repealing limits on referendum revenue; amending Minnesota Statutes 1993 Supplement, sections 124.2727, subdivision 6; 124A.29, subdivision 1; and 298.28, subdivision 4; Laws 1992, chapter 499, article 6, section 39, subdivision 3; repealing Minnesota Statutes 1992, section 124.19, subdivision 1b; Minnesota Statutes 1993 Supplement, sections 120.101, subdivision 5b; and 124A.03, subdivisions 1c and 3b; Laws 1993, chapter 224, article 1, section 37.

The bill was read for the first time and referred to the Committee on Education.

#### Perlt, Greiling, Swenson, McCollum and Neary introduced:

H. F. No. 3035, A bill for an act relating to education; modifying joint powers agreements for facilities; modifying debt service equalization program for a joint powers district; appropriating money; amending Minnesota Statutes 1992, sections 121.155, subdivision 1; and 124.95, subdivision 4; Minnesota Statutes 1993 Supplement, section 124.95, subdivisions 1 and 3; repealing Minnesota Statutes 1992, sections 124.491; 124.492; 124.493; 124.494, as amended; 124.4945; 124.4946; and 124.495, are repealed.

The bill was read for the first time and referred to the Committee on Education.

#### Girard introduced:

H. F. No. 3036, A bill for an act relating to crime prevention; prohibiting installation or use of an observation device inside or outside a private place, without consent of persons entitled to privacy; providing penalties; amending Minnesota Statutes 1992, section 609.746, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Holsten, Smith, Perlt, Pugh and Van Engen introduced:

H. F. No. 3037, A bill for an act relating to public safety; regulating explosives, blasting agents, explosive devices, and incendiary devices; imposing penalties; amending Minnesota Statutes 1992, sections 299F.71; 299F.72, subdivision 2, and by adding subdivisions; 299F.73; 299F.74; 299F.75; 299F.77; 299F.78, subdivision 1; 299F.79; 299F.80; 299F.82; 299F.83; proposing coding for new law in Minnesota Statutes, chapters 299F; and 609; repealing Minnesota Statutes 1992, sections 299F.72, subdivisions 3 and 4; 299F.78, subdivision 2; and 299F.815, as amended; Minnesota Statutes 1993 Supplement, sections 299F.811; and 609.902, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Luther, Carruthers, Bergson and Dawkins introduced:

H. F. No. 3038, A bill for an act relating to tax increment financing; providing for qualified economic development districts; amending Minnesota Statutes 1992, section 469.177, subdivision 5; Minnesota Statutes 1993 Supplement, sections 273.1399, subdivision 1; and 469.175, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Olson, K.; Vellenga; McCollum; Greiling and Tunheim introduced:

H. F. No. 3039, A bill for an act relating to education; modifying fees of regional management information centers; prohibiting a property tax levy by a cooperative unit of government for education; providing for various cooperative units of government for education; modifying educational cooperative service units; increasing district cooperation revenue; repealing the repealer of laws enabling cooperative units; appropriating money; amending Minnesota Statutes 1992, sections 121.935, subdivision 6; 123.35, subdivision 19a, and by adding subdivisions; 123.58, subdivisions 2 and

4; 136D.281, by adding a subdivision; 136D.741, by adding a subdivision; and 136D.88, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 123.58, subdivisions 6, 7, 8, and 9; 124.155, subdivisions 1 and 2; and 124.2727, subdivisions 6a and 6d; proposing coding for new law in Minnesota Statutes, chapter 123; repealing Minnesota Statutes 1992, sections 121.935, subdivision 7; 122.91, subdivisions 5 and 7; 122.93, subdivision 7; 122.937; 122.94, subdivisions 2, 3, and 6; 122.945; 136D.22, subdivision 3; 136D.27; 136D.71, subdivision 2; 136D.73, subdivision 3; 136D.74, subdivisions 2a and 2b; 136D.82, subdivision 3; and 136D.87; Minnesota Statutes 1993 Supplement, sections 121.935, subdivision 5; and 124.2727, subdivisions 6, 7, and 8; Laws 1992, chapter 499, article 6, section 39, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

### Pauly, Morrison, Leppik and Knight introduced:

H. F. No. 3040, A bill for an act relating to energy; reestablishing electric energy policy; establishing a hierarchy of preferred electric energy sources; establishing a legislative task force to oversee implementation of energy policy; establishing intervenor compensation account with revenues from utility assessments; clarifying the availability of intervenor compensation in proceedings before the public utilities commission; authorizing the public utilities commission to set discounted rates for low-income customers; establishing specific guidelines for payment to small power producers and cogenerators under certain circumstances; requiring compliance by a utility with a conservation improvement and resource planning requirements prior to the utility seeking a certificate of need for new or expanded facilities and rate increases; amending various statutes to conform with the reestablished energy policy; providing funding for the building energy research center and the energy center at the Red Wing/Winona technical college; providing demonstration grants for wind energy conversion facilities at public postsecondary institutions; providing for state bonding; appropriating money; amending Minnesota Statutes 1992, sections 216A.07, subdivision 3; 216A.085, subdivision 1; 216B.01; 216B.02, by adding subdivisions; 216B.03; 216B.11; 216B.16, subdivision 6, and by adding a subdivision; 216B.162, subdivisions 2, 4, and 8; 216B.164, subdivisions 1, 3, 6, and 7; 216B.17, subdivisions 1, 6, and 6a; 216B.243, subdivisions 3, 3a, and 4; 216C.01, subdivision 1; 216C.05; 216C.09; 216C.10; 216C.14, subdivision 2; 216C.17, subdivision 5; 216C.18, subdivisions 1 and 1a; 216C.315; 216C.38, by adding a subdivision; and 216C.381, subdivision 1; Minnesota Statutes 1993 Supplement, sections 216B.16, subdivision 1; 216B.162, subdivision 7; 216B.164, subdivision 4; and 216B.2422, subdivisions 1, 2, 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C; repealing Minnesota Statutes 1992, sections 216B.16, subdivision 10; Minnesota Statutes 1993 Supplement, section 216B.242.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

#### Jefferson; Brown, C., and Van Dellen introduced:

H. F. No. 3041, A bill for an act relating to metropolitan government; providing for the ownership, financing, and use of certain sports facilities; permitting the issuance of bonds and other obligations; appropriating money; amending Minnesota Statutes 1992, sections 473.551; 473.552; 473.556; 473.561; 473.564, subdivision 2; 473.572; 473.581; 473.592; 473.595; and 473.596; proposing coding for new law in Minnesota Statutes, chapters 240A; and 473; repealing Minnesota Statutes 1992, sections 473.564, subdivision 1; and 473.571.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

#### Smith, Morrison and Seagren introduced:

H. F. No. 3042, A bill for an act relating to economic development; providing a new general system of law and insurance provisions for the compensation of employment related injuries; transferring the jurisdiction and personnel of the workers' compensation court of appeals; providing rights, duties, and remedies; providing for the restructuring of certain public assistance programs; providing for the creation of enterprise zones; authorizing expenditures from the housing trust fund account; authorizing pilot projects and an urban homesteading program; appropriating money; amending Minnesota Statutes 1992, sections 161.123; 256.73, by adding a subdivision; 256.74, by adding a subdivision; 256.98, subdivision 8; 256D.09, by adding a subdivision; 290.06, by adding a subdivision; 297A.15, by adding a subdivision; 473.387, by adding a subdivision; 473.388, subdivision 2; and 473.405, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 256.031, subdivision 3; 256.734; 256.87, subdivisions 1, 1a, and 5; and 462A.222, subdivision

3; proposing coding for new law in Minnesota Statutes, chapters 176C; 176D; 256; 469; and 473; repealing Minnesota Statutes 1992, sections 79.01; 79.074; 79.081; 79.085; 79.095; 79.096; 79.10; 79.253; 79.50; 79.52; 79.53; 79.531; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; 79.62; 176.001; 176.011, subdivisions 1, 2, 3, 4, 5, 6, 7, 7a, 8, 9a, 11a, 12, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, and 27; 176.021; 176.031; 176.041, subdivisions 1, 2, 3, 4, 5a, and 6; 176.051; 176.061; 176.071; 176.081; 176.095; 176.101; 176.1011; 176.102; 176.1021; 176.103; 176.104; 176.1041; 176.105; 176.106; 176.111, subdivisions 1, 2, 3, 4, 6, 7, 8, 9a, 10, 12, 14, 15, 16, 17, 18, 20, and 21; 176.121; 176.129; 176.130; 176.1311; 176.132; 176.1321; 176.133; 176.1351; 176.1351; 176.136, subdivisions 1, 1a, 1c, 2, and 3; 176.1361; 176.137; 176.139; 176.141; 176.145; 176.151; 176.155; 176.161; 176.165; 176.171; 176.175; 176.178; 176.179; 176.181; 176.182; 176.183; 176.184; 176.185; 176.186; 176.191; 176.192; 176.194; 176.195; 176.201; 176.205; 176.211; 176.215; 176.221; 176.222; 176.225; 176.231; 176.232; 176.234; 176.235; 176.238; 176.239; 176.245; 176.251; 176.253; 176.261; 176.2615; 176.271; 176.275; 176.281; 176.291; 176.295; 176.301; 176.305; 176.306; 176.307; 176.311; 176.312; 176.321; 176.322; 176.325; 176.331; 176.341; 176.351; 176.361; 176.371; 176.381; 176.391; 176.401; 176.411; 176.421; 176.422; 176.451; 176.461; 176.471; 176.481; 176.491; 176.511; 176.521, subdivisions 2a and 3; 176.522; 176.531; 176.540; 176.541; 176.551; 176.561; 176.571; 176.572; 176.581; 176.591; 176.603; 176.611; 176.641; 176.645; 176.651; 176.66; 176.669; 176.82; 176.83; 176.84; 176.85; 176.86; 504.33, subdivisions 1, 2, 4, 6, and 8; and 504.34, subdivisions 3, 4, 5, and 6; Minnesota Statutes 1993 Supplement, sections 79.211; 79.251; 79.252; 79.255; 79.361; 79.362; 79.363; 79.371; 79.51; 176.011, subdivision 10; 176.041, subdivision 1a; 176.091; 176.092; 176.111, subdivision 5; 176.136, subdivision 1b; 176.521, subdivisions 1 and 2; 176.5401; 504.33, subdivisions 3, 5, and 7; and 504.34, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### Pugh introduced:

H. F. No. 3043, A bill for an act relating to consumer protection; consumer credit sales; allowing a reduction in the installment payments due to the debtor's workers' compensation status; amending Minnesota Statutes 1992, section 325G.16, subdivision 5.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Hugoson and Vickerman introduced:

H. F. No. 3044, A bill for an act relating to capital improvements; appropriating money for the farmland wildlife populations and research center; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Trimble and Mariani introduced:

H. F. No. 3045, A bill for an act relating to cities; St. Paul; appropriating money for St. Paul civic center expansion; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

#### Anderson, I., introduced:

H. F. No. 3046, A bill for an act relating to the environment; requiring town board or city council approval prior to issuance of a permit by the pollution control agency for spreading soil that contains harmful substances on land; amending Minnesota Statutes 1992, section 116.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Munger, Jennings, Ozment, Hausman and Pauly introduced:

H. F. No. 3047, A bill for an act relating to the environment; requiring a public utility that operates a nuclear power plant in the state to plan for phasing out the generation of electricity using nuclear power and phasing in the generation of electricity using renewable resources; establishing a legislative task force; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jaros, Rukavina, Winter and Battaglia introduced:

H. F. No. 3048, A bill for an act relating to insurance; no-fault auto; requiring coordination of benefits to prevent overpayment by insureds for duplicate coverage; amending Minnesota Statutes 1992, section 65B.61, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Bertram introduced:

H. F. No. 3049, A bill for an act relating to civil actions; authorizing enforcement of commitments for debts related to lawful gambling activities; amending Minnesota Statutes 1992, section 541.21.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, R., introduced:

H. F. No. 3050, A bill for an act relating to taxation; property; classifying landing areas and public access areas of privately owned public use airports; amending Minnesota Statutes 1993 Supplement, section 273.13, subdivision 23.

The bill was read for the first time and referred to the Committee on Taxes.

Lourey introduced:

H. F. No. 3051, A bill for an act relating to local government in Pine county; providing for creation of sewer district and a sanitary sewer board to administer the district; providing for collection, treatment, and disposal of sewage in the Cross Lake area.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Cooper; Johnson, V., and Davids introduced:

H. F. No. 3052, A bill for an act relating to health; modifying standards for ambulance service attendants; amending Minnesota Statutes 1992, section 144.804, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Perlt and Girard introduced:

H. F. No. 3053, A bill for an act relating to unemployment compensation; changing its name; modifying provisions relating to reporting requirements, eligibility conditions, and liability for benefits; amending Minnesota Statutes 1992, sections 268.03; 268.08, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 268.08, subdivision 6; 268.09, subdivision 1; 268.10, subdivision 2; and 268.161, subdivision 9.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Tunheim; Finseth; Lieder; Olson, E., and Solberg introduced:

H. F. No. 3054, A bill for an act relating to waters; appropriating money for cost-sharing in a hydraulic model of the Red River.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance.

Wejcman, Wagenius, Lasley and Murphy introduced:

H. F. No. 3055, A bill for an act relating to crime prevention; appropriating money for a grant for child abuse prevention.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

#### McCollum introduced:

H. F. No. 3056, A bill for an act relating to education; establishing responsibilities relating to school bus operations, equipment, and safety; marketing technical changes; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 123.39, subdivision 1; 126.15, subdivision 4; 169.01, subdivision 6; 169.21, subdivision 2; 169.442, subdivision 1; 169.443, subdivision 8, and by adding a subdivision; 169.445, subdivisions 1 and 2; 169.446, subdivision 3; 169.447, subdivision 6; 169.64, subdivision 8; 171.01, subdivision 22; 171.321, subdivision 3; 171.3215; 609.72, subdivision 1; and 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 124.225, subdivision 1; and 171.321, subdivision 2; Laws 1993, chapter 224, article 12, section 39; proposing coding for new law in Minnesota Statutes, chapters 123, 127, and 169; repealing Minnesota Statutes 1992, sections 169.441, subdivisions 2 and 3; 169.445, subdivision 3; 169.447, subdivision 3; and 169.45; Minnesota Statutes 1993 Supplement, section 123.80; Minnesota Rules, parts 3520.3600 and 3520.3700.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

#### Tomassoni introduced:

H. F. No. 3057, A bill for an act relating to cities; authorizing and establishing the Chisholm/Hibbing airport authority.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Wenzel, Jaros, Kahn, Abrams and Workman introduced:

H. F. No. 3058, A resolution memorializing the President and Congress to act to counter aggression and relieve human suffering in Bosnia.

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, Wenzel moved that the rule therein be suspended and an urgency be declared so that H. F. No. 3058 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Wenzel moved that the Rules of the House be so far suspended that H. F. No. 3058 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 3058 was read for the second time.

H. F. No. 3058, A resolution memorializing the President and Congress to act to counter aggression and relieve human suffering in Bosnia.

The bill was read for the third time and placed upon its final passage.

### MONDAY, MARCH 21, 1994

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	Dehler	Huntley	Lasley	Neary	Pugh	Tompkins
Anderson, R.	Delmont	Jacobs	Leppik	Nelson	Reding	Trimble
Asch	Dempsey	Jaros	Lieder	Ness	Rest	Van Dellen
Battaglia	Dom	Jefferson	Limmer	Ólson, E.	Rhodes	Van Engen
Bauerly	Erhardt	Jennings	Lindner	Olson, K.	Rice	Vellenga
Bergson	Evans	Johnson, A.	Long	Olson, M.	Rodosovich	Vickerman
Bertram	Finseth	Johnson, R.	Lourey	Onnen	Rukavina	Wagenius
Bettermann	Frerichs	Johnson, V.	Luther	Opatz	Sarna	Waltman
Bishop	Garcia	Kalis	Lynch	Orenstein	Seagren	Weaver
Brown, C.	Girard	Kelley	Macklin	Orfield	Sekhon	Wejcman
Brown, K.	Goodno	Kelso	Mahon	Osthoff	Skoglund	Wenzel
Carlson	Greenfield	Kinke]	McGuire	Ostrom	Smith .	Winter
Carruthers	Greiling	Klinzing	Milbert	Ozment	Solberg	Wolf
Commers	Gruenes	Knickerbocker	Molnau	Pauly	Stanius	Worke
Cooper	Hasskamp	Knight	Morrison	Pawlenty	Steensma	Workman
Dauner	Haukoos	Koppendrayer	Mosel	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Hausman	Krinkie	Munger	Perlt	Swenson	
Dawkins	Holsten	Krueger	Murphy	Peterson	Tomassoni	

The bill was passed and its title agreed to.

#### UNANIMOUS CONSENT

Frerichs requested unanimous consent to offer a resolution. The request was granted.

Frerichs, Hugoson, Weaver, Abrams and Bettermann introduced:

House Resolution No. 9, A house resolution eulogizing Leonard Dickinson and commemorating his life and work.

#### SUSPENSION OF RULES

Frerichs moved that the rules be so far suspended that House Resolution No. 9 be now considered and be placed upon its adoption. The motion prevailed.

### HOUSE RESOLUTION NO. 9

A house resolution eulogizing Leonard Dickinson and commemorating his life and work.

Whereas, Leonard Dickinson was born in 1899 near Lake Julia in Beltrami County; and

Whereas, he began work at 17 as a cook in a logging camp and maintained his ties with the logging industry all his life, serving as president of the Dickinson Lumber Company in Bernidji; and

Whereas, Leonard Dickinson's legislative career, beginning in 1942 and ending with his retirement in 1968, covered 20 years - 16 in the House of Representatives and four in the Senate - and included a campaign for lieutenant governor; and

Whereas, he is remembered for helping to bring an airport to Bemidji, proposing to establish the Metropolitan Airports Commission, proposing and forwarding to Congress a bill recommending establishment of the St. Lawrence Seaway, and creating jobs through pipeline development projects, as well as for his sponsorship of numerous bills related to the timber industry; and Whereas, in 1986, Leonard Dickinson received the Behling-Erickson Award for his service to northwestern Minnesota; and

Whereas, Leonard Dickinson passed away on March 13, 1994, at the age of 95; Now, Therefore,

Be It Resolved by the House of Representatives of the State of Minnesota that it honors the memory of Leonard Dickinson and extends its sincere condolences to his family. In particular, the House of Representatives expresses its sympathy to Muffy Dickinson, daughter of Leonard Dickinson and House receptionist at the State Office Building's second floor.

Be It Further Resolved that the House of Representatives expresses its gratitude to Muffy Dickinson for her unfailing warmth and friendliness.

Be It Further Resolved that the Chief Clerk of the House of Representatives is directed to prepare a copy of this resolution, to be authenticated by his signature and that of the Speaker, and transmit it to Muffy Dickinson.

Frerichs moved that House Resolution No. 9 be now adopted. The motion prevailed and House Resolution No. 9 was adopted.

# MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1956, A bill for an act relating to local government; authorizing the public library systems of the county of Anoka and the city of Anoka to merge and the county to provide library services for the city.

H. F. No. 1955, A bill for an act relating to Wright county; permitting the transfer of a sheltered workshop facility to its operator without bids or consideration.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2073, 1692, 1766, 2260, 2274 and 2383.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1826, 1967, 2199, 2009, 2040, 1931 and 2197.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 2073, A bill for an act relating to taxation; making technical corrections and administrative changes; amending Minnesota Statutes 1992, sections 103B.245, subdivision 1; 103D.911, subdivision 2; 103D.915, subdivision 1; 115A.919, subdivision 3; 115A.921, subdivision 1; 115A.923, subdivision 1; 256.879, subdivisions 1 and 2; 270.12, subdivision 2; 272.025, subdivision 3; 273.111, subdivision 6; 273.13, subdivision 22; 273.134; 273.1399, subdivision 3;

### MONDAY, MARCH 21, 1994

275.065, subdivision 1; 278.05, subdivision 5; 279.37, subdivision 8; 282.01, subdivision 1; 282.014; 282.04, subdivision 2; 282.301; 289A.08, subdivision 7; 289A.25, subdivision 5; 290.17, subdivision 2; 290.371, subdivision 2; 290A.03, subdivision 5; 290A.05; 297.01, subdivision 14; 297.11, subdivision 5; 297A.021, subdivision 4; 297B.11; 297C.01, subdivision 5; 357.18, subdivision 2; 398.16; 398A.04, subdivision 8; 447.34, subdivision 2; 462.396, subdivision 2; 469.060, subdivision 6; 469.102, subdivision 5; 469.177, subdivision 9; 473.167, subdivision 3; 473.249, subdivision 1; 473.446, subdivision 1; 473.661, subdivision 2; 473.711, subdivision 2; 477A.011, subdivision 1b; 477A.0121, subdivision 4; 477A.0132, subdivision 3; 477A.014, subdivision 1; 477A.15; and 580.23, subdivision 3; Minnesota Statutes 1993 Supplement, sections 124.2131, subdivision 1; 270.96, subdivision 3; 272.02, subdivision 1; 272.12; 273.11, subdivision 13; 273.124, subdivisions 1 and 13; 273.1398, subdivisions 1 and 3; 273.166, subdivision 3; 275.065, subdivisions 3 and 6; 276.04, subdivision 2; 277.15; 278.04; 278.08; 290A.03, subdivisions 8 and 13; 290.091, subdivision 2; 297A.01, subdivision 3; 297A.07, subdivision 1; 298.28, subdivision 9a; 469.033, subdivision 6; 473.13, subdivision 1; and 477A.013, subdivision 8; Laws 1989, chapter 211, section 4, subdivision 2; Laws 1992, chapter 511, article 4, section 29; Laws 1993, chapter 375, article 2, section 37; proposing coding for new law in Minnesota Statutes, chapters 273 and 275; repealing Minnesota Statutes 1992, sections 16A.70; 16A.71; 115A.923, subdivision 6; and 273.22; Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 2a; Laws 1993, First Special Session chapter 1, article 2, section 6.

The bill was read for the first time.

Lasley moved that S. F. No. 2073 and H. F. No. 2255, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1692, A bill for an act relating to contracts; creating the public contractors' performance and payment bond act by amending existing provisions; amending Minnesota Statutes 1992, sections 574.26; 574.261; 574.262, subdivision 1; 574.263, by adding a subdivision; 574.264, subdivision 1; 574.27; 574.28; 574.29; 574.30; 574.31; and 574.32.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 1766, A bill for an act relating to attorneys; expanding remedies for the unauthorized practice of law; amending Minnesota Statutes 1992, section 481.02, subdivision 8.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2260, A bill for an act relating to public safety; making technical corrections; allowing special, coded license plates to be issued, following impoundment of former plates, to licensed driver identified by vehicle's registered owner; requiring department of public safety to keep records for five years of cancellations and disqualifications of drivers' licenses, unless rescinded; classifying offenses of following too closely and erratic lane change as serious traffic offenses for purposes of disqualifying driver from operating commercial motor vehicle; imposing a penalty for displaying invalid driver's license as being valid; requiring same waiting period for Minnesota limited driver's license whether offense was committed in Minnesota or in another state; amending Minnesota Statutes 1992, sections 168.042, subdivision 12; 171.12, subdivisions 1, 3, and 3a; 171.165, subdivision 4; and 260.151, subdivision 1; Minnesota Statutes 1993 Supplement, sections 171.22, subdivision 1; 171.29, subdivision 2; and 171.30, subdivision 2a.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

S. F. No. 2274, A bill for an act relating to Freeborn county; permitting the appointment of the recorder and auditor/treasurer; authorizing the reorganization of county offices.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 2383, A bill for an act relating to Koochiching county; permitting the appointment of the recorder; authorizing the reorganization of the office.

The bill was read for the first time.

Anderson, I., moved that S. F. No. 2383 and H. F. No. 2429, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1826, A bill for an act relating to metropolitan government; extending reporting and effective dates for radio systems planning by the metropolitan council; extending the moratorium on applications for 800 megahertz channels.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

S. F. No. 1967, A bill for an act relating to drivers' licenses; allowing commissioner of public safety to determine driver's test taken for license reinstatement; amending Minnesota Statutes 1992, section 171.29, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

S. F. No. 2199, A bill for an act relating to elections; codifying the congressional district plan adopted by the Minnesota special redistricting panel; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1992, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

S. F. No. 2009, A bill for an act relating to public safety; increasing membership of emergency response commission by one representative of emergency managers; amending Minnesota Statutes 1992, section 299K.03, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 2040, A bill for an act relating to family law; clarifying pension plan obligations; amending Minnesota Statutes 1992, section 518.581, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 1931, A bill for an act relating to health; making changes of a technical and housekeeping nature; modifying provisions relating to lead abatement enforcement; amending Minnesota Statutes 1992, sections 126A.02, subdivision 2; 144.0723, subdivisions 1, 2, 3, 4, and 6; 144.414, subdivision 3; 144.417, subdivision 1; and 144.878, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.651, subdivisions 21 and 26; 144.872, subdivision 4; 144.873, subdivision 1; 144.874, subdivisions 1 and 3a; 144.8771, subdivision 2; 144.878, subdivision 5; 144.99, subdivisions 1 and 6; 157.08; 253B.03, subdivisions 3 and 4; 326.71, subdivision 4; and 326.75, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1992, section 144.0723, subdivision 5; 144.8781, subdivisions 1, 2, 3, and 5; 157.082; and 157.09; Laws 1993, chapter 286, section 11; Laws 1993, First Special Session chapter 1, article 9, section 49.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 2197, A bill for an act relating to elections; codifying and recodifying the legislative district boundaries used for the 1992 election, with adjustments to avoid dividing the cities of Willernie and New Hope and simplify the division of Ham Lake; providing for distribution and correction of redistricting plans; amending Minnesota Statutes 1992, sections 2.031, subdivision 2; 2.043; 2.053; 2.063; 2.073; 2.083; 2.093, subdivision 2; 2.103; 2.113; 2.123; 2.133; 2.143; 2.153, subdivision 2; 2.163; 2.173; 2.183; 2.193; 2.203, subdivision 1; 2.213; 2.223; 2.233; 2.243; 2.253; 2.263; 2.273; 2.283; 2.293; 2.313; 2.323; 2.333; 2.343; 2.353; 2.363; 2.373; 2.383; 2.393; 2.403; 2.413; 2.433; 2.443; 2.453, subdivision 1; 2.463; 2.473, subdivision 2; 2.483, subdivision 2; 2.493; 2.503; 2.513, subdivision 1; 2.523; 2.533; 2.543, subdivision 1; 2.553; 2.563; 2.573; 2.583; 2.593, subdivision 2; 2.603; 2.613, subdivision 2; 2.623; 2.633, subdivision 2; 2.643; 2.653, subdivision 1; 2.663; 2.673; 2.683, subdivision 1; 2.693; and 2.703, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

# CONSENT CALENDAR

S. F. No. 1820, A bill for an act relating to counties; Olmsted; allowing the examiner of titles to be compensated as are examiners in counties of fewer than 75,000 population; amending Minnesota Statutes 1992, section 508.12, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Neary	Rest	Van Dellen
Anderson, R.	Delmont	Huntley	Leppik	Nelson	Rhodes	Van Engen
Asch	Dempsey	Jacobs	Lieder	Ness	Rice	Vellenga
Battaglia	Dorn	Jaros	Limmer	Olson, E.	Rodosovich	Vickerman
Bauerly	Erhardt	Jefferson	Lindner	Olson, K.	Rukavina	Wagenius
Beard	Evans	Jennings	Long	Olson, M.	Sama	Waltman
Bergson	Farrell	Johnson, A.	Lourey	Onnen	Seagren	Weaver
<sup>e</sup> Bertram	Finseth	Johnson, R.	Luther	Opatz	Sekhon	Wejcman
Bettermann	Frerichs	Johnson, V.	Lynch	Orenstein	Simoneau	Wenzel
Bishop	Garcia	Kahn	Macklin	Orfield	Skoglund	Winter
Brown, C.	Girard	Kalis	Mahon	Osthoff	Smith	Wolf
Brown, K.	Goodno	Kelley	Mariani	Ostrom	Solberg	Worke
Carlson	Greenfield	Kelso	McCollum	Ozment	Stanius	Workman
Carruthers	Greiling	Kinkel	McGuire	Pauly	Steensma	Spk. Anderson, I.
Clark	Gruenes	Klinzing	Milbert	· Pawlenty	Sviggum	-
Commers	Gutknecht	Knickerbocker	Molnau	Pelowski	Swenson	
Cooper	Hasskamp	Knight	Morrison	Perlt	Tomassoni	
Dauner	Haukoos	Koppendrayer	Mosel	Peterson	Tompkins	
Davids	Hausman	Krinkie	Munger	Pugh	Trimble	
Dawkins	Holsten	Krueger	Murphy	Reding	Tunheim	6

The bill was passed and its title agreed to.

H. F. No. 2035, A bill for an act relating to commerce; residential building contractors and remodelers; clarifying legislative intent to require maintenance of bonds until license renewal; requiring recovery fund fee proration in certain circumstances; amending Minnesota Statutes 1993 Supplement, section 326.975, subdivision 1.

The bill was read for the third 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	Clark	Frerichs	Jacobs	Knight	Mahon	Olson, K.
Anderson, R.	Commers	Garcia	Jaros	Koppendrayer	Mariani	Olson, M.
Asch	Cooper	Girard	Jefferson	Krinkie	McCollum	Onnen
Battaglia	Dauner	Goodno	Jennings	Krueger	McGuire	Opatz
Bauerly	Davids	Greenfield	Johnson, A.	Lasley	Milbert	Orenstein
Beard	Dawkins	Greiling	Johnson, R.	Leppik	Molnau	Orfield
Bergson	Dehler	Gruenes	Johnson, V.	Lieder	Morrison	Osthoff
Bertram	Delmont	Gutknecht	Kahn	Limmer	Mosel	Ostrom
Bettermann	Dempsey	Hasskamp	Kalis	Lindner	Munger	Ozment
Bishop	Dorn	Haukoos	Kelley	Long	Murphy	Pauly
Brown, C.	Erhardt	Hausman	Kelso	Lourey	Neary	Pawlenty
Brown, K.	Evans	Holsten	Kinkel	Luther	Nelson	Pelowski
Carlson	Farrell	Hugoson	Klinzing	Lynch	Ness	Perlt
Carruthers	Finseth	Huntley	Knickerbocker	Macklin	Olson, E.	Peterson

Pugh	Rukavina	Smith	Tomassoni	Vellenga	Wenzel	
Reding	Sarna	Solberg	Tompkins	Vickerman	Winter	
Rest	Seagren	Stanius	Trimble	Wagenius	Wolf	
Rhodes	Sekhon	Steensma	Tunheim	Waltman	Worke	
Rice	Simoneau	Sviggum	Van Dellen	Weaver	Workman	
Rodosovich	Skoglund	Swenson	Van Engen	Wejcman	Spk. Anderson, I.	
				•		•

The bill was passed and its title agreed to.

H. F. No. 2086, A bill for an act relating to local government; abandoning judicial ditch number 37 in Redwood and Lyon counties.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht	Hausman Holsten Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kalis Kelley Kelso Kinkel Klinzing Knickerbocker	Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon McCollum McCollum McGuire Milbert Molnau	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Ornen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty	Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma	Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weayer Wejcman Wenzel Winter Wolf Worke Workman

The bill was passed and its title agreed to.

H. F. No. 2562, A bill for an act relating to employment; modifying experience requirements for the labor and industry boiler inspection division chief; amending Minnesota Statutes 1992, section 183.375, subdivision 2.

The bill was read for the third 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	Brown, C.	Dehler	Girard	Hugoson	Kelley	Leppik	
Anderson, R.	Brown, K.	Delmont	Goodno	Huntley	Kelso	Lieder	
Asch	Carlson	Dempsey	Greenfield	Iacobs	Kinkel	Limmer	
Battaglia	Carruthers	Dorn	Greiling	Jaros	Klinzing	Lindner	
Bauerly	Clark	Erhardt	Gruenes	Jefferson	Knickerbocker	Long	
Beard	Commers	Evans	Gutknecht	Jennings	Knight	Lourev	
Bergson	Cooper	Farrell	Hasskamp	Johnson, A.	Koppendraver	Luther	
Bertram	Dauner	Finseth	Haukoos	Johnson, R.	Krinkie	Lynch	
Bettermann	Davids	Frerichs	Hausman	Johnson, V.	Krueger	Macklin	
Bishop	Dawkins	Garcia	Holsten	Kalis	Lasley	Mahon	

### MONDAY, MARCH 21, 1994

#### 74TH DAY]

McCollum	Nelson	Ostrom	Rest	Skoglund	Trimble	Wejcman
McGuire	Ness	Ozment	Rhodes	Smith	Tunheim	Wenzel
Milbert	Olson, E.	Pauly	Rice	Solberg	Van Dellen	Winter
Molnau	Olson, K.	Pawlenty	Rodosovich	Stanius	Van Engen	Wolf
Morrison	Olson, M.	Pelowski	Rukavina	Steensma	Vellenga	Worke
Mosel	Onnen	Perlt	Sarna	Sviggum	Vickerman	Workman
Munger	Opatz	Peterson	Seagren	Swenson	Wagenius	Spk. Anderson, I.

The bill was passed and its title agreed to.

H. F. No. 2679, A bill for an act relating to boilers and engines; modifying provisions relating to hobby boilers and show engines; amending Minnesota Statutes 1992, section 183.411, subdivision 2; repealing Minnesota Statutes 1992, section 183.411, subdivision 1a.

The bill was read for the third 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. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K.	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frenichs Garcia Girard	Hausman Holsten Hugoson Huntley Jacobs Jaros Jefférson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn	Koppendrayer Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch	Mosel Munger Murphy Neary Nelson Ness Olson, K. Olson, M. Onsen Opatz Orenstein Orfield	Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund	Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Wagenius Waltman Weaver Wejcman Wenzel
Bergson	Evans	Jefferson	Limmer	Olson, K.	Rukavina	Vickerman
		Jennings	Lindner	Olson, M.	Sarna	
Bettermann	Finseth	Johnson, A.	Long	Onnen	Seagren	Waltman
Bishop	Frerichs	Johnson, R.	- *	Opatz		
Brown, C.	Garcia	Johnson, V.	Luther	Orenstein	Simoneau	Wejcman
Brown, K.	Girard	Kahn	Lynch	Orfield	Skoglund	Wenzel
Carlson	Goodno	Kalis	Macklin	Ostrom	Smith	Winter
Carruthers	Greenfield	Kelley	Mahon	Ozment	Solberg	Wolf
Clark	Greiling	Kelso	McCollum	Pauly	Stanius	Worke
Commers	Gruenes	Kinkel	McGuire	Pawlenty	Steensma	Workman
Cooper	Gutknecht	Klinzing	Milbert	Pelowski	Sviggum	Spk. Anderson, I.
Dauner	Hasskamp	Knickerbocker	Molnau	Perlt	Swenson	
Davids	Haukoos	Knight	Morrison	Peterson	Tomassoni	

The bill was passed and its title agreed to.

# CALENDAR

H. F. No. 1880, A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution, for ratification by the states, specifying that Congress and the states shall have the power to prohibit the physical desecration of the flag of the United States.

The bill was read for the third 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 25 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Bertram	Brown, K.	Cooper	Delmont	Evans	Girard
Bauerly	Bettermann	Carlson	Dauner	Dempsey	Finseth	Goodno
Beard	Bishop	Carruthers	Davids	Dorn	Frerichs	Gruenes
Bergson	Brown, C.	Commers	Dehler	Erhardt	Garcia	Gutknecht

### JOURNAL OF THE HOUSE

#### [74TH DAY

Hasskamp	Kelso	Luther	Olson, E.	Pugh	Steensma	Wenzel
Haukoos	Kinkel	Lynch	Olson, M.	Reding	Sviggum	Winter
Holsten	Klinzing	Macklin	Onnen	Rest	Swenson	Wolf
Hugoson	Knickerbocker	Mahon	Opatz	Rhodes	Tomassoni	Worke
Jacobs	Knight	Milbert	Ostrom	Rodosovich	Tompkins	Workman
Jefferson	Koppendrayer	Molnau	Ozment	Sarna	Tunheim	Spk. Anderson, I.
Jennings	Krinkie	Morrison	Pauly	Seagren	Van Dellen	•
Johnson, A.	Krueger	Mosel	Pawlenty	Simoneau	Van Engen	
Johnson, R.	Lieder	Murphy	Pelowski	Smith	Vickerman	
Johnson, V.	Limmer	Nelson	Perlt	Solberg	Waltman	
Kalis	Lindner	Ness	Peterson	Stanius	Weaver	

Those who voted in the negative were:

	Battaglia Clark Dawkins Farrell	Greenfield Greiling Hausman Huntley	Jaros Kahn Kelley Long	Lourey McGuire Neary Olson, K.	Orenstein Orfield Osthoff Rukavina	Sekhon Skoglund Vellenga Wagenius	Wejcman
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The bill was passed and its title agreed to.

H. F. No. 1964, A bill for an act relating to insurance; solvency; regulating reinsurance, loss reserve certifications and annual audits, and annual statements; regulating certain guaranty association coverages; modifying the incorporation requirements of domestic mutuals; amending Minnesota Statutes 1992, sections 60A.092, subdivision 7; 60A.206, subdivision 6; 60C.02, subdivision 1; 62E.10, subdivision 2; and 66A.03; Minnesota Statutes 1993 Supplement, sections 60A.129, subdivisions 3, 5, and 7; 60A.13, subdivision 1; and 61B.19, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1992, sections 60A.80; 60A.801; and 60A.802.

The bill was read for the third time 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	Dawkins	Hausman	Koppendrayer	Mosel	Perlt	Tomassoni
Anderson, R.	Dehler	Holsten	Krinkie	Munger	Peterson	Tompkins
Asch	Delmont	Hugoson	Krueger	Murphy	Pugh	Trimble
Battaglia	Dempsey	Huntley	Lasley	Neary	Reding	Tunheim
Bauerly	Dorn	Jacobs	Leppik	Nelson	Rest	Van Dellen
Beard	Erhardt	Jaros	Lieder	Ness	Rhodes	Van Engen
Bergson	Evans	Jefferson	Limmer	Olson, E.	Rodosovich	Vellenga
Bertram	Farrell	Jennings	Lindner	Olson, K.	Rukavina	Vickerman
Bettermann	Finseth	Johnson, A.	Long	Olson, M.	Sarna	Wagenius
Bishop	Frerichs	Johnson, R.	Lourey	Onnen	Seagren	Waltman
Brown, C.	Garcia	Johnson, V.	Luther	Opatz	Sekhon	Weaver
Brown, K.	Girard	Kahn	Lynch	Orenstein	Simoneau	Wejcman
· Carlson	Goodno	Kalis	Macklin	Orfield	Skoglund	Wenzel
Carruthers	Greenfield	Kelley	Mahon	Osthoff	Smith	Winter
Clark	Greiling	Kelso	McCollum	Ostrom	Solberg	Wolf
Commers	Gruenes	Kinkel	McGuire '	Ozment	Stanius	Worke
Cooper	Gutknecht	Klinzing	Milbert	Pauly	Steensma	Workman
Dauner	Hasskamp	Knickerbocker	Molnau	Pawlenty	Sviggum	Spk. Anderson, I
Davids	Haukoos	Knight	Morrison	Pelowski	Swenson	•

The bill was passed and its title agreed to.

H. F. No. 423, A bill for an act relating to health; clean indoor air act; adding common areas of apartments to public places where smoking is prohibited; amending Minnesota Statutes 1992, section 144.413, 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 106 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Abrams	Dorn	Jennings	Limmer	Olson, E.	Rhodes	Van Engen
Asch	Erhardt	Johnson, A.	Lourey	Olson, K.	Rodosovich	Vellenga
Battaglia	Evans	Johnson, R.	Luther	Olson, M.	Rukavina	Vickerman
Bauerly	Garcia	Johnson, V.	Lynch	Onnen	Sarna	Wagenius
Beard	Goodno	Kahn	Macklin	Opatz	Seagren	Waltman
Bergson	Greenfield	Kalis	Mahon	Orenstein	Sekhon	Weaver
Bertram	Greiling	Kellev	McCollum	Orfield	Simoneau	Wejcman
Bettermann	Gruenes	Kelso	McGuire	Ostrom	Skoglund	Winter
Brown, C.	Gutknecht	Kinkel	Milbert	Ozment	Solberg	Workman
Brown, K.	Hasskamp	Klinzing	Molnau	Pauly	Stanius	Spk. Anderson, I.
Carlson	Haukoos	Knickerbocker	Morrison	Pawlenty	Steensma	-
Carruthers	Hausman	Knight	Mosel	Pelowski	Swenson	
Clark	Holsten	Krueger	Murphy	Perlt	Tomassoni	
Commers	Huntley	Lasley	Neary	Pugh	Trimble	
Dauner	Tacobs	Leppik	Nelson	Reding	Tunheim	
Dawkins	Jefferson	Lieder	Ness	Rest	Van Dellen	

Those who voted in the negative were:

Anderson, R	Delmont	Frerichs	Koppendrayer	Peterson	Wenzel
Cooper	Dempsey	Girard	Krinkie	Smith	Wolf
Cooper Davids	Farrell	Hugoson	Lindner	Sviggum	Worke
Dehler	Finseth	Jaros	Osthoff	Tompkins	

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. No. 1925.

H. F. No. 1925, A bill for an act relating to education; lowering the property tax revenue recognition shift; clarifying state aid payments; modifying the appeal process for school districts to revise the state-aid payment schedule; modifying the tax credit adjustment; amending Minnesota Statutes 1992, sections 121.904, subdivision 4e; and 124.195, subdivision 3a; Minnesota Statutes 1993 Supplement, section 121.904, subdivisions 4a and 4c; Laws 1993, chapter 224, article 1, section 38.

The bill was read for the third 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, K.	Cooper	Delmont	Farrell	Goodno
Anderson, R.	Bergson	Carlson	Dauner	Dempsey	Finseth	Greenfield
Asch	Bertram	Carruthers	Davids	Dorn	Frerichs	Greiling
Battaglia	Bettermann	Clark	Dawkins	Erhardt	Garcia	Gruenes
Bauerly	Bishop	Commers	Dehler	Evans	Girard	Gutknecht

### JOURNAL OF THE HOUSE

#### [74TH DAY

Hasskamp	Kalis	Lindner	Murphy	Pauly	Sekhon	Van Engen
Haukoos	Kelley	Long	Neary	Pawlenty	Simoneau	Vellenga
Hausman	Kelso	Lourey	Nelson	Pelowski	Skoglund	Vickerman
Holsten	Kinkel	Luther	Ness	Perlt	Smith	Wagenius
Hugoson	Klinzing	Lynch	Olson, E.	Peterson	Solberg	Waltman
Huntley	Knickerbocker	Macklin	Olson, K.	Pugh	Stanius	Weaver
Jacobs	Knight	Mahon	Olson, M.	Reding	Steensma	Weicman
Jaros	Koppendrayer	McCollum	Onnen	Rest	Sviggum	Wenzel
Jefferson	Krinkie	McGuire	Opatz	Rhodes	Swenson	Winter
Jennings	Krueger	Milbert	Orenstein	Rice	Tomassoni	Wolf
Johnson, A.	Lasley	Molnau	Orfield	Rodosovich	Tompkins	Worke
Johnson, R.	Leppik	Morrison	Osthoff	Rukavina	Trimble	Workman
Johnson, V.	Lieder	Mosel	Ostrom	Sama	Tunheim	Spk. Anderson, I.
Kahn	Limmer	Munger	Ozment	Seagren	Van Dellen	-

The bill was passed and its title agreed to.

### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Carruthers, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for today, Monday, March 21, 1994:

S. F. No. 1512; and H. F. Nos. 613, 1835, 1914 and 1934.

# SPECIAL ORDERS

S. F. No. 1512 was reported to the House.

The Speaker called Kahn to the Chair.

Olson, K., moved to amend S. F. No. 1512, the unofficial engrossment, as follows:

Page 2, delete section 2

Pages 11 to 12, delete sections 18 to 20

Pages 13 to 15, delete sections 22 to 25

Page 17, line 26, delete "(a)"

Page 17, delete lines 34 to 36

Page 18, delete lines 1 to 6

Renumber the sections in sequence and correct internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The Speaker resumed the Chair.

### MONDAY, MARCH 21, 1994

#### 74TH DAY]

The question was taken on the Olson, K., amendment and the roll was called. There were 33 yeas and 99 nays as follows:

Those who voted in the affirmative were:

Anderson, R. Bertram Brown, C. Brown, K.	Dauner Davids Dempsey Finseth	Goodno Gruenes Hugoson Jennings	Kalis Klinzing Koppendrayer Molnau	Olson, K. Olson, M. Onnen Ostrom	Rhodes Steensma Sviggum Swenson	Vickerman Waltman Winter
Cooper	Girard	Johnson, V.	Ness	Peterson	Tunheim	

Those who voted in the negative were:

Abrams	Dorn	Jefferson	Long	Nelson	Rodosovich	Vellenga
Asch	Erhardt	Johnson, A.	Lourey	Olson, E.	Rukavina	Wagenius
Battaglia	Evans	Johnson, R.	Luther	Opatz	Sama	Weaver
Bauerly	Farrell	Kelley	Lynch	Orenstein	Seagren	Wejcman
Beard	Frerichs	Kelso	Macklin	Orfield	Sekhon	Wenzel
Bergson	Garcia	Kinkel	Mahon	Osthoff	Simoneau	Wolf
Bettermann	Greenfield	Knickerbocker	Mariani	Ozment	Skoglund	Worke
Bishop	Greiling	Knight	McCollum	Pauly	Smith	Workman
Carlson	Gutknecht	Krinkie	McGuire	Pawlenty	Solberg	Spk. Anderson, I.
Carruthers	Haukoos	Krueger	Milbert	Pelowski	Stanius	•
Clark	Hausman	Lasley	Morrison	Perlt	Tomassoni	
Commers ·	Holsten	Leppik	Mosel	Pugh	Tompkins	
Dawkins	Huntley	Lieder	Munger	Reding	Trimble	
Dehler	Jacobs	Limmer	Murphy	Rest	Van Dellen	
Delmont	Jaros	Lindner	Neary	Rice	Van Engen	

The motion did not prevail and the amendment was not adopted.

Kelso moved to amend S. F. No. 1512, the unofficial engrossment, as follows:

Page 13, line 14, after "elections" insert "except school bond elections"

The motion prevailed and the amendment was adopted.

S. F. No. 1512, A bill for an act relating to elections; providing uniform local election procedures; requiring regular city elections to be held in the fall; permitting town elections to be held in November; making uniform certain local government procedures; providing for the identification of judicial offices; authorizing special elections to be conducted by mail ballot; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 204B.14, subdivision 8; 204B.36, subdivision 4; 205.02, subdivision 2; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 206.90, subdivision 6; 365.51, subdivisions 1 and 3; and 367.03; proposing coding for new law in Minnesota Statutes, chapter 204D; repealing Minnesota Statutes 1992, sections 205.065, subdivision 3; 205.18; 205.20; and 410.21.

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 112 yeas and 22 nays as follows:

Those who voted in the affirmative were:

Abrams	Beard	Bishop	Clark	Dawkins	Erhardt	Frerichs
Asch	Bergson	Brown, K.	Commers	Dehler	Evans	Garcia
Battaglia	Bertram	Carlson	Dauner	Delmont	Farrell	Greenfield
Bauerly	Bettermann	Carruthers	Davids	Dom	Finseth	Greiling

# JOURNAL OF THE HOUSE

[74TH DAY

Gutknecht	Johnson, V.	Lieder	Milbert	Osthoff	Sama	Van Engen
Hasskamp	Kahn	Limmer	Molnau	Ozment	Seagren	Vellenga
Haukoos	Kelley	Lindner	Morrison	Pauly	Sekhon	Wagenius
Hausman	Kelso	Long	Mosel	Pawlenty	Simoneau	Waltman
Holsten	Kinkel	Lourey	Munger	Pelowski	Skoglund	Weaver
Huntley	Klinzing	Luther	Murphy	Perlt	Smith	Wejcman
acobs	Knickerbocker	Lynch	Neary	Pugh	Solberg	Wenzel
aros	Knight	Macklin	Nelson	Reding	Stanius	Winter
efferson	Krinkie	Mahon	Olson, E.	Rest	Tomassoni	Wolf
ennings	Krueger	Mariani	Opatz	Rice	Tompkins	Worke
Johnson, A.	Lasley	McCollum	Orenstein	Rodosovich	Trimble	Workman
Johnson, R.	Leppik	McGuire	Orfield	Rukavina	Van Dellen	Spk. Anderson,

Those who voted in the negative were:

Anderson, R.	Girard	Kalis	Olson, M.	Rhodes	Tunheim
Brown, C.	Goodno	Koppendrayer	Onnen	Steensma	Vickerman
Cooper	Gruenes	Ness	Ostrom	Sviggum	
Dempsey	Hugoson	Olson, K.	Peterson	Swenson	

The bill was passed, as amended, and its title agreed to.

H. F. No. 613, A bill for an act relating to meetings of public bodies; changing exceptions and other conditions of the open meeting law; amending Minnesota Statutes 1992, sections 144.581, subdivision 5; and 471.705.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Pursuant to rule 2.05, Orenstein requested that he be excused from voting on the final passage of H. F. No. 613. The request was granted.

There were 126 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hausman	Knight	Morrison	Peterson	Tomassoni
Asch	Delmont	Holsten	Koppendrayer	Mosel	Pugh	Tompkins
Battaglia	Dempsey	Hugoson	Krueger	Munger	Reding	Trimble
Bauerly	Dom	Huntley	Leppik	Murphy	Rest	Tunheim
Beard	Erhardt	Jacobs	Lieder	Neary	Rhodes	Van Dellen
Bergson	Evans	Jaros	Limmer	Nelson	Rice	Van Engen
Bertram	Farrell	Jefferson	Lindner	Ness	Rodosovich	Vellenga
Bettermann	Finseth	Jennings	Long	Olson, E.	Rukavina	Vickerman
Bishop	Frerichs	Johnson, A.	Lourey	Olson, K.	Seagren	Wagenius
Brown, C.	Garcia	Johnson, R.	Luther	Olson, M.	Sekhon	Waltman
Brown, K.	Girard	Johnson, V.	Lynch	Opatz	Simoneau	Weaver
Carlson	Goodno	Kahn	Macklin	Orfield	Skoglund	Wejcman
Carruthers	Greenfield	Kalis	Mahon	Ostrom	Smith	Wenzel
Clark	Greiling	Kelley	Mariani	Ozment	Solberg	Winter
Commers	Gruenes	Kelso	McCollum	Pauly	Stanius	Wolf
Cooper	Gutknecht	Kinkel	McGuire	Pawlenty	Steensma	Worke
Dauner	Hasskamp	Klinzing	Milbert	Pelowski	Sviggum	Workman
Dawkins	Haukoos	Knickerbocker	Molnau	Perlt	Swenson	Spk. Anderson, I.

Those who voted in the negative were:

Anderson, R.	Davids	Krinkie	Lasley	Onnen	Sarna	-

The bill was passed and its title agreed to.

H. F. No. 1835 was reported to the House.

Tunheim moved to amend H. F. No. 1835, the first engrossment, as follows:

Page 1, line 10, delete "and" and insert "in consultation with"

Page 2, line 2, after "<u>Ontario</u>" insert "<u>border</u>" and before the period insert "<u>unless Ontario is equally restrictive on</u> <u>Ontario-based anglers on the same border waters</u>"

The motion prevailed and the amendment was adopted.

Tunheim moved to amend H. F. No. 1835, the first engrossment, as amended, as follows:

Page 1, line 24, after "Ontario" insert "by a Minnesota resident"

The motion prevailed and the amendment was adopted.

Delmont was excused for the remainder of today's session.

H. F. No. 1835, A bill for an act relating to game and fish; agreements on taking and possession of fish taken from Ontario boundary waters; amending Minnesota Statutes 1993 Supplement, section 97A.531, 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 84 yeas and 46 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dauner	Jacobs	Lieder	Murphy	Pelowski	Simoneau
Asch	Davids	Jaros	Limmer	Neary	Perlt	Skoglund
Bauerly	Dawkins	Jefferson	Lindner	Nelson	Peterson	Solberg
Beard	Dorn	Johnson, A.	Lourey	Ness	Pugh	Tomassoni
Bergson	Evans	Kahn	Luther	Olson, E.	Reding	Tompkins
Bertram	Farrell	Kalis	Mahon	Olson, K.	Rest	Trimble
Brown, C.	Finseth	Kelley	Mariani	Olson, M.	Rhodes	Tunheim
Brown, K	Garcia	Kelso	McCollum	Opatz	Rice	Vellenga
Carlson	Greenfield	Kinkel	McGuire	Orenstein	Rodosovich	Wagenius
Carruthers	Hasskamp	Klinzing	Milbert	Orfield	Rukavina	Wenzel
Clark	Holsten	Krueger	Mosel	Ostrom	Sarna	Winter
Cooper	Huntley	Lasley	Munger	Pauly	Seagren	Spk. Anderson, I.

Those who voted in the negative were:

Abrams Battaglia	Frerichs Girard	Jennings Johnson, R.	Leppik Long	Osthoff Ozment	Sviggum . Swenson	Wejcman Wolf
Bettermann	Goodno	Johnson, V.	Lynch	Pawlenty	Van Dellen	Worke
Commers	Gruenes	Knickerbocker	Macklin	Sekhon	Van Engen	Workman
Dehler	Gutknecht	Knight	Molnau .	Smith	Vickerman	
Dempsey	Haukoos	Koppendrayer	Morrison	Stanius	Waltman	
Erhardt	Hugoson	Krinkie	Onnen	Steensma	Weaver	

The bill was passed, as amended, and its title agreed to.

H. F. No. 1914 was reported to the House.

### Jennings moved to amend H. F. No. 1914 as follows:

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1992, section 51A.58, is amended to read:

#### 51A.58 [INTERSTATE BRANCHING.]

An association, whether or not the subsidiary of a savings and loan holding company, may, by acquisition, merger, purchase and assumption of some or all of the assets and liabilities, or consolidation, establish or operate branch offices in any reciprocating state, and a savings and loan association chartered in any reciprocating state may establish or operate branch offices in this state by acquisition, merger, purchase, and assumption of some or all of the assets or liabilities or consolidation. A savings and loan holding company with its headquarters in this state may acquire by direct or indirect ownership or control the voting shares of a savings and loan holding company, savings and loan association, or savings bank located in any reciprocating state, and a savings and loan holding company with its headquarters in a reciprocating state, may acquire by direct or indirect ownership or control the voting shares of a savings and loan holding company, savings and loan association, or savings bank located in any reciprocating state, and a savings and loan holding company with its headquarters in a reciprocating state, may acquire by direct or indirect ownership or control the voting shares of a savings and loan holding company, a savings and loan association, or savings bank located in this state, and may acquire and merge with a savings and loan holding company with its headquarters in this state. For the purposes of this section, "reciprocating state" is<del>: (1)</del> a state that authorizes the establishment of branch offices in that state by an association located in this state, and the acquisition of savings and loan associations and savings banks located in that state by a savings and loan holding company with its headquarters in this state, under conditions no more restrictive than those imposed by the laws of Minnesota as determined by the commissioner of commerce<del>; and (2) limited to the states specifically enumerated as reciprocating states in section 48.92, subdivision 7</del>.

The commissioner of commerce shall adopt rules to provide that procedural requirements equivalent to those contained in sections 48.90 to 48.991 apply to reciprocal interstate branching and acquisitions by savings and loan associations."

Page 1, line 20, delete "2" and insert "3"

Page 1, line 21, delete "Section 1 is" and insert "Sections 1 and 2 are"

Dauner

Davids

Dehler

Dom

Evans

Farrell

Finseth

Dempsey

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "reciprocal interstate savings and loan acquisitions and branching;"

Page 1, line 6, delete "section" and insert "sections" and before the period, insert "; 51A.58"

The motion prevailed and the amendment was adopted.

H. F. No. 1914, A bill for an act relating to financial institutions; reciprocal interstate banking; reciprocal interstate savings and loan acquisitions and branching; removing the geographical limitation contained in the definition of reciprocating state; amending Minnesota Statutes 1992, sections 48.92, subdivision 7; 51A.58.

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 7 nays as follows:

Those who voted in the affirmative were:

Abrams
Asch
Battaglia
Bauerly
Beard
Bergson
Bertram
Bettermann

Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman Holsten Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Lasley Leppik

#### MONDAY, MARCH 21, 1994

### 74TH DAY]

Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani	McCollum McGuire Milbert Molnau Morrison Mosel Munger Murphy Neary Nelson	Ness Olson, E. Olson, K. Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly	Pawlenty Pelowski Perlt Peterson Pugh Reding Rest Rhodes Rodosovich Sarna	Seagren Sekhon Skoglund Smith Solberg Stanius Stanius Steensma Sviggum Swenson Tomassoni	Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman	Wenzel Winter Wolf Worke Workman Spk. Anderson, I.
Those who	o voted in the ne	gative were:				• • •
Anderson, R.	Dawkins	Krueger	Olson, M.	Onnen	Rice	Rukavina

The bill was passed, as amended, and its title agreed to.

H. F. No. 1934, A bill for an act relating to corporations; modifying provisions for the organization and operation of business corporations; amending Minnesota Statutes 1992, sections 302A.135, subdivision 4; 302A.405, subdivision 1; 302A.471, subdivision 1; 302A.661, subdivision 1; 302A.725, subdivision 3; and 302A.751, subdivisions 1, 2, and 3a; Minnesota Statutes 1993 Supplement, sections 302A.401, subdivision 1; 302A.435, subdivision 1; and 302A.673, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krinkie	Mosel	Perlt	Swenson
Anderson, R.	Dehler	Hugoson	Krueger	Munger	Peterson	Tomassoni
Asch	Dempsey	Huntley	Lasley	Murphy	Pugh	Tompkins
Battaglia	Dorn	Jacobs	Leppik	Neary	Reding	Trimble
Bauerly	Erhardt	laros	Lieder	Nelson	Rest	Tunheim
Beard	Evans	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Bergson	Farrell	Jennings	Lindner	Olson, E.	Rice	Van Engen
Bertram	Finseth	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bettermann	Frerichs	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bishop	Garcia	Johnson, V.	Luther	Onnen	Sarna	Wagenius
Brown, C.	Girard	Kahn	Lynch	Opatz	Seagren	Waltman
Brown, K.	Goodno	Kalis	Macklin	Orenstein	Sekhon	Weaver
Carlson	Greenfield	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carruthers	Greiling	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Clark	Gruenes	Kinkel	McCollum	Ostrom	Smith	Winter
Commers	Gutknecht	Klinzing	McGuire	Ozment	Solberg	Wolf
Cooper	Hasskamp	Knickerbocker	Milbert	Pauly	Stanius	Worke
Dauner	Haukoos	Knight	Molnau	Pawlenty	Steensma	Workman
Davids	Hausman	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.

The bill was passed and its title agreed to.

# **GENERAL ORDERS**

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Anderson, I., in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### JOURNAL OF THE HOUSE

### **REPORT OF THE COMMITTEE OF THE WHOLE**

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 2142 was recommended to pass.

H. F. No. 2099 was recommended for progress.

S. F. No. 1691 was recommended for progress.

H. F. No. 1966 which it recommended to pass with the following amendment offered by Peterson:

Page 1, lines 17 and 18, delete "in direct response to" and insert "authorized by"

On the motion of Carruthers the report of the Committee of the Whole was adopted.

# MOTIONS AND RESOLUTIONS

Long moved that her name be stricken as an author on H. F. No. 392. The motion prevailed.

Workman moved that the name of Hugoson be added as an author on H. F. No. 1079. The motion prevailed.

Swenson moved that the name of Perlt be added as an author on H. F. No. 2114. The motion prevailed.

Lasley moved that the name of Abrams be added as an author on H. F. No. 2287. The motion prevailed.

Molnau moved that her name be stricken as an author on H. F. No. 2289. The motion prevailed.

Rukavina moved that the name of Lourey be added as an author on H. F. No. 2410. The motion prevailed.

Simoneau moved that the name of Lourey be added as an author on H. F. No. 2480. The motion prevailed.

Pugh moved that the name of McGuire be added as an author on H. F. No. 2642. The motion prevailed.

McGuire moved that the name of Clark be added as an author on H. F. No. 2851. The motion prevailed.

Onnen moved that the name of Smith be added as an author on H. F. No. 2858. The motion prevailed.

Krueger moved that the name of Rest be added as an author on H. F. No. 2934. The motion prevailed.

Vellenga moved that the name of Skoglund be added as an author on H. F. No. 2939. The motion prevailed.

Luther moved that her name be stricken as an author on H. F. No. 2940. The motion prevailed.

Murphy moved that the name of Clark be added as an author on H. F. No. 2962. 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, March 3, 1994, when the vote was taken on the Greiling amendment to H. F. No. 1863, the first engrossment, as amended." The motion prevailed.

Bauerly moved that the following statement be printed in the Journal of the House: "Had I been present, it was my intention to vote in the affirmative on Thursday, March 3, 1994, when the vote was taken on the passage of H. F. No. 1863, the first engrossment, as amended." 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 affirmative on Monday, March 7, 1994, when the vote was taken on the motion to recommend passage of H. F. No. 228." The motion prevailed.

#### MONDAY, MARCH 21, 1994

Pauly moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Thursday, March 10, 1994, when the vote was taken on the final passage of H. F. No. 228." The motion prevailed.

Van Dellen moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Thursday, March 10, 1994, when the vote was taken on the final passage of H. F. No. 1890." The motion prevailed.

Van Dellen moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Thursday, March 10, 1994, when the vote was taken on the final passage of H. F. No. 1955." 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 affirmative on Monday, March 14, 1994, when the vote was taken on the final passage of H. F. No. 1788." The motion prevailed.

Kelley moved that the following statement be printed in the Journal of the House: "Had I been present, it was my intention to vote in the affirmative on Thursday, March 17, 1994, when the vote was taken on the repassage of H. F. No. 1863, as amended by the Senate." The motion prevailed.

Lourey moved that H. F. No. 1316 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Ways and Means. The motion prevailed.

Simoneau moved that H. F. No. 2642 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Battaglia moved that H. F. No. 2657, now on General Orders, be re-referred to the Committee on Environment and Natural Resources Finance. The motion prevailed.

Greenfield moved that H. F. No. 2855 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Carruthers moved that H. F. No. 2860 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.

Brown, K., moved that H. F. No. 2425 be returned to its author. The motion prevailed.

Gutknecht moved that H. F. No. 2548 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Tuesday, March 22, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# [74TH DAY

### STATE OF MINNESOTA

### SEVENTY-EIGHTH SESSION — 1994

# SEVENTY-FIFTH DAY

### SAINT PAUL, MINNESOTA, TUESDAY, MARCH 22, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Senator Pat Piper, District 27, Austin, Minnesota.

The roll was called and the following members were present:

		1	
Abrams	Dehler	Hugoson	Lasley
Anderson, R.	Dempsey	Huntley	Leppik
Asch	Dorn	Jacobs	Lieder
Battaglia	Erhardt	Jaros	Limmer
Bauerly	Evans	Jefferson	Lindner
Beard	Farrell	Jennings	Long
Bergson	Finseth	Johnson, A.	Lourey
Bertram	Frerichs	Johnson, R.	Luther
Bettermann	Garcia	Johnson, V.	Lynch
Bishop	Girard	Kahn	Macklin
Brown, C.	Goodno	Kalis	Mahon
Brown, K.	Greenfield	Kelso	Mariani
Carlson	Greiling	Kinkel	McCollum
Carruthers	Gruenes	Klinzing	McGuire
Clark	Gutknecht	Knickerbocker	Milbert
Commers	Hasskamp	Knight	Molnau
' <b>a</b>	'		

Koppendrayer

Krinkie

Krueger

Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlentv Pelowski Perlt Peterson

Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni

Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

#### A quorum was present.

Cooper

Dauner

Davids

Delmont and Kelley were excused.

Haukoos

Hausman

Holsten

Dawkins was excused until 2:45 p.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.

Morrison

Mosel

Munger

#### **REPORTS OF CHIEF CLERK**

S. F. No. 2073 and H. F. No. 2255, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Lasley moved that the rules be so far suspended that S. F. No. 2073 be substituted for H. F. No. 2255 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2383 and H. F. No. 2429, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Anderson, I., moved that S. F. No. 2383 be substituted for H. F. No. 2429 and that the House File be indefinitely postponed. The motion prevailed.

# **REPORTS OF STANDING COMMITTEES**

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 1847, A bill for an act relating to alternative energy; providing a consumer rebate for the purchase of residential low-emission wood or biomass combustion devices; providing for rulemaking by the Minnesota pollution control agency and the department of public service; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

Reported the same back with the following amendments:

Page 1, line 16, after "pellets" insert "other than refuse-derived fuel as defined in section 116.90, subdivision 1,"

Page 1, line 27, after "biomass" insert "other than refuse-derived fuel as defined in section 116.90, subdivision 1,"

Page 3, line 1, after "devices" insert "and fuel pellets used as fuel in the devices"

Page 3, line 2, after the period, insert "From the effective date of this section until permanent rules are adopted by the commissioner, the test methods to be used for calculating particulate emissions and air-fuel ratios are Method 28 and Method 28A adopted by the United States Environmental Protection Agency in Code of Federal Regulations, title 40, part 60, appendix A."

Page 3, after line 2, insert:

"Sec. 2. [216C.391] [WOOD OR BIOMASS FUEL PELLETS; CONTAMINANTS.]

No person shall knowingly manufacture, sell, offer for sale, or distribute wood or biomass fuel pellets for use in a low-emission wood or biomass combustion device if the pellets contain refuse-derived fuel or biomass material contaminated with preservatives, fungicides, pesticides, adhesives, wastes from a manufacturing process, or other contaminants determined by the pollution control agency. A person who violates this section is subject to the criminal, civil, and administrative enforcement provisions of section 115.071."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "prohibiting the sale of contaminated pellets; providing penalties;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2057, A bill for an act relating to partition fences; requiring the department of natural resources and other state agencies to share in the expense of partition fences; amending Minnesota Statutes 1992, section 344.03, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 344.03, subdivision 1, is amended to read:

Subdivision 1. [ADJOINING OWNERS.] If all or a part of adjoining Minnesota land is improved and used, and one or both of the owners of the land desires the land to be partly or totally fenced, the land owners or occupants shall build and maintain a partition fence between their lands in equal shares. The requirement in this section and the procedures in this chapter apply to the department of natural resources when it owns land adjoining privately owned land subject to this section and chapter and the landowner desires the land permanently fenced for the purpose of restraining livestock."

Amend the title as follows:

Page 1, line 3, delete "and other state agencies"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2058, A bill for an act relating to human services; removing the expiration date for the ombudsman committee for mental health and retardation; amending Minnesota Statutes 1993 Supplement, section 245.97, subdivision 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2080, A bill for an act relating to agriculture; providing for uniformity of certain food laws with federal regulations; amending Minnesota Statutes 1992, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2135, A bill for an act relating to manufactured home parks; prohibiting manufactured home parks from prohibiting senior citizens from keeping pet dogs, cats, and birds on the park premises; amending Minnesota Statutes 1992, section 327.27, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Commerce and Economic Development.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2150, A bill for an act relating to telecommunications; appropriating money to facilitate public sector regional telecommunications systems statewide; including matching funds for pilot project development in the central Minnesota region.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2158, A bill for an act relating to pollution; requiring that cities and counties adopt ordinances complying with pollution control agency rules regarding individual sewage treatment systems; requiring the agency to license sewage treatment professionals; requiring rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the following amendments:

Page 1, line 27, before the period, insert "or with local government ordinances under subdivision 2".

Page 2, line 10, before "LOCAL" insert "AGENCY RULES;" and delete "REQUIRED"

Page 2, after line 15, insert:

"(c) The agency's individual sewage treatment rules must include at least the following:

(1) how the agency will ensure compliance under paragraph (a);

(2) how cities and counties will adopt and enforce ordinances under paragraph (a), including requirements for permits and inspection programs;

(3) how the advisory committee on individual sewage treatment systems established under Minnesota Rules, part 7080.0100, will participate in review and implementation of the rules;

(4) provisions for alternative systems;

(5) provisions for handling effluents;

(6) provisions for system abandonment; and

(7) variance procedures.

(d) The agency shall consult with the advisory committee before adopting rules."

Page 3, line 24, after "in" insert "chapter 145A and"

Page 4, line 2, after the period, insert "The rules must include but are not limited to:

(1) training requirements that include both classroom and fieldwork components;

(2) examination content requirements and testing procedures;

(3) continuing education requirements;

(4) equivalent experience provisions;

(5) bonding and insurance requirements;

(6) schedules for submitting fees; and

(7) license revocation and suspension and other enforcement requirements."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce and Economic Development.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2191, A bill for an act relating to water; creating programs to provide financial assistance to address nonpoint source water pollution in the departments of agriculture and trade and economic development and the pollution control agency; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; requiring rulemaking; providing for certain exemptions from rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, 10, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 17; 116; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd. 6a.</u> [AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.] <u>Data collected by the</u> <u>commissioner on applicants or borrowers for the agriculture best management practices loan program are governed</u> <u>by section 17.117.</u>

Sec. 2. [17.117] [AGRICULTURE BEST MANAGEMENT PRACTICES LOAN PROGRAM.]

<u>Subdivision 1.</u> [PURPOSE.] The purpose of the agriculture best management practices loan program is to provide low- or no-interest financing to farmers, agriculture supply businesses, and rural landowners for the implementation of agriculture best management practices.

Subd. 2. [AUTHORITY.] The commissioner may establish, adopt rules for, and implement a program to work with local units of government, federal authorities, lending institutions, and other appropriate organizations to provide loans to landowners and businesses for facilities, fixtures, equipment, or other sustainable practices that prevent or mitigate sources of nonpoint source water pollution. The commissioner may establish pilot projects to develop procedures for implementing the program. The commissioner shall develop administrative guidelines to implement the pilot projects specifying criteria, standards, and procedures for making loans.

Subd. 3. [APPROPRIATION.] Funds from the water pollution control revolving fund in section 446A.07 provided by the public facilities authority shall be appropriated to the commissioner for the establishment of this program.

Subd. 4. [DEFINITIONS.] (a) For the purposes of this section, the terms defined in this subdivision have the meanings given them.

(b) "Applicant" means a county or the designee of the county applying on behalf of a county. Applicant may mean a soil and water conservation district or an organization formed for the joint exercise of power.

(c) "Authority" means the Minnesota public facilities authority as established in section 446A.03.

(d) "Best management practices" has the meaning given in sections 103F.711, subdivision 3, and 103H.151, subdivision 2.

(e) "Borrower" means an individual farmer, an agriculture supply business, or rural landowner applying for a low-interest loan.

(f) "Chair" means the chair of the board of water and soil resources or the designee of the chair.

(g) "Commissioner" means the commissioner of agriculture or the designee of the commissioner.

(h) "Comprehensive water management plan" means a state approved and locally adopted plan authorized under section 103B.231, 103B.255, 103B.311, 103C.331, 103D.401, or 103D.405.

(i) "County allocation request" means a loan allocation request from an applicant to implement agriculturally related best management practices defined in paragraph (d).

(j) "Lender agreement" means an agreement entered into between the commissioner and a local lender. The agreement will contain terms and conditions of the loan that will include, but need not be limited to, general loan provisions, loan management requirements, application of payments, loan term limits, allowable expenses, and fee limitations.

(k) "Local government unit" means a county, soil and water conservation district, or an organization formed for the joint exercise of powers under section 471.59.

(1) "Local lender" means a local government unit as defined in paragraph (k), a state or federally chartered bank, a savings and loan association, or Farm Credit Services.

(m) "Nonpoint source" has the meaning given in section 103F.711, subdivision 6.

<u>Subd. 5.</u> [USES OF FUNDS.] <u>Use of funds under this section must be in compliance with the federal Water</u> <u>Pollution Control Act, section 446A.07, and eligible activities listed in the intended use plan authorized in</u> <u>section 446A.07, subdivision 4.</u>

<u>Subd. 6.</u> [APPLICATION.] (a) The commissioner must prescribe forms and establish an application process for applicants to apply for a county allocation request. The application must include but need not be limited to: (1) the geographic area served; (2) the type and estimated cost of activities or projects for which they are seeking a loan allocation; (3) a ranking of proposed activities or projects; and (4) the designation of the local lender and lending practices the applicant intends to use to issue the loans to the borrowers.

(b) In an area of the state where a county allocation request has not been requested or has been rejected, application forms must be available for a borrower to apply directly to the commissioner for a loan under this program.

(c) If a county allocation request is rejected, the applicant must be notified in writing as to the reasons for the rejection and given 30 days to submit a revised application. The revised application shall be reviewed according to the same procedure used to review the initial application.

<u>Subd. 7.</u> [PAYMENTS.] <u>Payments made from the water pollution control revolving fund must be made in accordance with applicable state and federal laws and rules governing the payments.</u>

<u>Subd.</u> 8. [APPLICANT; BORROWERS.] (a) <u>A county may submit a county allocation request as defined in subdivision 4, paragraph (i). A county or a group of counties may designate another local government unit as defined in subdivision 4, paragraph (k), to submit a county allocation request.</u>

(b) If a county does not submit a county allocation request, and does not designate another local government unit, a soil and water conservation district may submit a county allocation request. In all instances, there may be only one request from a county. The applicant must coordinate and submit requests on behalf of other units of government within the geographic jurisdiction of the applicant.

(c) Borrowers may apply directly to the commissioner if the commissioner does not receive or approve a county allocation request from the county, designated local government unit, or soil and water conservation district in which the proposed activities would be carried out.

<u>Subd. 9.</u> [REVIEW AND RANKING OF ALLOCATION REQUESTS.] (a) <u>The commissioner shall chair the</u> subcommittee established in section 103F.761 for purposes of reviewing and ranking county allocation requests. The rankings must be in order of priority and shall provide financial assistance within the limits of the funds available. In carrying out the review and ranking, the subcommittee must consist of, at a minimum, the chair, representatives of the pollution control agency, United States Department of Agriculture Agricultural Stabilization and Conservation Service, United States Department of Agriculture Soil Conservation Service, Association of Minnesota Counties, and other agencies or associations as the commissioner, the chair, and agency determine are appropriate. The review and ranking shall take into consideration other related state or federal programs.

(b) The subcommittee shall use the criteria listed below in carrying out the review and ranking:

(1) whether the proposed activities are identified in a comprehensive water management plan as priorities;

(2) the potential that the proposed activities have for improving or protecting surface and groundwater quality;

(3) the extent that the proposed activities support areawide or multijurisdictional approaches to protecting water quality based on defined watershed;

(4) whether the activities are needed for compliance with existing water related laws or rules;

(5) whether the proposed activities demonstrate participation, coordination, and cooperation between local units of government and other public agencies;

(6) whether there is coordination with other public and private funding sources and programs; and

(7) whether there are off-site public benefits such as preventing downstream degradation and siltation.

<u>Subd. 10.</u> [BORROWER ELIGIBILITY; TERMS; REPAYMENT.] (a) Local lenders shall use the following criteria in addition to other criteria they deem necessary in determining the eligibility of borrowers for loans:

(1) whether the activity is certified by a local unit of government as meeting priority needs identified in a comprehensive water management plan and is in compliance with accepted standards, specifications, or criteria;

(2) whether the activity is certified as eligible under Environmental Protection Agency or other applicable guidelines; and

(3) whether the repayment is assured from the borrower.

(b) Local lenders shall set the terms and conditions of loans. In all instances, local lenders must provide for sufficient collateral or protection for the loan principal. They are responsible for collecting repayments by borrowers. For direct loans, the borrower must provide sufficient collateral and repay the loan according to a mutually prearranged schedule with the commissioner.

(c) A local lender is responsible for repaying the principal of a loan to the commissioner. The terms of repayment will be identified in the lender agreement. If defaults occur, it is the responsibility of the local lender to obtain repayment from the borrower.

Subd. 11. [DATA PRIVACY.] The following data on applicants or borrowers collected by the commissioner under this section, are private for data on individuals as provided in section 13.02, subdivision 12, or nonpublic for data not on individuals as provided in section 13.02, subdivision 9: financial information, including, but not limited to, credit reports, financial statements, tax returns and net worth calculations received or prepared by the commissioner.

<u>Subd. 12.</u> [ESTABLISHMENT OF ACCOUNT.] The authority shall establish an account called the agriculture best management practices revolving fund to provide loans and other forms of financial assistance authorized under section 446A.07. The fund must be credited with repayments.

<u>Subd. 13.</u> [FEES; LOAN SERVICES.] <u>Origination fees charged directly to borrowers by local lenders upon executing</u> <u>a loan shall not exceed one-half of one percent of the loan amount. Servicing fees assessed to loan repayments must</u> <u>not exceed two percent interest on outstanding principal amounts if the local lender is a local government unit, or</u> <u>three percent interest on outstanding principal amounts if the local lender is a state or federally chartered bank,</u> savings and loan association, or an entity of Farm Credit Services. Subd. 14. [REPORT.] (a) The commissioner and chair shall prepare and submit a report to the legislative water commission by October 15, 1994, and October 15, 1995. thereafter, the report shall be submitted by October 15 of each odd-numbered year.

(b) The report shall include, but need not be limited to, matters such as loan allocations and uses, the extent to which the financial assistance is helping implement local water planning priorities, the integration or coordination that has occurred with related programs, and other matters deemed pertinent to the implementation of the program.

### Sec. 3. [17.118] [FEEDLOT AND MANURE MANAGEMENT ADVISORY COMMITTEE.]

(a) The commissioner of agriculture and the commissioner of the pollution control agency shall establish a feedlot and manure management advisory committee to identify needs, goals, and suggest policies for research, monitoring, and regulatory activities regarding feedlot and manure management.

(b) The committee must include representation from beef, dairy, pork, turkey, chicken, and egg producer organizations. The committee shall not exceed 15 members, but must include representatives from at least three environmental organizations, eight livestock producers, and four experts in soil and water science, nutrient management, and animal husbandry. In addition, the department of agriculture, the pollution control agency, the board of water and soil resources, the United States Department of Agriculture Soil Conservation Service, and the United States Department of Agriculture States Department of States States Department of States States

(c) The advisory committee shall be chaired by one of the livestock producers on the committee selected by the livestock producers on the committee. The department and the agency shall provide staff support to the committee.

(d) The commissioner of agriculture and the commissioner of the pollution control agency shall consult with the advisory committee during the development of any policies, rules, or funding proposals or recommendations relating to feedlots or feedlot-related manure management.

(e) The commissioner of agriculture shall consult with the advisory committee on establishing a list of manure management research needs and priorities.

(f) The advisory committee shall advise the commissioners on other matters as deemed appropriate.

(g) Nongovernment members of the advisory committee shall not receive per diem but may receive reimbursement for actual expenses, in accordance with section 15.059, subdivision 6. The advisory committee expires on June 30, 1997.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to agriculture; establishing the agriculture best management practices loan program; establishing a feedlot and manure management advisory committee; appropriating money; amending Minnesota Statutes 1992, section 13.99, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2248, A bill for an act relating to agriculture; changing certain pesticide posting requirements; amending Minnesota Statutes 1992, section 18B.07, subdivision 3.

5335

Reported the same back with the following amendments:

Page 1, line 8, reinstate the stricken "(a)"

Page 1, line 13, after the stricken period, insert "<u>All fields receiving applications of pesticide(s) bearing the label</u> statement "Notify workers of the application by warning them orally and by posting signs at entrances to treated areas" must be posted in accordance with labeling and rules adopted under this chapter."

Page 1, line 14, reinstate the stricken "(b)"

Page 1, after line 17, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day after final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2314, A bill for an act relating to waste reduction; amending various statutes to be consistent with recent law relating to distribution of reports and materials to legislators; amending Minnesota Statutes 1992, sections 144.672, subdivision 2; 144.70, subdivision 1; 458A.08; and 473.445, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2373, A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders and the payment and refund of checkoff fees; amending Minnesota Statutes 1992, sections 17.53, subdivisions 2, 8, and 13; 17.59, subdivision 2; and 17.63.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2432, A bill for an act relating to taxation; income; providing for a subtraction from federal taxable income; amending Minnesota Statutes 1992, section 290.01, subdivision 19b.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2435, A bill for an act relating to animals; changing procedures concerning certain abandoned animals; amending Minnesota Statutes 1992, section 346.37, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2525, A bill for an act relating to health; MinnesotaCare; establishing and regulating community integrated service networks; defining terms; creating a reinsurance and risk adjustment association; classifying data; requiring reports; mandating studies; modifying provisions relating to the regulated all-payer option; requiring administrative rulemaking; setting timelines and requiring plans for implementation; designating essential community providers; establishing an expedited fact finding and dispute resolution process; requiring proposed legislation; establishing task forces; providing for demonstration models; mandating universal coverage; requiring insurance reforms; providing grant programs; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center for health care electronic data interchange; providing standards for the Minnesota health care identification card; appropriating money; providing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivision 1; 62A.303; 62D.04, by adding a subdivision; 62E.02, subdivisions 10, 18, 20, and 23; 62E.10, subdivisions 1, 2, and 3; 62E.141; 62E.16; 62J.03, by adding a subdivision; 62L 02, subdivisions 9, 13, 16, 17, 24, and by adding subdivisions; 62L 03, subdivision 1; 62L 05, subdivisions 1, 5, and 8; 62L.08, subdivisions 2, 5, 6, and 7; 62L.12; 62L.21, subdivision 2; 62M.02, subdivisions 5 and 21; 62M.03, subdivisions 1, 2, and 3; 62M.05, subdivision 3; 62M.06, subdivision 3; 62M.09, subdivision 5; and 295.50, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 43A.317, by adding a subdivision; 60K.14, subdivision 7; 61B.20, subdivision 13; 62A.011, subdivision 3; 62A.65, subdivisions 2, 3, 4, 5, and by adding a subdivision; 62D.12, subdivision 17; 62J.03, subdivision 6; 62J.04, subdivisions 1 and 1a; 62J.09, subdivision 2; 62J.33, by adding subdivisions; 62].35, subdivisions 2 and 3; 62].38; 62].41, subdivision 2; 62].45, by adding subdivisions; 62L.02, subdivisions 8, 11, 15, 19, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.04, subdivision 1; 62L.08, subdivisions 4 and 8; 62N.01; 62N.02, subdivisions 1, 8, and by adding a subdivision; 62N.06, subdivision 1; 62N.065, subdivision 1; 62N.10, subdivisions 1 and 2; 62N.22; 62N.23; 62P.01; 62P.03; 62P.04; 62P.05; 144.1486; 151.21, subdivisions 7 and 8; 256.9352, subdivision 3; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, and 12b; 295.53, subdivisions 1, 2, and 5; 295.54; 295.58; and 295.582; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 62N; and 62P; proposing coding for new law as Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 1992, sections 62A.02, subdivision 5; 62E.51; 62E.52; 62E.53; 62E.531; 62E.54; 62E.55; and 256.362, subdivision 5; Minnesota Statutes 1993 Supplement, sections 62J.04, subdivision 8; 62N.07; 62N.075; 62N.08; 62N.085; and 62N.16.

Reported the same back with the following amendments:

Page 4, line 13, after the period, insert "<u>A cooperative organized under chapter 308A may establish a community integrated service network.</u>"

Pages 6 and 7, delete section 6 and insert:

"Sec. 6. [62N.255] [EXPANDED PROVIDER NETWORKS.]

<u>Subdivision 1.</u> [PROVIDER ACCEPTANCE REQUIRED.] <u>Every community network may establish an expanded</u> <u>network of allied independent health providers, in addition to a preferred network. A community network shall</u> <u>accept as a provider in the expanded network any allied independent health provider who: (1) meets the community</u> <u>network's credentialing standards; (2) agrees to the terms of the community network's provider contract; and (3)</u> <u>agrees to comply with all managed care protocols of the community network.</u>

Subd. 2. [MANAGED CARE.] The managed care protocols used by the community network may include: (1) a requirement that an enrollee obtain a referral from the community network before obtaining services from an allied independent health provider in the expanded network; (2) limits on the number and length of visits to allied independent health providers in the expanded network allowed by each referral, as long as the number and length of visits allowed is not less than the number and length allowed for comparable referrals to allied independent health providers in the provider and length allowed for comparable referrals to allied independent health providers in the preferred network; and (3) ongoing management and review by the community network of the care provided by an allied independent health provider in the expanded network after a referral is made.

<u>Subd. 3.</u> [MANDATORY OFFERING TO ENROLLEES.] Each community network may offer to enrollees the option of receiving covered services through the expanded network of allied independent health providers established under subdivisions 1 and 2. The network may establish separate premium rates and cost-sharing requirements for this expanded network plan, as long as these premium rates and cost-sharing requirements are actuarially justified and approved by the commissioner.

<u>Subd.</u> <u>4.</u> [PROVIDER REIMBURSEMENT.] <u>A community network shall pay each allied independent health provider in the expanded network the same rate per unit of service as paid to allied independent health providers in the preferred network.</u>

Subd. 5. [DEFINITIONS.] (a) For purposes of this section, the following definitions apply.

(b) "Allied independent health provider" means an independently enrolled audiologist, chiropractor, dietician, home health care provider, marriage and family therapist, nurse practitioner or advanced practice nurse, occupational therapist, optometrist, optician, outpatient chemical dependency counselor, pharmacist who is not employed by and based on the premises of a community network, physical therapist, podiatrist, licensed consulting psychologist, psychological practitioner, licensed social worker, or speech therapist.

(c) "Home health care provider" means a personal care assistant, home health aide, or a provider of homemaker, respite care, adult day care, or home health nursing services.

(d) "Independently enrolled" means that a provider can bill, and receive direct payment for services from, a third-party payer or patient."

Page 7, line 14, after the period, insert "<u>The cooperative must not be staffed, administered, or supervised by the commissioner of health.</u> The cooperative shall make use of existing resources that are already available in the community, to the extent possible."

Page 9, after line 5, insert:

"Subd. 5. [NET WORTH CORRIDOR.] A community network shall not maintain net worth that exceeds twice the amount required of the community network under subdivision 1. Subdivision 4 is not relevant for purposes of this subdivision."

Page 14, line 12, delete "statewide"

Page 14, line 13, delete "market share" and insert "gross premium revenues"

Page 17, line 24, after "in" insert "the"

Page 18, line 12, delete "may" and insert "shall"

Page 18, line 15, after the period, insert "Data to be collected shall include structural characteristics including staff-mix and nurse-patient ratios."

Page 18, line 35, delete "HEDIS" and insert "quality"

Page 19, line 5, after the period, insert "Data shall be collected and reported by county and high-risk and special needs populations as well as by health plans, except when this would allow individuals to be identified."

Page 19, line 14, delete "provision and" and insert "provisions,"

Page 19, line 15, delete "provision" and insert "provisions, and any deductible, copayment, coinsurance, or other policy requirements"

Page 27, line 34, after the period, insert "<u>The action plan must also describe how the health plan company intends</u> to encourage the use of nonphysician providers, midlevel practitioners, and allied health professionals, through at least consumer education, physician education, and referral and advisement systems."

Page 28, line 2, after the period, insert "<u>Until July 1, 1995, a health plan company may use estimates if actual data</u> is not available."

Page 28, line 15, delete "are" and insert "is"

Page 29, line 1, delete "(g)" and insert "(f)"

Page 29, delete section 19

Page 29, delete section 21

Pages 29 and 30, delete section 23

Page 30, delete line 12 and insert "Sections 15 to 17 and 21 are effective the day following final enactment. Sections 1 to 6 and 18 are effective July 1, 1994. Sections 7 to 14, 19, and 20 are effective January 1, 1995."

Page 33, line 7, strike "COMPANY" and insert "COMPANIES"

Page 40, lines 2 and 3, delete "within the universal benefits set"

Page 40, line 3, before "integrated" insert "community integrated service networks and"

Page 40, lines 9 and 26, before "Integrated" insert "Community integrated service networks and"

Page 40, line 29, before "Integrated" insert "Community integrated service networks and" and after "reimburse" insert "out-of-network health care providers located"

Page 40, line 30, delete "health care providers"

Page 41, line 6, before "integrated" insert "community integrated service networks and"

Page 42, line 5, delete "by January 1, 1995" and insert "following the timetable set forth in article 9"

Page 46, line 29, delete the first comma and insert "and" and delete everything after "centers"

Page 46, line 30, delete "ambulatory clinics"

Page 48, line 7, delete "recommended" and insert "recommend"

Page 48, delete line 17 and insert:

"Sections 1 to 21 are effective the day following final enactment, except that section 6 is effective January 1, 1996, and section 18 is effective July 1, 1997."

Page 50, after line 15, insert:

"The membership cards shall also conform to the requirements set forth in section 621.60."

Page 50, line 30, delete "an" and insert "a demonstrated"

Page 50, line 31, delete "low-income" and insert "uninsured persons and high-risk and special needs populations as defined in section 62Q.07, subdivision 2, paragraph (e)"

Page 53, delete line 10

Page 53, line 11, delete "(2)" and insert "(1)"

Page 53, line 13, delete "(3)" and insert "(2)"

Page 53, line 14, delete "(4)" and insert "(3)"

Page 53, line 15, delete "(5)" and insert "(4)"

Page 53, line 16, delete "(6)" and insert "(5)"

Page 53, line 17, delete "(7)" and insert "(6)"

Page 53, line 19, delete "(8)" and insert "(7)"

Page 53, line 20, delete "(9)" and insert "(8)"

Page 53, after line 20, insert:

"Subd. 5. [ADVISORY COMMITTEE ON THE UNIVERSAL BENEFITS SET.] The commissioner shall appoint an advisory committee to develop recommendations regarding nondental health care services to be included in the universal benefits set. The committee must include representatives of health care providers, consumers, health plan companies, and counties. Recommendations of the committee must be provided to the Minnesota health care commission by October 1, 1994."

Page 53, line 21, delete "5" and insert "6"

Page 53, line 25, after the period, insert "<u>The committee shall also develop recommendations on an appropriate</u> system to deliver dental services. In its analysis, the committee shall study the quality and cost-effectiveness of dental services delivered through capitated dental networks, discounted dental preferred provider organizations, and independent practice dentistry."

Page 53, line 26, delete "commissioner" and insert "Minnesota health care commission"

Page 55, line 4, delete "prevention" and insert "preventive"

Page 55, after line 5, insert:

"(6) the impact of enrollee cost-sharing requirements on appropriate utilization must be considered when cost-sharing requirements are developed;"

Page 55, line 6, delete "(6)" and insert "(7)"

Page 55, line 13, delete "(7)" and insert "(8)"

Page 56, delete line 9, and insert:

"Sections 1 to 9 are effective the day following final enactment, except that sections 5 and 6 are effective July 1, 1997."

Page 56, line 35, delete "PUBLIC" and insert "HEALTH"

Page 56, line 36, before "The" insert "(a)"

Page 57, line 2, delete "medical assistance" and insert "state administered health programs"

Page 57, delete line 3

Page 57, line 7, delete "public" and insert "health"

Page 57, line 9, after the period, insert "For purposes of this section, "state administered health programs" means the medical assistance, general assistance medical care, and MinnesotaCare programs.

(b) The commissioner shall include with the plan required under paragraph (a) recommendations, including proposed legislation, for a coordinated program for receiving bids from managed care plans to serve enrollees of the state health plan and recipients of state administered health programs, to be phased in beginning July 1, 1997.

(c) The recommendations shall include a requirement that managed care plans interested in contracting to serve enrollees or recipients of any program listed in paragraph (b) submit a bid to provide services to all enrollees and recipients of those programs residing within the plan's service area.

(d) The commissioner must convene an advisory task force to assist with the preparation of plans, recommendations, and legislation required by this section. The task force must include representatives of recipients of state administered health programs, providers with substantial experience in providing services to recipients of these programs, the department of human services, county human services representatives, and other affected persons."

Page 57, line 28, before "employers" insert "public and private"

Page 58, delete line 26 and insert:

"Sections 1 to 6 are effective the day following final enactment."

Page 59, line 23, delete the first "health" and insert "healthy"

Page 62, delete lines 18 to 36

Page 63, delete lines 1 to 12

Page 63, line 13, delete "7" and insert "6"

Page 63, line 33, delete "8" and insert "7"

Page 64, delete lines 2 to 7

Page 64, line 8, delete "10" and insert "8"

Page 64, line 9, delete "subdivisions 7, paragraph (b), and 9" and insert "subdivision 6, paragraph (b),"

Page 64, delete lines 18 to 20 and insert:

"(1) whether mergers between or among health care providers and group purchasers that expand market share beyond a specified percentage should be regulated or prohibited, in order to preserve competition on price and quality;"

Page 66, line 6, after the comma, insert "and representatives of county government"

Page 67, delete line 30 and insert:

"Sections 1 and 4 to 9 are effective the day following final enactment. Sections 2 and 3 are effective July 1, 1994."

Page 67, line 36, delete "and" and insert "or"

Page 68, line 28, delete "agency" and insert "commissioner"

Page 69, after line 3, insert:

"Sec. 2. [62Q.32] [LOCAL OMBUDSPERSON.]

Community health service agencies may establish an office of ombudsperson to provide a system of consumer advocacy for persons receiving health care services through an integrated service network system or through the regulated all-payer option. The ombudsperson's functions may include but are not limited to:

(a) mediation or advocacy on behalf of a person who is having difficulty accessing health care services through either an integrated service network or through the regulated all-payer option; and

(b) investigation of the quality of services provided to a person and determine the extent to which quality assurance mechanisms are needed or any other system change may be needed."

Page 71, delete line 23 and insert:

"Sections 1 to 8 are effective the day following final enactment."

Page 85, line 30, strike ", or offering to sell,"

Page 86, after line 34, insert:

"Sec. 27. Minnesota Statutes 1992, section 65B.49, subdivision 2, is amended to read:

Subd. 2. [BASIC ECONOMIC LOSS.] (a) Each plan of reparation security shall provide for payment of basic economic loss benefits.

## TUESDAY, MARCH 22, 1994

(b) <u>A reparation obligor may make available a policy endorsement that provides medical expense benefits under</u> section 65B.44, subdivision 2, solely through managed care plans certified by the commissioner. If made available, the insured may elect this policy endorsement at the time of the policy application or renewal. Once elected, this policy endorsement remains effective for as long as the policy is in effect, or until written revocation of it by the insured is received by the reparation obligor.

In exchange for electing this policy endorsement, the insured shall receive an appropriate premium reduction.

(c) The commissioner shall adopt rules, and may adopt emergency rules, necessary to implement this section including rules specifying the criteria and procedure for certifying a managed care plan, including provisions for emergency care, and regulating the form and content of notices to insureds regarding the precise consequences of electing to obtain medical expense benefits through certified managed care plans."

Pages 95 and 96, delete section 33

Page 96, delete line 20, and insert:

"Sections 1, 2, 4 to 15, 17 to 26, 31, and 32 are effective the day following final enactment. Sections 16, 28 to 30, and 33 are effective July 1, 1994."

Page 97, line 1, delete "american" and insert "American"

Page 97, line 16, delete "all" and insert "the following"

Page 97, line 18, delete the first semicolon, and insert a colon

Page 99, line 22, after "<u>manual</u>" insert "<u>specified</u> by the commissioner. In promulgating these instructions, the commissioner may utilize the manual"

Page 99, line 23, delete "adapted" and insert "adopted"

Page 99, line 24, delete everything after "committee"

Page 99, delete line 25

Page 99, line 26, delete everything before the period

Page 100, line 20, after "Minnesota" insert "except dental or pharmacy providers"

Page 100, line 25, after "committee" insert "entitled standards for the use of the HCFA 1500 form, dated February 1994"

Page 103, line 29, delete "providers" and insert "patients"

Page 103, line 36, delete "american" and insert "American"

Page 104, line 1, delete "Institute" and insert "institute"

Page 104, line 3, after "maintained" insert "in unencrypted form"

Page 104, line 5, after the period, insert "The encryption algorithm and hardware used must not use clipper chip technology."

Page 105, line 33, delete "american" and insert "American"

Page 107, lines 4, 9, and 26, after "shall" insert "be able to"

Page 107, line 26, delete "in full production"

Page 111, line 14, delete "public"

Page 112, line 23, strike ", or"

Page 112, line 24, strike "offering to sell,"

Page 115, line 20, after the period, insert "This paragraph does not prohibit use of a constant percentage adjustment for factors permitted to be used under this paragraph."

Page 120, line 20, after the period, insert "Notwithstanding any other law to the contrary, a health carrier is not required under any circumstances to provide a person covered by short-term coverage the right to obtain coverage on a guaranteed issue basis under another health plan offered by the health carrier, as a result of the person's enrollment in short- term coverage.

Sec. 11. Minnesota Statutes 1993 Supplement, section 62A.65, is amended by adding a subdivision to read:

Subd. 8. [CESSATION OF INDIVIDUAL BUSINESS.] Notwithstanding the provisions of subdivisions 1 to 7, a health carrier may elect to cease doing business in the individual market if it complies with the requirements of this subdivision. A health carrier electing to cease doing business in the individual market shall notify the commissioner 180 days prior to the effective date of the cessation. The cessation of business does not include the failure of a health carrier to offer or issue new business in the individual market or continue an existing product line, provided that a health carrier does not terminate, cancel, or fail to renew its current individual business or other product lines. A health carrier electing to cease doing business in the individual market shall provide 120 days' written notice to each policyholder covered by a health benefit plan issued by the health carrier. A health carrier that ceases to write new business in the individual market shall continue to be governed by this section with respect to continuing individual business conducted by the carrier. A health carrier that ceases to do business in the individual market after July 1, 1994, is prohibited from writing new business in the individual market in this state for a period of five years from the date of notice to the commissioner. This subdivision applies to any health maintenance organization that ceases to do business in the individual market in one service area with respect to that service area only. Nothing in this subdivision prohibits an affiliated health maintenance organization from continuing to do business in the individual market in that same service area."

Page 120, line 24, after "in" insert "a health plan, as defined in section 62A.011, offered by"

Page 120, line 25, strike "or"

Page 120, line 26, strike "offering to sell"

Page 124, line 3, strike the period

Page 128, line 36, after the period, insert "<u>A political subdivision of the state is not a small employer and is not</u> subject to this chapter when it provides health coverage to its employees, officers, and retirees, and their dependents, by participation in group purchasing of health plan coverage by or through an association of political subdivisions or by or through an educational cooperative service unit created under section 123.58 or by participating in a joint self-insurance pool authorized under section 471.617, subdivision 2."

Page 130, line 10, delete "must be" and insert ", as a result of the collective bargaining agreement, is"

Page 137, line 6, after the period, insert "<u>This subdivision does not prohibit use of a constant percentage adjustment</u> for factors permitted to be used under this subdivision."

Page 142, line 17, delete "rule" and insert "rules"

Page 143, delete lines 4 and 5, and insert:

"Sections 1, 3 to 6, 8, 10, 15 to 26, 28, 29, 31 to 40, and 42 to 45 are effective the day following final enactment. Sections 2 and 12 are effective July 1, 1994. Sections 7, 9, 13, 14, 21, 30, and 41 are effective January 1, 1995."

Page 144, after line 21, insert:

"Sec. 2. Minnesota Statutes 1993 Supplement, section 256.9356, subdivision 3, is amended to read:

Subd. 3. [ADMINISTRATION AND COMMISSIONER'S DUTIES.] Premiums are dedicated to the commissioner for MinnesotaCare. The commissioner shall make an annual redetermination of continued eligibility and identify people who may become eligible for medical assistance. The commissioner shall develop and implement procedures to: (1) require enrollees to report changes in income; (2) adjust sliding scale premium payments, based upon changes

in enrollee income; and (3) disenroll enrollees from MinnesotaCare for failure to pay required premiums. Premiums are calculated on a calendar month basis and may be paid on a monthly, quarterly, or annual basis, with the first payment due upon notice from the commissioner of the premium amount required. Premium payment is required before enrollment is complete and to maintain eligibility in MinnesotaCare. Nonpayment Payment of the premium later than 30 days after the premium due date will result in disenrollment from the plan within one calendar month after the due date. Persons disenrolled for nonpayment may not reenroll until four calendar months have elapsed."

Page 149, after line 29, insert:

"Sec. 12. Minnesota Statutes 1993 Supplement, section 295.582, is amended to read:

## 295.582 [AUTHORITY.]

(a) A hospital, surgical center, pharmacy, or health care provider that is subject to a tax under section 295.52, or a pharmacy that has paid additional expense transferred under this section by a wholesale drug distributor, may transfer additional expense generated by section 295.52 obligations on to all third-party contracts for the purchase of health care services on behalf of a patient or consumer. The expense must not exceed two percent of the gross revenues received under the third-party contract, including plus two percent of copayments and deductibles paid by the individual patient or consumer. The expense must not be generated on revenues derived from payments that are excluded from the tax under section 295.53. All third-party purchasers of health care services including, but not limited to, third-party purchasers regulated under chapter 60Å, 62A, 62C, 62D, 62H, 62N, 64B, <del>or 62H,</del> 65Å, 65B, 79, or 79A, or under section 471.61 or 471.617, must pay the transferred expense in addition to any payments due under existing or future contracts with the hospital, surgical center, pharmacy, or health care provider, to the extent allowed under federal law. A third-party purchaser of health care services includes a health carrier, integrated service network, or community integrated service network that pays for health care services on behalf of patients or that reimburses patients for health care services. A wholesale drug distributor may transfer additional expense generated by section 295.52 obligations to entities that purchase from the wholesaler. Nothing in this subdivision section limits the ability of a hospital, surgical center, pharmacy, wholesale drug distributor, or health care provider to recover all or part of the section 295.52 obligation by other methods, including increasing fees or charges.

(b) Each third-party purchaser regulated under any chapter cited in paragraph (a) shall include with its annual renewal for certification of authority or licensure documentation indicating compliance with paragraph (a). If the commissioner responsible for regulating the third-party purchaser finds at any time that the third-party purchaser has not complied with paragraph (a) the commissioner may by order fine, censure, revoke, or suspend the certificate of authority or license of the third-party purchaser to do business in this state. The third-party purchaser may appeal the commissioner's order through a contested case hearing in accordance with chapter 14.

Sec. 13. [EFFECTIVE DATES.]

Sections 1, 8, and 11 are effective the day following final enactment. Sections 3 to 7, 9, and 10 are effective July 1, 1994."

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 32, after the semicolon insert "65B.49, subdivision 2;"

Page 1, line 37, delete "a subdivision" and insert "subdivisions"

Page 2, line 2, after "3;" insert "256.9356, subdivision 3;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2536, A bill for an act relating to family law; clarifying pension plan obligations; amending Minnesota Statutes 1992, section 518.581, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2554, A bill for an act relating to agriculture; providing for an agricultural processing facility loan program administered by the rural finance authority; providing for funding; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 41B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [41B.045] [VALUE-ADDED AGRICULTURAL PRODUCT LOAN PROGRAM.]

Subdivision 1. [DEFINITIONS.] For purposes of this section:

(1) "Agricultural product processing facility" means land, buildings, structures, fixtures, and improvements located or to be located in Minnesota and used or operated primarily for the processing or production of marketable products from agriculture crops, including waste and residues from agriculture crops, but not including livestock or livestock products, poultry or poultry products, or wood or wood products.

(2) "Value-added agricultural product" means a product derived from agricultural crops, including waste and residues from agricultural crops, but not including livestock or livestock products, poultry or poultry products, or wood or wood products, which are processed by an agricultural product processing facility.

<u>Subd. 2.</u> [ESTABLISHMENT.] The authority shall establish and implement a value-added agricultural product loan program to help farmers finance the purchase of stock in a cooperative proposing to build or purchase and operate an agricultural product processing facility.

<u>Subd. 3.</u> [REVOLVING FUND.] <u>There is established in the state treasury a value-added agricultural product</u> revolving fund which is eligible to receive appropriations. All repayments of financial assistance granted under subdivision 2, including principal and interest, must be deposited into this fund. Interest earned on money in the fund accrues to the fund, and money in the fund is appropriated to the commissioner of agriculture for purposes of the value-added agricultural loan program, including costs incurred by the authority to establish and administer the program.

Subd. 4. [ELIGIBILITY.] To be eligible for this program a borrower must:

(1) be a resident of Minnesota or a domestic family farm corporation as defined in section 500.24, subdivision 2,

(2) be a grower of the agricultural product which is to be processed by an agricultural product processing facility;

(3) demonstrate an ability to repay the loan; and

(4) meet any other requirements which the authority may impose by rule.

Subd. 5. [LOANS.] (a) The authority may participate in a stock loan with an eligible lender to a farmer who is eligible under subdivision 4. Participation is limited to 50 percent of the principal amount of the loan or \$50,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may differ from the interest rates and repayment terms of the lender's retained portion of the loan.

(b) No more than 80 percent of the purchase price of the stock may be financed under this program.

(c) Loans under this program may not be included in lifetime limitation calculated under section 41B.03, subdivision 1, clause (3).

(d) Security for stock loans must be the stock purchased, a personal note executed by the borrower, and whatever other security is required by the eligible lender or the authority.

(f) The authority may impose a reasonable nonrefundable application fee for each application for a stock loan. The authority may review the fee annually and make adjustments as necessary. The application fee is initially \$50. Application fees received by the authority must be deposited in the value-added agricultural product revolving fund.

(g) Stock loans under this program will be made using money in the value-added agricultural product revolving fund established under subdivision 3.

(h) The authority may not grant stock loans in a cumulative amount exceeding \$10,000,000 for the financing of stock purchases in any one cooperative.

<u>Subd. 6.</u> [RULES.] The authority may adopt rules necessary for the administration of the program established under subdivision 2, including rules which establish a minimum cost of any agricultural product processing facility for which financial assistance may be given to any farmer to help finance the purchase of stock in a cooperative.

Sec. 2. [RURAL FINANCE AUTHORITY PROGRAM PROMOTION.]

The commissioner of agriculture and the director of the rural finance authority shall initiate an effort to examine local lender participation in programs of the rural finance authority and expand participation in programs of the authority where possible. The effort must examine the reasons why lenders do not participate in programs of the authority. The effort must attempt to determine if current programs of the authority fail to meet the needs of lenders and the scale and types of farming practiced in areas with low participation.

Not later than March 1, 1995, the commissioner shall report to the legislature on the findings, conclusions, and recommendations of the investigation and promotion effort. The report must include suggestions for changes in rural finance authority programs to make the programs more attractive to lenders and farm operators in areas where lenders do not participate in rural finance authority programs. The report may recommend statutory changes to make rural finance authority programs more available to Minnesota farm operators.

Sec. 3. [APPROPRIATION; RFA PROGRAM PROMOTION.]

<u>\$50,000 is appropriated from the general fund to the commissioner of agriculture for the employment and expenses</u> of additional staff to carry out the rural finance authority examination and promotion effort in section 2. This appropriation remains available until June 30, 1995.

Sec. 4. [VALUE-ADDED AGRICULTURAL PRODUCT LOAN PROGRAM FUNDING.]

\$..... is appropriated from the general fund to the value-added agricultural revolving fund to fund the authority's value-added agricultural product loan program under section 1.

Sec. 5. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, lines 2 and 3, delete "an agricultural processing facility" and insert "a value-added agricultural product"

Page 1, after line 4, insert "providing for a rural finance authority examination and promotion effort;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2588, A bill for an act relating to energy; modifying provisions relating to liquefied petroleum gas sales; establishing an account; amending Minnesota Statutes 1993 Supplement, sections 239.785, subdivision 2, and by adding a subdivision; Laws 1993, chapter 369, section 11.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services/Health and Housing Finance Division.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2589, A bill for an act relating to motor fuels; specifying ten-county area as carbon monoxide control area; requiring annual registration of oxygenate blenders; specifying records that must be maintained by oxygenate blenders and allowing for audits; making technical amendments relating to regulation of oxygenated fuels; amending Minnesota Statutes 1992, sections 239.05, subdivisions 6a and 10b; and 239.791, subdivisions 3, 4, 5, 7, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota Statutes 1993 Supplement, section 239.791, subdivision 8; repealing Minnesota

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2590, A bill for an act relating to energy; classifying and requiring information on applications for the municipal energy conservation investment loan program; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 216C.37, subdivision 3, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 216C.37, subdivision 1; repealing Minnesota Statutes 1992, section 216C.37, subdivision 8.

Reported the same back with the following amendments:

Page 1, line 16, delete "subdivision 3a" and insert "subdivisions 3a and 3b"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2591, A bill for an act relating to utilities; eliminating duplicate reporting relating to energy demand forecasting information by public utilities; amending Minnesota Statutes 1992, sections 116C.57, subdivision 3; 216B.241, subdivision 1a; and 216C.17, subdivision 2; Minnesota Statutes 1993 Supplement, sections 216B.2422, by adding a subdivision; and 216C.17, subdivision 3; repealing Minnesota Statutes 1993 Supplement, section 116C.54.

Reported the same back with the following amendments:

Page 2, after line 3, insert:

"Sec. 2. Minnesota Statutes 1992, section 216B.16, is amended by adding a subdivision to read:

Subd. 14. [LOW-INCOME RATES.] (a) The commission may consider ability to pay as a factor in setting utility rates and may establish programs for low-income residential ratepayers in order to ensure affordable, reliable, and continuous service to low-income utility customers. The commission shall order a pilot program for at least one utility. In ordering pilot programs, the commission shall consider the following:

75TH DAY]

# TUESDAY, MARCH 22, 1994

(1) the potential for low-income programs to provide savings to the utility for all collection costs including but not limited to: costs of disconnecting and reconnecting residential ratepayers' service, all activities related to the utilities' attempt to collect past due bills, utility working capital costs, and any other administrative costs related to inability to pay programs and initiatives;

(2) the potential for leveraging federal low-income energy dollars to the state; and

(3) the impact of energy costs as a percentage of the total income of a low-income residential customer.

(b) In determining the structure of the pilot utility program, the commission shall:

(1) consult with advocates for and representatives of low-income utility customers, administrators of energy assistance and conservation programs, and utility representatives;

(2) coordinate eligibility for the program with the state and federal energy assistance program and low-income residential energy programs, including weatherization programs; and

(3) evaluate comprehensive low-income programs offered by utilities in other states.

(c) The commission shall implement at least one pilot project by January 1, 1995, and shall allow a utility required to implement a pilot project to recover the net costs of the project in the utility's rates.

(d) The commission, in conjunction with the commissioner of the department of public service and the commissioner of jobs and training, shall review low-income rate programs and shall report to the legislature by January 1, 1998. The report must include:

(1) the increase in federal energy assistance money leveraged by the state as a result of this program;

(2) the effect of the program on low-income customer's ability to pay energy costs;

(3) the effect of the program on utility customer bad debt and arrearages;

(4) the effect of the program on the costs and numbers of utility disconnections and reconnections and other costs incurred by the utility in association with inability to pay programs;

(5) the ability of the utility to recover the costs of the low-income program without a general rate change;

(6) how other ratepayers have been affected by this program;

(7) recommendations for continuing, eliminating, or expanding the low-income pilot program; and

(8) how general revenue funds may be utilized in conjunction with low-income programs."

Page 3, line 33, strike "Public"

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "authorizing low-income rates in certain circumstances; establishing a pilot program;"

Page 1, line 5, after the semicolon, insert "216B.16, by adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2646, A bill for an act relating to agriculture; expanding the restricted seed potato growing area; amending Minnesota Statutes 1992, section 21.1196, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2677, A bill for an act relating to burial grounds; modifying provisions for enforcement of certain civil actions; amending Minnesota Statutes 1993 Supplement, section 307.082.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2766, A bill for an act relating to capital improvements; authorizing the sale of bonds and appropriating money for the neighborhood land trust program.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Capital Investment.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2772, A bill for an act relating to state government; public employment; establishing a pilot project in certain agencies; permitting the waiver of rules governing the classified and unclassified service of the state by joint committees.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2878, A bill for an act relating to agriculture; appropriating money for legal challenges to the federal milk market order system.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

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; 216B.241, subdivisions 1b and 2; 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; 7665.0340; 7665.0350; 7665.0360; 7665.0370; and 7665.0380.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 216B.47, is amended to read:

216B.47 [ACQUISITION BY EMINENT DOMAIN.]

Nothing in Laws 1974, chapter 429 shall this chapter may be construed to preclude a municipality from acquiring the property of a public utility by eminent domain proceedings; provided that damages to be paid in eminent domain proceedings; provided that damages to be paid in eminent domain proceedings; shall must include the original cost of the property less depreciation, loss of revenue to the utility, expenses resulting from integration of facilities, and other appropriate factors. A municipality seeking to acquire the property of a public utility in eminent domain proceedings may not acquire the right to furnish electric service during the pendency of the proceedings through the use of section 117.042 but may petition the commission under section 216B.44 for service rights. For purposes of this section, a public utility shall include includes a cooperative electric association.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and applies to acquisition of property that is begun on or after that date."

Delete the title and insert:

"A bill for an act relating to utilities; prohibiting a municipality from using a quick take condemnation proceeding when acquiring the property of another electric service provider through eminent domain; amending Minnesota Statutes 1992, section 216B.47."

With the recommendation that when so amended the bill pass.

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 2058, 2080, 2248, 2314, 2373, 2435, 2536, 2591, 2646 and 2772 were read for the second time.

# SECOND READING OF SENATE BILLS

S. F. Nos. 2073, 2383 and 788 were read for the second time.

# **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Neary, Clark, Jennings, Onnen and Greiling introduced:

H. F. No. 3059, A bill for an act relating to health; prohibiting certain organizational mergers or acquisitions; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 62J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

### Carlson, Morrison, Perlt, Luther and Bergson introduced:

H. F. No. 3060, A bill for an act relating to education; providing for an elected board for intermediate school districts; restoring intermediate school districts and their funding for fiscal year 1996 and thereafter; amending Minnesota Statutes 1992, sections 136D.22, by adding subdivisions; 136D.72, by adding subdivisions; and 136D.82, by adding subdivisions; Minnesota Statutes 1993 Supplement, section 124.2727, subdivision 6; and Laws 1992, chapter 499, article 6, section 39, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

#### Hausman introduced:

H. F. No. 3061, A bill for an act relating to transportation; creating a metropolitan commission on special transportation service; prescribing duties; abolishing transportation accessibility advisory committee; appropriating money; amending Minnesota Statutes 1992, section 473.386, as amended.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

### Huntley introduced:

H. F. No. 3062, A bill for an act relating to lead abatement; developing directives; modifying definition of asbestos-related work; amending Minnesota Statutes 1992, sections 144.871, subdivision 3; and 144.874, subdivision 12, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 16B.61, subdivision 3; 144.871, subdivision 2; 144.872, subdivision 2; 144.874, subdivisions 1, 3, 9, and 11a; 144.878, subdivisions 2 and 5; and 326.71, subdivision 4; repealing Minnesota Statutes 1993 Supplement, section 144.877.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Rodosovich introduced:

H. F. No. 3063, A bill for an act relating to taxes; including information on saving for a post-secondary education in individual income tax return forms, instruction booklets, and tax refund mailings; amending Minnesota Statutes 1992, section 289A.08, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

#### Molnau introduced:

H. F. No. 3064, A bill for an act relating to state government; providing for the size of the legislature; providing conditions for the organization of legislative committees; providing term limits; proposing an amendment to the Minnesota Constitution, articles IV, section 4; and V, sections 2 and 4; amending Minnesota Statutes 1992, section 2.021; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

5351

Huntley, Lourey, Cooper, Van Engen and Jaros introduced:

H. F. No. 3065, A bill for an act relating to education; establishing a rural psychiatry program at the University of Minnesota Duluth; proposing coding for new law in Minnesota Statutes, chapter 137.

The bill was read for the first time and referred to the Committee on Education.

Hugoson, Mosel and Vickerman introduced:

H. F. No. 3066, A bill for an act relating to tax increment financing; allowing the city of Lake Crystal to extend the duration of a redevelopment tax increment financing district.

The bill was read for the first time and referred to the Committee on Taxes.

# Wenzel introduced:

H. F. No. 3067, A bill for an act relating to appropriations; highways; appropriating money for work on Morrison county road No. 206.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

### Greenfield introduced:

H. F. No. 3068, A bill for an act relating to human services; appropriating money for the departments of human services and health, the veterans nursing homes board, the health-related boards, the council on disability, and the ombudsman for mental health and mental retardation.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kalis; Brown, C.; Mosel; Lieder and Johnson, V., introduced:

H. F. No. 3069, A bill for an act relating to taxation; sales and use; exempting unprocessed gravel; amending Minnesota Statutes 1992, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bauerly; Anderson, I.; Mosel and Nelson introduced:

H. F. No. 3070, A bill for an act relating to tax increment financing; authorizing the establishment of manufacturing districts; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Taxes.

Peterson, Reding and Sviggum introduced:

H. F. No. 3071, A bill for an act relating to tax increment financing; allowing the city of Dawson to extend the duration of a tax increment financing district.

The bill was read for the first time and referred to the Committee on Taxes.

Ness, Gruenes, Rukavina, Bettermann and Beard introduced:

H. F. No. 3072, A bill for an act relating to workers' compensation insurance; prohibiting the combination of experience rating after certain ownership changes; amending Minnesota Statutes 1992, section 79.211, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kahn, Krueger, Solberg and Hausman introduced:

H. F. No. 3073, A bill for an act relating to state government; department of employee relations; establishing a program to promote responsiveness, innovation, productivity, and employee involvement within executive agencies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Tunheim; Anderson, I.; Johnson, V.; Peterson and Olson, E., introduced:

H. F. No. 3074, A bill for an act relating to wetlands; allowing replacement plans under approved county comprehensive wetland management plans; removing restrictions on wetlands that may be used in the statewide wetland banking program; modifying exemptions; clarifying the applicability of the wetland conservation act to the state; amending Minnesota Statutes 1992, section 103G.2242, subdivision 9; Minnesota Statutes 1993 Supplement, sections 103G.222; and 103G.2241.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tomassoni and Reding introduced:

H. F. No. 3075, A bill for an act relating to insurance; life insurance and annuities; requiring certain disclosures prior to replacement of an existing policy or contract; proposing coding for new law in Minnesota Statutes, chapter 61A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Smith and Olson, M., introduced:

H. F. No. 3076, A bill for an act relating to libraries; removing the authority of the Great River Regional library system to establish a regional public library district; amending Minnesota Statutes 1993 Supplement, section 134.201, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Klinzing and Olson, M., introduced:

H. F. No. 3077, A bill for an act relating to regional library districts; amending the process for establishing regional library districts; changing the manner in which a regional library district's levy is spread; amending Minnesota Statutes 1993 Supplement, section 134.201, subdivisions 2 and 5.

The bill was read for the first time and referred to the Committee on Education.

Olson, E., and Johnson, V., introduced:

H. F. No. 3078, A bill for an act relating to taxation; sales and use; exempting certain sales to veterinarians; amending Minnesota Statutes 1992, section 297A.25, subdivision 9.

The bill was read for the first time and referred to the Committee on Taxes.

5353

Rukavina introduced:

H. F. No. 3079, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to make subgrants of certain money; amending Minnesota Statutes 1992, section 84.085, subdivision 1; repealing Minnesota Statutes 1992, section 88.063.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources

#### Farrell introduced:

H. F. No. 3080, A bill for an act relating to retirement; making the 1993 early retirement incentive program retroactive in certain instances.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

### Sviggum introduced:

H. F. No. 3081, A bill for an act relating to state lands; directing sale and conveyance of certain state-owned lands to the city of Medford.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pugh and Skoglund introduced:

H. F. No. 3082, A bill for an act relating to civil actions; changing the statute of limitations applicable to actions against sheriffs and coroners from three to two years; amending Minnesota Statutes 1992, section 541.06.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble introduced:

H. F. No. 3083, A bill for an act relating to human development; appropriating money for preliminary planning and programming for a human development center.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Pawlenty and Davids introduced:

H. F. No. 3084, A bill for an act relating to family law; requiring publication of names of certain delinquent child support obligors; proposing coding for new law in Minnesota Statutes, chapter 518.

The bill was read for the first time and referred to the Committee on Judiciary.

Evans introduced:

H. F. No. 3085, A bill for an act relating to economic development; adding New Brighton and Mounds View to a pilot project; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

[75TH DAY

Wagenius introduced:

H. F. No. 3086, A bill for an act relating to the environment; allowing use of passive bioremediation for certain voluntary response actions; expanding the authority of the commissioner of the pollution control agency to issue determinations regarding liability for releases of hazardous substances and petroleum; amending Minnesota Statutes 1992, section 115B.175, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 115B.178, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 115C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Mariani introduced:

H. F. No. 3087, A bill for an act relating to bilingual communication services; requiring the Spanish-speaking affairs council and the council on Asian-Pacific Minnesotans to report on coordination with the department of administration; requiring all public agencies that deal directly with non-English-speaking people to provide information and services in the language of the non-English-speaking people; amending Minnesota Statutes 1992, sections 3.9223, subdivision 7; 3.9226, subdivision 7; and 15.441.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

## Mariani introduced:

H. F. No. 3088, A bill for an act relating to state government; field archaeology; transferring to the Indian affairs council the duty to appoint the state archaeologist; amending Minnesota Statutes 1992, sections 3.922, subdivision 6; 138.31, by adding a subdivision; 138.33; 138.34; 138.35; 138.38; 138.39; and 138.41.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Mariani introduced:

H. F. No. 3089, A bill for an act relating to Indian burials; authorizing the Indian Affairs Council to hire or contract for an archaeologist; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 307.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

### Evans and Anderson, I., introduced:

H. F. No. 3090, A bill for an act relating to education; modifying the formula for abatement aids; appropriating money; amending Minnesota Statutes 1992, sections 124.214, subdivision 2; 124.912, by adding a subdivision; and 124A.032; Minnesota Statutes 1993 Supplement, section 275.48.

The bill was read for the first time and referred to the Committee on Education.

#### Milbert introduced:

H. F. No. 3091, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1992, sections 17.47, subdivision 3; 41A.05, subdivision 2; 60B.04, subdivision 1; 60B.09, subdivisions 1 and 3; 115.41, subdivisions 1 and 2; 115.42; 115.43, subdivision 2; 115.44, subdivision 2; 115.45, subdivision 1; 115.50; 115.52; 115.53; 120.101, subdivisions 2 and 6; 121.88, subdivision 8; 125.611, subdivision 1; 136.24, subdivision 1; 136.622, subdivision 1; 152.02, subdivisions 9, 12, and 13; 160.265; 169.443, subdivision 8; 214.01, subdivision 3; 214.13, subdivision 1; 237.60, subdivision 2; 256D.06, subdivision 1b; 260.151, subdivision 1; 399C.61, subdivision 4; 309.53, subdivision 2; 326.212; 326.224; 326.461, subdivision 1; 327.32, subdivision 8; 327.33; 327.34, subdivision 1; 331A.06, subdivision 4; 348.13; 352.119, subdivision 1; 386.61, by adding

a subdivision; 423B.12; 446A.07, subdivision 6; 449.06; 469.174, subdivision 10; 469.181, subdivision 1; and 471A.11; Minnesota Statutes 1993 Supplement, sections 16B.06, subdivision 2a; 16B.122, subdivision 3; 62A.31, subdivision 1n; 62N.075; 82.195, subdivision 2; 115A.542; 115C.082, subdivision 1; 124.195, subdivision 8; 138.96, subdivision 2; 144.991, subdivisions 3 and 4; 152.11, subdivision 1; 169.121, subdivision 1c; 214.103, subdivision 6; 245A.04, subdivision 3b; 256D.44, subdivision 3; 257.67, subdivision 3; 268.92, subdivision 1; 296.035; 325F.755, subdivision 5; 326.111, subdivision 4; 326.975; subdivision 2; 349.217; subdivision 1; 386.66; 491A.01, subdivision 3; 549.09, subdivision 1; 609.5312, subdivision 3; 609.605, subdivision 1; and 609.749, subdivision 5; repealing Minnesota Statutes 1992, sections 216B.164, subdivision 7; 385.08; and 473.872; Laws 1977, chapter 11, section 8; Laws 1982, chapter 514, sections 18 and 19; Laws 1983, chapter 247, section 130; Laws 1984, chapter 628, article 2, section 4; Laws 1985, First Special Session chapters 9, article 2, sections 81 and 82; 13, section 191; and 14, article 9, section 16; Laws 1987, chapters 197, section 1; 315, section 4, subdivision 2; and 336, section 35; Laws 1988, chapters 441, section 2; 486, sections 15 and 68; 496, section 8; 514, section 5; and 636, section 3; Laws 1989, chapters 89, sections 1 (in part) and 13; 133, section 1; 144, article 2, section 8; 209, article 2, sections 8 and 34; 222, sections 10, 21, 22, and 36; 271, section 32; 282, article 2, sections 144 and 186; 293, section 74; 319, article 13, sections 22 and 55; 329, article 5, section 10; 334, article 2, section 17; 335, article 1, sections 200 and 255; 353, section 10; and 356, section 18; Laws 1990, chapters 426, article 1, sections 5 and 32; 480, articles 5, sections 6 and 9; and 9, section 3; 512, section 12; 562, article 10, section 1; 571, section 39; 574, section 5; and 594, article 3, sections 6 and 7; Laws 1991, chapters 58, sections 1, 2, 3, 4, 5, 6, 7, and 8; 130, section 24; 174, section 8; 199, article 1, section 71; 238, article 1, section 7; 265, article 4, section 19; 292, article 4, section 45; 336, article 2, section 2; 340, sections 1 and 32; and 345, article 2, section 46; Laws 1992, chapters 432, article 2, section 41; 437, section 1; and 499, article 6, section 15; Laws 1993, chapters 4, section 9; 47, sections 1, 4, 6, and 9; 78, section 3; 101, section 1; 224, article 13, sections 3 and 43; 247, articles 1, section 11; and 2, section 9; 269, section 17; 286, sections 2 and 21; 303, sections 15, 17, and 18; 339, section 12; and 369, sections 38 and 128; Laws 1993, First Special Session chapter 1, article 2, section 6.

The bill was read for the first time and referred to the Committee on Judiciary.

## Bettermann introduced:

H. F. No. 3092, A bill for an act relating to workers' compensation; making changes of a technical and housekeeping nature; establishing a fraud investigation unit; modifying provisions relating to compensation and procedures; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; 13.82, subdivision 1; 168.012, subdivision 1; 175.16; 176.011, subdivision 16; 176.041, subdivision 1; 176.081, subdivision 1; 176.101, subdivisions 3a, 3e, 3i, and 3p; 176.102, subdivisions 3a, 11, and 14; 176.103, subdivisions 2 and 3; 176.104, subdivision 1; 176.106, subdivision 7; 176.136, subdivisions 1a and 2; 176.138; 176.178; 176.181, subdivision 8; 176.191, by adding a subdivision; 176.235, by adding a subdivision; 176.238, subdivision 6; 176.261; 176.2615, subdivision 7; 176.275, subdivision 1; 176.281; 176.285; 176.291; 176.305, subdivision 1a; 176.645; 176.83, subdivision 5; 299C.46, subdivision 2; 626.11; and 626.84, subdivision 1; Minnesota Statutes 1993 Supplement, sections 176.041, subdivision 1a; 176.136, subdivision 1b; 626.05, subdivision 2; and 626.13; proposing coding for new law in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1992, sections 176.86.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Cooper, Lieder, Reding, Girard and Steensma introduced:

H. F. No. 3093, A bill for an act relating to capital improvements; appropriating money and authorizing state bonding to build a water retention basin in Renville county.

The bill was read for the first time and referred to the Committee on Capital Investment.

Kelso introduced:

H. F. No. 3094, A bill for an act relating to adoption; consent; requiring certain notice to a birth parent; specifying a deadline for action by the birth parent; amending Minnesota Statutes 1992, section 259.24, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Beard and Goodno introduced:

H. F. No. 3095, A bill for an act relating to employment; establishing the governor's workforce development councilto replace the governor's job training council; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1993 Supplement, section 268.9755.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### Wejcman introduced:

H. F. No. 3096, A bill for an act relating to human services; appropriating money for interdisciplinary training of persons who deal with victims and perpetrators of violence.

The bill was read for the first time and referred to the Committee on Health and Human Services.

### Clark and Jefferson introduced:

H. F. No. 3097, A bill for an act relating to public administration; authorizing spending to make public improvements of a capital nature; authorizing issuance of bonds; authorizing assessment of debt service; appropriating money.

The bill was read for the first time and referred to the Committee on Capital Investment.

#### Greiling introduced:

H. F. No. 3098, A bill for an act relating to education; providing for comprehensive parent involvement programs to prevent violence; establishing a parent advisory council; requiring program evaluation; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Beard and Winter introduced:

H. F. No. 3099, A bill for an act relating to workers' compensation; revising benefits for permanent partial disability, temporary total disability, temporary partial disability, dependency benefits; allowing one change of physician as a matter of right; revising hearings procedures; repealing administrative rules; amending Minnesota Statutes 1992, sections 176.011, subdivision 18; 176.021, subdivision 3; 176.061, subdivision 10; 176.101, subdivisions 1, 2, 5, 6, and by adding a subdivision; 176.102, subdivision 2; 176.105, subdivisions 2 and 4; 176.106, subdivision 3; 176.135, subdivision 2; 176.179; 176.221, subdivision 6a; 176.66, subdivision 11; and 176.83, subdivisions 1 and 5; Minnesota Statutes 1993 Supplement, section 268.08, subdivision 3; repealing Minnesota Statutes 1992, sections 176.011, subdivisions 25 and 26; 176.021, subdivision 3a; 176.101, subdivisions 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### HOUSE ADVISORIES

The following House Advisory was introduced:

Cooper; Anderson, R., and Brown, C., introduced:

H. A. No. 34, A proposal to study funding methods for emergency medical services communications systems.

The advisory was referred to the Committee on Health and Human Services.

# MESSAGES FROM THE SENATE

The following message was received from the Senate:

### Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1885, A bill for an act relating to financial institutions; regulating administrative hearings on bank applications, certain bank mergers, certain emergency notices, certain credit union accounts, and motor vehicle sales finance contracts; making technical and clarifying changes; amending Minnesota Statutes 1992, sections 46.041, subdivision 4; 47.0153, subdivision 1; 47.0154; 48.47; 48.70; 52.191; 52.24, subdivision 2; 59A.03, subdivision 1; 168.69; Minnesota Statutes 1993 Supplement, sections 47.54, subdivision 4; and 56.155, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 48 and 52; repealing Minnesota Statutes 1992, sections 48.26; and 48.88, subdivision 2; Laws 1982, chapter 429, section 6.

### PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Jennings moved that the House concur in the Senate amendments to H. F. No. 1885 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1885, A bill for an act relating to financial institutions; regulating administrative hearings on bank applications, certain bank mergers, certain emergency notices, certain credit union accounts, and motor vehicle sales finance contracts; regulating maximum interest rates; making technical and clarifying changes; amending Minnesota Statutes 1992, sections 46.041, subdivision 4; 47.0153, subdivision 1; 47.0154; 48.47; 48.70; 52.191; 52.24, subdivision 2; 59A.03, subdivision 1; and 168.69; Minnesota Statutes 1993 Supplement, sections 47.20, subdivision 4a; 47.54, subdivision 4; and 56.155, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 48; and 52; repealing Minnesota Statutes 1992, sections 48.26; and 48.88, subdivision 2; Laws 1982, chapter 429, section 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

	<b>D</b> . 11	TT_1 .	<b>V</b>	N	Determine	· ·
Abrams	Dawkins	Holsten	Krueger	Munger	Peterson	Tomassoni
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Pugh	Tompkins
Asch	Dempsey	Huntley	Leppik	Neary	Reding	Trimble
Battaglia	Dom	Jacobs	Lieder	Nelson	Rest	Tunheim
Bauerly	Erhardt	Jaros	Limmer	Ness	Rhodes	Van Dellen
Beard	Evans	Jefferson	Lindner	Olson, E.	Rice	Van Engen
Bergson	Farrell	Jennings	Long	Olson, K.	Rodosovich	Vellenga
Bertram	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Vickerman
Bettermann	Frerichs	Johnson, R.	Luther	Onnen	Sarna	Wagenius
Bishop	Garcia	Johnson, V.	Lynch	Opatz	Seagren	Waltman
Brown, C.	Girard	Kahn	Macklin	Orenstein	Sekhon	Weaver
Brown, K.	Goodno	Kalis	Mahon	Orfield	Simoneau	Wejcman
Carlson	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Carruthers	Greiling	Kinkel	McCollum	Ostrom	Smith	Winter
Clark	Gruenes	Klinzing	McGuire	Ozment	Solberg	Wolf
Commers	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Worke
Cooper	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Workman
Dauner	Haukoos	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Hausman	Krinkie	Mosel	Perlt	Swenson	•

The bill was repassed, as amended by the Senate, and its title agreed to.

# CONSENT CALENDAR

S. F. No. 1750 was reported to the House.

Evans moved that S. F. No. 1750 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 844, A bill for an act relating to public employees; requiring public employers to afford time off to appointed representatives of an exclusive representative of any Minnesota public employer; amending Minnesota Statutes 1992, section 179A.07, subdivision 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Huntley	Leppik	Murphy	Reding	Van Dellen	
Anderson, R.	Dehler	Jacobs	Lieder	Neary	Rest	Van Engen	
Asch	Dempsey	Jaros	Limmer	Nelson	Rice	Vellenga	
Battaglia	Dom	Jefferson	Lindner	Ness	Rodosovich	Vickerman	
Bauerly	Erhardt	Jennings	Long	Olson, E.	Rukavina	Wagenius	
Beard	Evans	Johnson, A.	Lourey	Olson, K.	Sarna	Waltman	
Bergson	Farrell	Johnson, R.	Luther	Onnen	Sekhon	Weaver	
Bertram	Finseth	Johnson, V.	Lynch .	Opatz	Simoneau	Wejcman	
Bettermann	Garcia	Kahn	Macklin	Orenstein	Skoglund	Wenzel	
Bishop	Goodno	Kalis	Mahon	Orfield	Smith	Winter	
Brown, C.	Greenfield	Kelso	Mariani	Ostrom	Solberg	Wolf	
Brown, K.	Greiling	Kinkel	McCollum	Ozment	Stanius	Worke	
Carlson	Gruenes	Klinzing	McGuire	Pauly	Steensma	Workman	
Carruthers	Gutknecht	Knickerbocker	Milbert	Pawlenty	Swenson	Spk. Anderson, I.	
Clark	Hasskamp	Knight	Molnau	Pelowski	Tomassoni	•	
Commers	Haukoos	Koppendrayer	Morrison	Perlt	Tompkins		
Cooper	Hausman	Krueger	Mosel	Peterson	Trimble		
Dauner	Holsten	Lasley	Munger	Pugh	Tunheim		
		=	-				

Those who voted in the negative were:

Frerichs	Hugoson	Olson, M.	Seagren
Girard	Krinkie	Rhodes	Sviggum

The bill was passed and its title agreed to.

# CALENDAR

H. F. No. 1966, A bill for an act relating to peace officers; authorizing officers of states adjoining Minnesota to render assistance to peace officers of this state on request; granting these officers arrest authority in this state under certain circumstances; extending the state and local government tort liability laws to the conduct of these officers; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the third 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:

Battaglia
Bauerly
Beard

Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids Dawkins Dehler

Dempsey	Hausman	Knickerbocker	Mariani	Opatz	Rodosovich	Tunheim
Dom	Holsten	Knight	McCollum	Orenstein	Rukavina	Van Dellen
Erhardt	Hugoson	Koppendrayer	McGuire	Orfield	Sama	Van Engen
Evans	Huntley	Krinkie	Milbert	Osthoff	Seagren	Vellenga
Farrell	Jacobs	Krueger	Molnau	Ostrom	Sekhon	Vickerman
Finseth	Jaros	Lasley	Morrison	Ozment	Simoneau	Wagenius
Frerichs	Jefferson	Leppik	Mosel	Pauly	Skoglund	Waltman
Garcia	Jennings	Lieder	Munger	Pawlenty	Smith	Weaver
Girard	Johnson, A.	Limmer	Murphy	Pelowski	Solberg	Wejcman
Goodno	Johnson, R.	Lindner	Neary	Perlt	Stanius	Wenzel
Greenfield	Johnson, V.	Long	Nelson	Peterson	Steensma	Winter
Greiling	Kahn	Lourey	Ness	Pugh	Sviggum	Wolf
Gruenes	Kalis	Luther	Olson, E.	Reding	Swenson	Worke
Gutknecht	Kelso	Lynch	Olson, K.	Rest	Tomassoni	Workman
Hasskamp	Kinkel	Macklin	Olson, M.	Rhodes	Tompkins	Spk. Anderson, I.
Haukoos	Klinzing	Mahon	Onnen	Rice	Trimble	-

The bill was passed and its title agreed to.

H. F. No. 2142, A bill for an act relating to the city of Brooklyn Park; authorizing the city's economic development authority to make certain small business loans.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids	Dawkins Dehler Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman	Holsten Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, R. Johnson, R. Johnson, V. Kahn Kalis Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie	Krueger Lasley Leppik Lieder Limmer Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison Mosel	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perit	Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson	Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.
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The bill was passed and its title agreed to.

# GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Anderson, I., in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

[75TH DAY

# REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 2010, 2043, 2143, 2210, 2222 and 2306 were recommended to pass.

H. F. Nos. 2099, 1374 and 2243 were recommended for progress.

S. F. Nos. 1691 and 2073 were recommended for progress.

On the motion of Carruthers the report of the Committee of the Whole was adopted.

# MOTIONS AND RESOLUTIONS

Gutknecht moved that the name of Erhardt be added as an author on H. F. No. 2632. The motion prevailed.

Rodosovich moved that the name of Worke be added as an author on H. F. No. 2741. The motion prevailed.

Wagenius moved that the name of Rice be added as an author on H. F. No. 2762. The motion prevailed.

Brown, K., moved that the name of Jennings be added as an author on H. F. No. 2782. The motion prevailed.

Mariani moved that the name of Kinkel be added as an author on H. F. No. 2926. The motion prevailed.

Wejcman moved that the name of Weaver be added as an author on H. F. No. 2950. The motion prevailed.

Jaros moved that the name of Dawkins be added as an author on H. F. No. 3004. The motion prevailed.

Cooper moved that the names of Peterson and Huntley be added as authors on H. F. No. 3007. The motion prevailed.

Murphy moved that the names of Rodosovich, Solberg and Lourey be added as authors on H. F. No. 3009. The motion prevailed.

Lourey moved that the name of Jennings be added as an author on H. F. No. 3051. The motion prevailed.

McCollum moved that the names of Murphy; Olson, K.; Vellenga and Ness be added as authors on H. F. No. 3056. The motion prevailed.

Bauerly moved that the following statement be printed in the Journal of the House: "Had I been present, it was my intention to vote in the affirmative on Thursday, March 17, 1994, when the vote was taken on the repassage of H. F. No. 1863, as amended by the Senate." The motion prevailed.

Bauerly moved that the following statement be printed in the Journal of the House: "Had I been present, it was my intention to vote in the affirmative on Thursday, March 17, 1994, when the vote was taken on the final passage of H. F. No. 2074, as amended." The motion prevailed.

Mariani moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Monday, March 21, 1994, when the vote was taken on the final passage of H. F. No. 1914, as amended." The motion prevailed.

Finseth moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Monday, March 21, 1994, when the vote was taken on the final passage of S. F. No. 1512, as amended." The motion prevailed.

Peterson moved that H. F. No. 2240 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Pelowski moved that H. F. No. 2609 be recalled from the Committee on Education and be re-referred to the Committee on Governmental Operations and Gambling. The motion prevailed.

Carlson moved that H. F. No. 2957 be recalled from the Committee on Judiciary and be re-referred to the Committee on Financial Institutions and Insurance. The motion prevailed.

Murphy moved that H. F. No. 2962 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Greiling moved that S. F. No. 2040 be recalled from the Committee on Governmental Operations and Gambling and together with H. F. No. 2536, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Peterson moved that H. F. No. 2540 be returned to its author. The motion prevailed.

# ADJOURNMENT

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Wednesday, March 23, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION --- 1994

# SEVENTY-SIXTH DAY

# SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 23, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by the Reverend Peg Chemberlin, Director of Minnesota Food Share, Minneapolis, Minnesota. The roll was called and the following members were present:

Dawkins Abrams Dehler Anderson, R. Asch Delmont Battaglia Dempsey Bauerly Dom Erhardt Beard Evans Bergson Bertram Farrell Finseth Bettermann Frerichs Bishop Brown, C. Garcia Brown, K. Girard Carlson Goodno Carruthers Greiling Gruenes Clark Gutknecht Commers Cooper Hasskamp Dauner Haukoos Davids Hausman

Holsten Krueger Hugoson Lasley Huntley Lieder Jacobs Limmer Jaros Lindner Jefferson Long Luther Jennings Johnson, A. Lynch Macklin Johnson, R. Johnson, V. Mahon Kahn Mariani Kalis Kelley McGuire Kelso Milbert Kinkel Molnau Klinzing Morrison Knight Mosel Koppendrayer Munger Murphy Krinkie

Neary Nelson Ness Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom McCollum Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding

Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble

Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

## A quorum was present.

Greenfield, Knickerbocker, Leppik, Lourey and Olson, E., were excused

The Chief Clerk proceeded to read the Journal of the preceding day. Koppendrayer 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. 2040 and H. F. No. 2536, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Greiling moved that S. F. No. 2040 be substituted for H. F. No. 2536 and that the House File be indefinitely postponed. The motion prevailed.

# **REPORTS OF STANDING COMMITTEES**

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 377, A bill for an act relating to elections; changing certain requirements and procedures for absentee and mail voting; imposing a penalty; amending Minnesota Statutes 1992, sections 203B.02, subdivision 1; 203B.03, subdivision 1; 203B.04, subdivision 1; 203B.06, subdivision 3; 203B.07, subdivision 2; 203B.08, subdivision 1; 203B.11, by adding a subdivision; 203B.12, subdivision 2, and by adding a subdivision; 203B.13, subdivisions 1 and 2; 203B.16, by adding a subdivision; 203B.19; 204B.45; proposing coding for new law in Minnesota Statutes, chapter 203B; repealing Minnesota Statutes 1992, section 203B.02, subdivision 1a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 201.061, subdivision 1, is amended to read:

Subdivision 1. [PRIOR TO ELECTION DAY.] At any time except during the 20 days immediately preceding any election, an eligible voter or any individual who will be an eligible voter at the time of the next election may register to vote in the precinct in which the voter maintains residence by completing a registration card and submitting it in person or by mail to the county auditor of that county or to the secretary of state's office. A registration that is received no later than 5:00 p.m. on the 21st day preceding any election shall be accepted. An improperly addressed or delivered registration card shall be forwarded within two working days after receipt to the county auditor of the county where the voter maintains residence.

A state or local agency or any individual that accepts completed voter registration cards from a voter must submit the completed cards to the secretary of state or the appropriate county auditor within ten days after the cards are dated by the voter.

Sec. 2. Minnesota Statutes 1993 Supplement, section 201.071, subdivision 1, is amended to read:

Subdivision 1. [FORM.] A registration card must be of suitable size and weight for mailing and contain spaces for the following required information: voter's first name, middle name, and last name; voter's previous name, if any; voter's current address; voter's previous address, if any; voter's date of birth; voter's municipality and county of residence; voter's telephone number, <u>if provided by the voter</u>; date of registration; and voter's signature. The card must also contain the following <u>a</u> certification: I certify that I will be at least 18 years old on election day and am a citizen of the United States, that I reside at the address shown and will have resided in Minnesota for 20 days immediately preceding election day, and that I am not under guardianship of the person, have not been found by a court to be legally incompetent to vote, and have not been convicted of a felony without having my civil rights restored. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both of voter eligibility.

The form of the voter registration card <u>and the certification of voter eligibility</u> must be as provided in the rules of the secretary of state.

Sec. 3. Minnesota Statutes 1993 Supplement, section 201.081, is amended to read:

201.081 [REGISTRATION FILES.]

The statewide registration system is the official record of registered voters. The voter registration cards and the terminal providing access to the statewide registration system must be under the control of the county auditor or the public official to whom the county auditor has delegated the responsibility for maintaining voter registration records. The voter registration cards and terminals providing access to the statewide registration system must not be removed from the control of the county auditor except as provided in this subdivision. The county auditor may make photographic copies of voter registration cards in the manner provided by section 138.17.

A properly completed voter registration card that has been submitted to a county auditor must be maintained by the county auditor for at least 22 months after the date that the information on the card is entered into the database of the statewide registration system. The county auditor may dispose of the cards after retention for 22 months in the manner provided by section 138.17.

Sec. 4. Minnesota Statutes 1992, section 201.12, subdivision 2, is amended to read:

Subd. 2. [CHALLENGES.] Upon return of the notice by the postal service, the county auditor or the auditor's staff shall personally ascertain the name and address of that individual. If the individual is no longer at the address recorded in the statewide registration system, the county auditor shall change the registrant's status to "challenged" in the statewide registration system. An individual challenged in accordance with this subdivision shall comply with the provisions of section 204C.12, before being allowed to vote. If a second notice mailed at least 60 days after the return of the first notice is also returned by the postal service, the county auditor may remove the registration card from the file and shall change the registrant's status to "inactive" in the statewide registration system.

Sec. 5. Minnesota Statutes 1992, section 201.121, subdivision 1, is amended to read:

Subdivision 1. [ENTRY OF REGISTRATION INFORMATION.] Upon receiving a voter registration card properly completed and submitted in accordance with sections 201.061 and 201.071, the county auditor shall enter in the appropriate registration files and in the statewide registration system the registration card or the information contained on it within ten days after receipt of the card.

Upon receiving a completed voter registration card or form, the secretary of state may electronically transmit the information on the card or form to the appropriate county auditor as soon as possible for review by the county auditor before final entry into the statewide registration system. The secretary of state shall mail the registration card or form to the county auditor for placement in the appropriate files.

Sec. 6. Minnesota Statutes 1993 Supplement, section 201.13, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF HEALTH, REPORTS OF DECEASED RESIDENTS.] The commissioner of health shall report monthly to the secretary of state the name, address, date of birth, and county of residence of each individual 18 years of age or older who has died while maintaining residence in Minnesota since the last previous report. The secretary of state shall determine if any of the persons listed in the report are registered to vote and shall prepare a list of those registrants for each county auditor. Within 60 days after receiving the list from the secretary of state, the county auditor shall change the status of those registrants to "deceased" in the statewide registration system and remove from the files the registration cards of the voters reported to be deceased.

Sec. 7. Minnesota Statutes 1993 Supplement, section 201.13, subdivision 2, is amended to read:

Subd. 2. [VOTER RECISTRATION CARD REMOVAL FOR DECEASED NONRESIDENTS.] The county auditor may remove from the files the voter registration cards of voters who have died outside of the county, after receiving notice of death. Within 60 days after receiving notice of death of a voter who has died outside the county, the county auditor shall change the voter's status to "deceased." Notice must be in the form of a printed obituary or a written statement signed by a registered voter of the county. The county auditor shall also make the appropriate changes in the data base of the statewide registration system when voter registration cards are removed from the files.

Sec. 8. Minnesota Statutes 1992, section 201.171, is amended to read:

# 201.171 [POSTING VOTING HISTORY; FAILURE TO VOTE; REGISTRATION REMOVED.]

Within six weeks after every election, the county auditor shall post the voting history for every person who voted in the election. After the close of the calendar year, the secretary of state shall determine if any registrants have not voted during the preceding four years and shall change the status of those registrants to "inactive" in the statewide registration system. The secretary of state shall also prepare a report to the county auditor containing the names of all registrants whose status was changed to "inactive."

The county auditor shall remove the voter registration card of any voter whose name appears on the report. Although not counted in an election, a late absentee ballot must be considered a vote for the purpose of continuing registration. Sec. 9. Minnesota Statutes 1992, section 203B.02, subdivision 1a, is amended to read:

Subd. 1a. [EXPERIMENTAL PROCEDURES VOTING BEFORE ELECTION DAY.] A county board may authorize Any eligible voter in the county to may vote by absentee ballot without qualification by submitting a written request to at any location designated by the county auditor between August 1, 1991 and November 30, 1992 as provided in section 15, notwithstanding the provisions of subdivision 1. The county auditor shall notify the secretary of state immediately after the adoption of such a resolution of authorization by the county board.

The application for absentee ballots must include the voter's name, <u>date of birth</u>, residence address in the county, address to which the ballots are to be mailed, the date of the request, and the voter's signature.

The county auditor shall maintain a record of the number of applications for absentee ballots submitted under this subdivision. No later than January 15, 1993, the secretary of state shall prepare a report to the legislature on the implementation of this subdivision.

Assistance to voters in marking absentee ballots is subject to section 204C.15, subdivision 1.

Sec. 10. Minnesota Statutes 1992, section 203B.03, subdivision 1, is amended to read:

Subdivision 1. [VIOLATION.] No individual shall intentionally:

(a) make or sign any false certificate required by this chapter;

(b) make any false or untrue statement in any application for absentee ballots;

(c) apply for absentee ballots more than once in any election with the intent to cast an illegal ballot;

(d) exhibit a ballot marked by that individual to any other individual;

(e) do any act in violation of the provisions of this chapter for the purpose of casting an illegal vote in any precinct or for the purpose of aiding another to cast an illegal vote; <del>or</del>

(f) use information from absentee ballot materials or records for purposes unrelated to elections, political activities, or law enforcement; or

## (g) provide assistance to an absentee voter except in the manner provided by section 204C.15, subdivision 1.

Before inspecting information from absentee ballot materials or records, an individual shall provide identification to the public official having custody of the material or information.

Sec. 11. Minnesota Statutes 1992, section 203B.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION PROCEDURES.] Except as otherwise allowed by subdivision 2, an application for absentee ballots for any election may be submitted at any time not less than one day before the day of that election. The county auditor shall prepare absentee ballot application forms in the format provided in the rules of the secretary of state and shall furnish them to any person on request. An application submitted pursuant to this subdivision shall be in writing and shall be submitted to:

(a) the county auditor of the county where the applicant maintains residence; or

(b) the municipal clerk of the municipality, or school district if applicable, where the applicant maintains residence.

An application shall be accepted if it is signed and dated by the applicant, contains the applicant's <u>name</u>, residence and mailing addresses, <u>and date of birth</u>, and states that the applicant is eligible to vote by absentee ballot for one of the reasons specified in section 203B.02. An application may be submitted to the county auditor or municipal clerk by an electronic facsimile device, at the discretion of the auditor or clerk. <u>An application submitted on behalf of a</u> <u>voter by a person other than the voter must be mailed or returned to the county auditor or municipal clerk within ten days after it has been dated by the voter and no later than six days before the election. A copy of an absentee ballot application or list of voters applying for an absentee ballot made available for public inspection may not include the voter's day or month of birth.</u>

Sec. 12. Minnesota Statutes 1992, section 203B.06, subdivision 3, is amended to read:

Subd. 3. [DELIVERY OF BALLOTS.] If an application for absentee ballots is accepted at a time when absentee ballots are not yet available for distribution, the county auditor, or municipal clerk accepting the application shall file it and as soon as absentee ballots are available for distribution shall mail them to the address specified in the application. If an application for absentee ballots is accepted when absentee ballots are available for distribution, the county auditor or municipal clerk accepting the application shall promptly:

(a) Mail the ballots to the voter whose signature appears on the application if the application is submitted by mail; or

(b) Deliver the absentee ballots directly to the voter if the application is submitted in person;

(c) Transmit a facsimile of the ballots to the voter in the manner provided in section 16; or

(d) Deliver the absentee ballots in a sealed transmittal envelope to an agent who has been designated to bring the ballots to a voter who is a patient in a hospital or health care facility, as provided in section 203B.11, subdivision 4.

If an application does not indicate the election for which absentee ballots are sought, the county auditor or municipal clerk shall mail or deliver only the ballots for the next election occurring after receipt of the application. Only one set of ballots may be mailed, <u>transmitted</u>, or <u>delivered</u> to an applicant for any election, <u>except as provided</u> in <u>section 203B.13</u>, <u>subdivision 2</u>, or <u>when a replacement ballot has been requested by the voter for a ballot that has been spoiled or lost in transit</u>.

This subdivision does not apply to applications for absentee ballots received pursuant to sections 203B.04, subdivision 2, and 203B.11.

Sec. 13. Minnesota Statutes 1992, section 203B.07, subdivision 2, is amended to read:

Subd. 2. [DESIGN OF ENVELOPES.] The return envelope shall be of sufficient size to conveniently enclose and contain the ballot envelope and a voter registration card folded along its perforations. The return envelope shall be designed to open on the left hand end. The return envelope must include spaces for the voter's name, address, and date of birth. A certificate of eligibility to vote by absentee ballot shall be printed on the right hand three-fourths of the back of the envelope. The certificate shall contain a statement to be signed and sworn by the voter indicating that the voter meets all of the requirements established by law for voting by absentee ballot. If the voter was not previously registered, the certificate shall also contain a statement signed by an eligible a registered voter of the eounty precinct in which the absent voter maintains residence or by a notary public, United States postmaster, assistant postmaster, postal supervisor, clerk of a postal service contract station or other individual authorized to administer oaths stating that:

(a) the ballots were displayed to that individual unmarked;

(b) the voter marked the ballots in that individual's presence without showing how they were marked, or, if the voter was physically unable to mark them, that the voter directed another individual to mark them; and

(c) if the voter was not previously registered, that the voter has provided proof of residence as required by section 201.061, subdivision 3.

The county auditor or municipal clerk shall affix first class postage to the return envelopes.

Sec. 14. Minnesota Statutes 1992, section 203B.08, subdivision 1, is amended to read:

Subdivision 1. [MARKING AND RETURN BY VOTER.] An eligible voter who receives absentee ballots as provided in this chapter shall mark them in the manner specified in the directions for casting the absentee ballots. The return envelope containing marked ballots may be mailed as provided in the directions for casting the absentee ballots or may be left with the county auditor or municipal clerk who transmitted the absentee ballots to the voter.

The voter may designate an agent to deliver in person the sealed absentee ballot return envelope to the county auditor or municipal clerk or to deposit the return envelope in the mail. An agent may deliver or mail the return envelopes of not more than three voters in any election. Any person designated as an agent who tampers with either the return envelope or the voted ballots or does not immediately mail or deliver the return envelope to the county auditor or municipal clerk is guilty of a misdemeanor.

## Sec. 15. [203B.081] [VOTING BEFORE ELECTION DAY.]

<u>An eligible voter may vote by absentee ballot in the office of the county auditor and at any other polling place</u> <u>designated by the county auditor during the 30 days before the election. At least one voting booth in each polling</u> <u>place must be made available by the county auditor for this purpose.</u>

# Sec. 16. [203B.082] [USE OF FACSIMILE BALLOTS.]

<u>Subdivision 1.</u> [ELIGIBILITY.] <u>During the seven days prior to the state primary and state general election, an eligible voter may vote by an electronically transmitted facismile ballot if the voter is either a patient or a temporary resident of a hospital or health care facility, temporarily absent from the precinct, or permanently residing outside the territorial limits of the United States.</u>

Subd. 2. [APPLICATION.] Upon receipt of a properly completed application, the county auditor may send the voter the appropriate ballots and a ballot transmission form using an electronic facsimile device. The ballot transmission form must provide space for the voter's name, address, signature, date of birth, date on which the ballots were transmitted by the voter, and a statement acknowledging that the voter's ballots will not be secret. The secretary of state shall prepare samples of the data transmission form for use by the county auditor.

Subd. 3. [RETURN.] The voter may return the voted ballots to the county auditor using an electronic facsimile device. If an electronic facsimile device is used, the voter must also complete and return the ballot transmission form. Upon receipt of an electronically transmitted ballot, the county auditor shall immediately compare the information provided on the absentee ballot application with the information provided on the ballot transmission form. No record of the votes cast by the voter may be made. After the information on the ballot transmission form has been verified, the ballots must be sealed in a ballot secrecy envelope. The ballot transmission form must be attached to the ballot secrecy envelope and placed with the other absentee ballots for the precinct in which the voter resides. The county auditor shall certify that the ballots were properly enclosed in the ballot secrecy envelope, that no record of the votes cast on the ballots was made, and that the auditor will not disclose for whom the voter has voted.

Subd. 4. [REJECTION.] If the county auditor cannot verify that the ballots were transmitted by the same person who submitted the absentee ballot application, the ballots must be rejected and no votes on the ballots may be counted.

Sec. 17. Minnesota Statutes 1992, section 203B.11, is amended by adding a subdivision to read:

Subd. 4. [AGENT DELIVERY OF BALLOTS.] During the four days preceding an election and until 4:00 p.m. on election day, an eligible voter who is a patient of a hospital or health care facility may designate an agent to deliver the ballots to the voter from the county auditor or municipal clerk. The voted ballots must be returned to the county auditor or municipal clerk no later than 5:00 p.m. on election day. The voter must complete an affidavit requesting the auditor or clerk to provide the agent with the ballots in a sealed transmittal envelope. The affidavit must include a statement from the voter stating that the ballots were delivered to the voter by the agent in the sealed transmittal envelope. An agent may deliver ballots to no more than three persons in any election. The secretary of state shall provide samples of the affidavit and transmission envelope for use by the county auditors.

Sec. 18. Minnesota Statutes 1992, section 203B.12, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF RETURN ENVELOPES.] Two or more election judges shall examine each return envelope and shall mark it accepted or rejected in the manner provided in this subdivision. If a ballot has been prepared under section 204B.12, subdivision 2a, or 204B.41, the election judges shall not begin removing ballot envelopes from the return envelopes until 8:00 p.m. on election day, either in the polling place or at an absentee ballot board established under section 203B.13.

The election judges shall mark the return envelope "Accepted" and initial or sign the return envelope below the word "Accepted" if the election judges or a majority of them are satisfied that:

(1) the voter's name, address, and date of birth on the return envelope are the same as the information provided on the absentee ballot application;

(a) (2) the voter's signature on the return envelope is the genuine signature of the individual who made the application for ballots and the certificate has been completed as prescribed in the directions for casting an absentee ballot;

(b) (3) the voter is registered and eligible to vote in the precinct or has included a properly completed registration card in the return envelope; and

(e) (4) the voter has not already voted at that election, either in person or by absentee ballot.

The return envelope from accepted ballots must be preserved and returned to the county auditor.

If all or a majority of the election judges examining return envelopes find that an absent voter has failed to meet one of the requirements prescribed in clauses (a) (1) to (e) (4), they shall mark the return envelope "Rejected," initial or sign it below the word "Rejected," and return it to the county auditor.

Sec. 19. Minnesota Statutes 1992, section 203B.12, is amended by adding a subdivision to read:

<u>Subd. 7.</u> [NAMES OF PERSONS SUBMITTING ABSENTEE BALLOTS.] <u>The names of voters who have submitted</u> an <u>absentee ballot return envelope to the county auditor or municipal clerk may not be made available for public</u> inspection until the close of voting on election day.

Sec. 20. Minnesota Statutes 1992, section 203B.13, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The governing body of any <u>county that has established a counting center as</u> <u>provided in section 206.85</u>, <u>subdivision 2</u>, <u>any</u> municipality may by ordinance</u>, or the school board of any school district may by <u>ordinance</u> or resolution, authorize an absentee ballot board. The board shall consist of a sufficient number of election judges appointed as provided in sections 204B.19 to 204B.22.

Sec. 21. Minnesota Statutes 1992, section 203B.13, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] The absentee ballot board may do any of the following:

(a) Receive from each precinct in the municipality or school district all ballot envelopes marked "Accepted" by the election judges; provided that the governing body of a municipality or the school board of a school district may authorize the board to examine all return absentee ballot envelopes and receive or reject absentee ballots in the manner provided in section 203B.12;

(b) Open and count the absentee ballots, tabulating the vote in a manner that indicates each vote of the absentee voter and the total absentee vote cast for each candidate or question in each precinct; or

(c) Report the vote totals tabulated for each precinct.

The absentee ballot board may begin the process of examining the return envelopes and marking them "Accepted" or "Rejected" at any time during the 30 days before the election. If an envelope has been rejected, the ballots in the envelope must be considered spoiled ballots and the official in charge of the absentee ballot board shall inform the voter who submitted the absentee ballot. The voter shall be provided with an application to receive another absentee ballot in place of the spoiled ballot. The secretary of state shall provide samples of this application for use by the county auditor.

Sec. 22. Minnesota Statutes 1992, section 203B.16, is amended by adding a subdivision to read:

Subd. 3. [DUTIES OF MUNICIPAL CLERK.] The municipal clerk shall administer the duties of the county auditor in sections 203B.16 to 203B.27 for municipal elections not held on the same day as a state or county election.

Sec. 23. Minnesota Statutes 1992, section 203B.19, is amended to read:

203B.19 [RECORDING APPLICATIONS.]

Upon accepting an application, the county auditor shall record in a permanent register on the statewide registration system the voter's name, address of present or former residence in Minnesota, mailing address, <u>date of birth</u>, school district number, and the category under section 203B.16, to which the voter belongs. After recording this information, The county auditor shall retain the application record for two years after the date of the next state general election. A voter whose name is recorded as provided in this section shall not be required to register under any other provision of law in order to vote under sections 203B.16 to 203B.27.

The polling place rosters prepared by the secretary of state must include separate pages to list the persons whose applications have been recorded as provided in this section. The election judges shall indicate on the roster each person for whom an absentee ballot has been accepted.

# Sec. 24. [EFFECTIVE DATE.]

This act is effective January 1, 1995, except that sections 9, 11, and 12, paragraph (d), are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to elections; changing certain requirements and procedures for voter registration and absentee and mail voting; imposing a penalty; amending Minnesota Statutes 1992, sections 201.061, subdivision 1; 201.12, subdivision 2; 201.121, subdivision 1; 201.171; 203B.02, subdivision 1a; 203B.03, subdivision 1; 203B.04, subdivision 1; 203B.06, subdivision 3; 203B.07, subdivision 2; 203B.08, subdivision 1; 203B.11, by adding a subdivision; 203B.12, subdivision 2, and by adding a subdivision; 203B.13, subdivisions 1 and 2; 203B.16, by adding a subdivision; and 203B.19; Minnesota Statutes 1993 Supplement, sections 201.071, subdivision 1; 201.081; and 201.13, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 203B."

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1155, A bill for an act relating to free speech; protecting citizens and organizations from civil lawsuits for exercising their constitutional rights of petition, speech, association, and participation in government; proposing coding for new law as Minnesota Statutes, chapter 554.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [554.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to this chapter.

Subd. 2. [GOVERNMENT.] "Government" includes a branch, department, agency, official, employee, agent, or other person with authority to act on behalf of the federal government, this state, or any political subdivision of this state, including municipalities and their boards, commissions, and departments, or other public authority.

<u>Subd. 3.</u> [JUDICIAL CLAIM; CLAIM.] <u>"Judicial claim" or "claim" includes any civil lawsuit, cause of action, claim, cross-claim, counterclaim, or other judicial pleading or filing seeking damages for an alleged injury. "Judicial claim" does not include a claim solely for injunctive relief.</u>

<u>Subd. 4.</u> [MOTION.] "<u>Motion</u>" includes any motion to dismiss, motion for summary judgment, or any other judicial pleading filed to dispose of a judicial claim.

<u>Subd.</u> 5. [MOVING PARTY.] "Moving party" means any person on whose behalf the motion described in section 554.02, subdivision 1, is filed seeking dismissal of an action under this chapter.

Subd. 6. [PUBLIC PARTICIPATION.] "Public participation" means speech or lawful conduct that is genuinely aimed in whole or in part at procuring favorable government action.

Subd. 7. [RESPONDING PARTY.] "Responding party" means any person against whom a motion described in section 554.02, subdivision 1, is filed.

Sec. 2. [554.02] [PROTECTION OF CITIZENS TO PARTICIPATE IN GOVERNMENT.]

Subdivision 1. [APPLICABILITY.] This section applies to any motion in a judicial proceeding to dispose of a judicial claim on the grounds that the claim materially relates to an act of the moving party that involves public participation.

Subd. 2. [PROCEDURE.] (a) On the filing of any motion described in subdivision 1:

(1) discovery must be suspended pending the final disposition of the motion, including any appeal; provided that the court may, on motion and after a hearing and for good cause shown, order that specified and limited discovery be conducted;

(2) the responding party has the burden of proof, of going forward with the evidence, and of persuasion on the motion;

(3) the court shall grant the motion and dismiss the judicial claim unless the court finds that the responding party has produced clear and convincing evidence that the acts of the moving party are not immunized from liability under section 554.03; and

(4) any governmental body to which the moving party's acts were directed or the attorney general's office may intervene in, defend, or otherwise support the moving party.

(b) The hearing and decision on the motion must be expedited, including any appeal or other writ, whether interlocutory or not, from a trial court order denying the motion or a trial court failure to rule on the motion.

Sec. 3. [554.03] [IMMUNITY.]

Lawful conduct or speech that is genuinely aimed in whole or in part at procuring favorable government action is immune from liability, unless the conduct or speech constitutes a tort or a violation of a person's constitutional rights.

Sec. 4. [554.04] [FEES AND DAMAGES.]

<u>Subdivision 1.</u> [ATTORNEY FEES AND COSTS.] <u>The court shall award a moving party who prevails in a motion</u> <u>under this chapter reasonable attorney fees and costs associated with the bringing of the motion.</u>

Subd. 2. [DAMAGES.] (a) A moving party may petition the court for damages under this section in conjunction with a motion under this chapter.

(b) If a motion under this chapter is granted and the moving party demonstrates that the respondent brought the cause of action in the underlying lawsuit for the purpose of harassment, to inhibit the moving party's public participation, to interfere with the moving party's exercise of protected constitutional rights, or otherwise wrongfully injure the moving party, the court shall award the moving party actual damages. The court may award the moving party punitive damages under section 549.20. A motion to amend the pleadings under section 549.191 is not required under this section, but the claim for punitive damages must meet all other requirements of section 549.191.

Sec. 5. [554.05] [GENERAL PROVISIONS.]

<u>Subdivision 1.</u> [RELATIONSHIP TO OTHER LAW.] <u>Nothing in this chapter limits or precludes any rights the</u> moving party or responding party may have under any other constitutional, statutory, case or common law, or rule.

<u>Subd. 2.</u> [RULE OF CONSTRUCTION.] <u>This chapter must be construed liberally to effectuate its purposes and intent fully.</u>

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to free speech; protecting citizens and organizations from civil lawsuits for exercising their rights of public participation in government; proposing coding for new law as Minnesota Statutes, chapter 554."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Education to which was referred:

H. F. No. 1457, A bill for an act relating to education; increasing the number of higher education representatives on the state board of teaching; amending Minnesota Statutes 1992, sections 125.183, subdivisions 1 and 3; and 125.184, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 1, strike "six" and insert "seven"

Page 2, line 2, delete "three" and insert "two"

Page 2, line 3, delete "<u>each</u>"

Page 2, line 4, delete the first comma and insert "and one from" and delete ", and" and insert "or"

Page 2, line 5, delete "all" and insert "both"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1778, A bill for an act relating to the board of investment; requiring the board to provide certain information about its investments; proposing coding for new law in Minnesota Statutes, chapter 356.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 69.051, subdivision 1, is amended to read:

Subdivision 1. [FINANCIAL REPORT AND AUDIT.] The board of each salaried firefighters' and police relief association and of each volunteer firefighters' relief association with assets of at least \$200,000 or liabilities of at least \$200,000, according to the most recent actuarial valuation or financial report if no valuation is required, shall:

(a) Prepare a financial report covering the special and general funds of the relief association for the preceding fiscal year on a form prescribed by the state auditor. The financial report shall contain financial statements and disclosures which present the true financial condition of the relief association and the results of relief association operations in conformity with generally accepted accounting principles and in compliance with the regulatory, financing and funding provisions of this chapter and any other applicable laws. The financial report shall be countersigned by the municipal clerk or clerk-treasurer of the municipality in which the relief association is located if the relief association is a firefighters' relief association which is directly associated with a municipal fire department or is a police relief

5372

5373

association, or countersigned by the secretary of the independent nonprofit firefighting corporation and by the municipal clerk or clerk-treasurer of the largest municipality in population which contracts with the independent nonprofit firefighting corporation if the relief association is a subsidiary of an independent nonprofit firefighting corporation;

(b) File the financial report in its office for public inspection and present it to the city council after the close of the fiscal year. One copy of the financial report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b).

Sec. 2. Minnesota Statutes 1992, section 69.773, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL REQUIREMENTS OF THE SPECIAL FUND.] Prior to August 1 of each year, the officers of the relief association shall determine the financial requirements of the special fund of the relief association shall be based on the most recent actuarial valuation of the special fund prepared in accordance with subdivision 2. If the relief association has an unfunded actuarial accrued liability as reported in the most recent actuarial valuation, the financial requirements shall be determined by adding the figures calculated pursuant to clauses (a), (b), and (c). If the relief association does not have an unfunded actuarial accrued liability as reported in the most recent actuarial valuation, the financial requirements shall be an amount equal to the figure calculated pursuant to clauses (a) and (b), reduced by an amount equal to one-tenth of the amount of any assets in excess of the actuarial accrued liability of the relief association. The determination of whether or not the relief association has an unfunded actuarial accrued liability shall be based on the current market value of assets for which a market value is readily ascertainable and the cost or book value, whichever is applicable, for assets for which no market value is readily ascertainable.

(a) The normal level cost requirement for the following year, expressed as a dollar amount, shall be the figure for the normal level cost of the relief association as reported in the actuarial valuation.

(b) The amount of anticipated future administrative expenses of the special fund shall be calculated by multiplying the dollar amount of the administrative expenses of the special fund for the most recent year by the factor of 1.035.

(c) The amortization contribution requirement to retire the current unfunded actuarial accrued liability by the established date for full funding shall be the figure for the amortization contribution as reported in the actuarial valuation. If there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the special fund, a change in the bylaws of the relief association governing the service pensions, retirement benefits, or both payable from the special fund or a change in the actuarial cost method used to value all or a portion of the special fund which change or changes, which by themselves without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability of the special fund since December 31, 1970, the established date for full funding shall be December 31, 1990. If there has been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund since December 31, 1970, the established date for full funding shall be December 31, 1990. If there has been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund or a change in the actuarial accrued liability of the special fund since December 31, 1970, but prior to January 1, 1979, the establishe

(i) the unfunded actuarial accrued liability of the special fund shall be determined in accordance with the provisions governing service pensions, retirement benefits, and actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution needed to amortize this unfunded actuarial accrued liability amount by the date for full funding in effect prior to the change shall be calculated using the interest assumption specified in section 356.215, subdivision 4d, in effect before any applicable change;

(iii) the unfunded actuarial accrued liability of the special fund shall be determined in accordance with any new provisions governing service pensions, retirement benefits, and actuarial assumptions and the remaining provisions governing service pensions, retirement benefits, and actuarial assumptions in effect before an applicable change;

(iv) the level annual dollar contribution needed to amortize the difference between the unfunded actuarial accrued liability amount calculated pursuant to subclause (i) and the unfunded actuarial accrued liability amount calculated pursuant to subclause (iii) over a period of 20 years starting December 31 of the year in which the change is effective shall be calculated using the interest assumption specified in section 356.215, subdivision 4d, in effect after any applicable change;

(v) the annual amortization contribution calculated pursuant to subclause (iv) shall be added to the annual amortization contribution calculated pursuant to subclause (ii);

(vi) the period in which the unfunded actuarial accrued liability amount determined in subclause (iii) will be amortized by the total annual amortization contribution computed pursuant to subclause (v) shall be calculated using the interest assumption specified in section 356.215, subdivision 4d, in effect after any applicable change, rounded to the nearest integral number of years, but which shall not exceed a period of 20 years from the end of the year in which the determination of the date for full funding using this procedure is made and which shall not be less than the period of years beginning in the year in which the determination of the date for full funding using this procedure is made and ending by the date for full funding in effect before the change.

(vii) the period determined pursuant to subclause (vi) shall be added to the date as of which the actuarial valuation was prepared and the resulting date shall be the new date for full funding.

Sec. 3. [356.219] [DISCLOSURE OF ADDITIONAL PUBLIC PENSION PLAN INVESTMENT INFORMATION.]

Subdivision 1. [REPORT REQUIRED.] The state board of investment on behalf of the public pension funds and programs for which it is the investment authority and any Minnesota public pension plan not wholly invested through the state board of investments, including a local police or firefighters' relief association governed by sections 69.777 or 69.771 to 69.775, shall report the information specified in subdivision 2 to the state auditor. The state auditor may prescribe a form or forms for the purposes of the reporting requirements contained in this section.

Subd. 2. [CONTENT AND TIMING OF REPORTS.] (a) The following information shall be included in the report required by subdivision 1:

(1) the market value of all investments at the close of the reporting period;

(2) regular payroll-based contributions to the fund;

(3) other contributions and revenue paid into the fund, including, but not limited to, state or local non-payroll-based contributions, repaid refunds, and buybacks;

(4) total benefits paid to members;

(5) fees paid for investment management services;

(6) salaries and other administrative expenses paid; and

(7) total return on investment.

The report must also include a written statement of the investment policy in effect on June 30, 1988, and any investment policy changes made subsequently and shall include the effective date of each policy change. The information required under this subdivision must be reported separately for each investment account or investment portfolio included in the pension fund.

(b) The information specified in paragraph (a) must be provided separately for each quarter for the fiscal years of the pension fund ending during calendar years 1989 through 1991 and on a monthly basis thereafter. The required information through fiscal year 1993 must be submitted to the state auditor on or before October 1, 1994, and subsequently within six months of the end of each fiscal year.

Subd. 3. [PENALTY FOR NONCOMPLIANCE.] Failure to comply with the reporting requirements of this section shall result in a withholding of all state aid to which the pension plan may otherwise be entitled. The state auditor shall instruct the commissioners of revenue and finance to withhold state aid from any pension plan that fails to comply with the reporting requirements contained in this section.

<u>Subd. 4.</u> [INVESTMENT DISCLOSURE REPORT.] <u>Using the information provided under subdivision 2, the state</u> <u>auditor shall prepare an annual report to the legislature on the components of investment performance resulting from</u> <u>stages in the investment decision making process of various public pension plans subject to this section. The state</u> <u>auditor may contract with a qualified consultant or consulting firm to perform the analysis and prepare the report</u> <u>required under this subdivision</u>.

Sec. 4. Minnesota Statutes 1992, section 424A.04, is amended by adding a subdivision to read:

Subd. 3. [MEETINGS OPEN TO THE PUBLIC.] All official actions of the board of trustees of a relief association directly associated with a municipal fire department must be approved at a meeting of the board of trustees which is open to the public. The relief association must provide at least three days' written notice of all board meetings to all members of the board of trustees of the relief association. Copies of all meeting notices, or a schedule of the times and dates of regularly scheduled meetings of the board of trustees of the relief association, must also be sent to all individuals who request a copy of such meeting notices. The relief association shall keep a written record of all official actions taken at all meetings of the board of trustees. A copy of the written record of a meeting of the board of trustees of the relief association shall be filed with the city clerk or clerk-treasurer of the municipality served by the fire department to which the relief association is directly associated. The city clerk or clerk-treasurer of the municipality shall make the copy of the written record available for public inspection.

The board of trustees of a relief association may, by a majority vote in a public meeting, decide to hold a closed meeting to discuss issues or data that would constitute grounds for closing a public meeting held under section 471.705. Before closing a meeting, the board of trustees shall state on the record the specific grounds permitting the meeting to be closed and describe the subject to be discussed.

Sec. 5. [BLOOMINGTON FIRE RELIEF ASSOCIATION.]

Notwithstanding requirements of Minnesota Statutes, section 69.77, subdivision 2b, to the contrary, for a volunteer fire relief association described by Minnesota Statutes, section 69.77, subdivision 1a, clause (4), if the actuarial value of the assets of the relief association exceed the actuarial accrued liability as reported in the most recent actuarial valuation or survey, the financial requirements of the relief association for the following calendar year shall be the total of the amounts calculated under Minnesota Statutes, section 69.77, subdivision 2b, clauses (a) and (b), reduced by an amount equal to the amount by which the actuarial value of assets exceeds the actuarial accrued liability, divided by the number of full years to December 31, 2010.

Sec. 6. [EFFECTIVE DATE.]

Section 5 is effective upon approval of the Bloomington city council and upon compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to retirement; establishing minimum qualifications for audits of police and fire relief associations; establishing reporting requirements for certain public pension funds; requiring notice of meetings of relief associations and requiring meetings to be open to the public; changing employer contributions rates for the Bloomington fire relief association; amending Minnesota Statutes 1992, sections 69.051, subdivision 1; 69.773, subdivision 4; and 424A.04, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 356."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1829, A bill for an act relating to housing; requiring copies of evacuation plans for residents of manufactured home parks; amending Minnesota Statutes 1992, sections 290A.19; and 327C.02, subdivision 5, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 327.20, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1857, A bill for an act relating to manufactured housing; modifying the compact on industrialized/modular buildings; requiring a study of state administration, regulation, and enforcement; appropriating money; amending Minnesota Statutes 1992, section 16B.75.

Reported the same back with the following amendments:

Page 14, line 6, after the second "the" insert "department of health for transfer to the"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services/Health and Housing Finance Division.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1881, A bill for an act relating to the city of Red Wing; authorizing certain police officers to elect retirement coverage by the public employees police and fire fund.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1913, A bill for an act relating to retirement; St. Paul police consolidation account; authorizing the payment of refunds to the estates of certain deceased police officers.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1915, A bill for an act relating to employment; establishing a disaster volunteer leave program in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [43A.185] [DISASTER VOLUNTEER LEAVE.]

A state employee who is a certified disaster service volunteer of the American Red Cross may be granted leave from work with pay, not to exceed 15 working days in each year, to participate in specialized disaster relief services for the American Red Cross. The employee must be released from work for this function upon the request of the American Red Cross for the services of that employee, and upon the approval of that employee's appointing authority. The appointing authority shall compensate the employee granted leave under this section at the employee's regular rate of pay for those regular hours during which the employee is absent from work. This leave, if granted by the appointing authority, may not affect the employee's vacation leave, compensatory time, personal vacation days, sick leave, earned overtime accumulation, or cause a loss of seniority."

With the recommendation that when so amended the bill pass.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2045, 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; and article XI, sections 7 and 8; eliminating the office of state treasurer; authorizing the legislature to reassign the statutory duties of the state treasurer.

Reported the same back with the following amendments:

Page 4, lines 12 and 22, delete "1998" and insert "1999"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2064, A bill for an act relating to housing; modifying programs of the housing finance agency for low-income and tribal housing and for accessibility loans; amending Minnesota Statutes 1992, sections 462A.05, subdivision 14d, and by adding subdivision; 462A.10, by adding a subdivision; 462A.201, by adding a subdivision; 462A.30, subdivision 9; and 462A.31, subdivision 4; Minnesota Statutes 1993 Supplement, sections 462A.07, subdivision 14; 462A.202, subdivision 7; and 462A.222, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2084, A bill for an act relating to economic development; establishing a regional technology pilot project in southwest Minnesota through Minnesota Technology, Inc.; providing for the sale of bonds for improvements to state parks; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 1160.

Reported the same back with the following amendments:

Page 3, delete section 2

Page 3, delete line 20, and insert "<u>\$..... is</u>"

Page 3, delete lines 25 to 36

Page 4, delete line 1

Renumber sections in sequence and correct internal references

Amend the title as follows:

Page 1, delete line 5

Page 1, line 6, delete "state parks;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Clark from the Committee on Housing to which was referred:

H. F. No. 2174, A bill for an act relating to housing; creating a metropolitan reinvestment account; establishing uses; subjecting certain portions of homestead properties to the areawide tax rate; amending Minnesota Statutes 1992, sections 473F.02, by adding a subdivision; and 473F.08, subdivisions 2, 8a, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 473F.02, is amended by adding a subdivision to read:

<u>Subd.</u> 25. [EXCESS HOMESTEAD NET TAX CAPACITY.] "Excess homestead net tax capacity" is the net tax capacity on that portion of class 1 or class 2a property over \$150,000 market value. In the case of class 2a property, only the net tax capacity of the house, garage, and one acre of land over \$150,000 market value is considered excess homestead net tax capacity.

Sec. 2. Minnesota Statutes 1992, section 473F.02, is amended by adding a subdivision to read:

<u>Subd. 26.</u> [CONTRIBUTION NET TAX CAPACITY.] <u>Each municipality's "contribution net tax capacity" is equal</u> to 40 percent of the increase in net capacity as certified under section 473F.06, plus the amount of excess homestead net tax capacity certified under section 473.05.

Sec. 3. Minnesota Statutes 1992, section 473F.02, is amended by adding a subdivision to read:

<u>Subd 27.</u> [CONTRIBUTION PERCENTAGE.] <u>Each municipality's "contribution percentage" is that portion of its</u> <u>contribution net tax capacity attributable to commercial-industrial property divided by the municipality's total</u> <u>preceding year's net tax capacity of commercial-industrial property, determined without regard to section 469.177,</u> <u>subdivision 3.</u>

Sec. 4. Minnesota Statutes 1992, section 473F.05, is amended to read:

473F.05 [NET TAX CAPACITY.]

On or before August 5 of each year, the assessors within each county in the area shall determine and certify to the county auditor the <u>excess homestead net tax capacity and the</u> net tax capacity in that year of commercial-industrial property subject to taxation within each municipality in the county, determined without regard to section 469.177, subdivision 3.

Sec. 5. Minnesota Statutes 1992, section 473F.07, subdivision 1, is amended to read:

Subdivision 1. [AREAWIDE NET TAX CAPACITY.] Each county auditor shall certify the determinations under sections 473F.05 and 473F.06 to the administrative auditor on or before August 1 of each year.

The administrative auditor shall determine an amount equal to 40 percent of the sum of the amounts certified under section 473F-06 contribution net tax capacities for all municipalities in the area. The resulting amount shall be known as the "areawide net tax capacity for ......(year)."

Sec. 6. Minnesota Statutes 1992, section 473F.08, subdivision 2, is amended to read:

Subd. 2. [COMPUTATION OF NET TAX CAPACITY.] The net tax capacity of a governmental unit is its net tax capacity, as determined in accordance with other provisions of law including section 469.177, subdivision 3, subject to the following adjustments:

(a) There shall be subtracted from its net tax capacity its excess homestead net tax capacity, plus, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to 40 percent of the amount certified in that year under sections 473F.06 and 473F.07 for the municipality as the total preceding year's net tax capacity of commercial industrial property which is subject to the taxing

jurisdiction of the governmental unit within the municipality, determined without regard to section 469.177, subdivision 3, bears to equal to the municipality's contribution percentage times the total preceding year's net tax capacity of commercial-industrial property within the jurisdiction and within the municipality, determined without regard to section 469.177, subdivision 3;

(b) There shall be added to its net tax capacity, in each municipality in which the governmental unit exercises ad valorem taxing jurisdiction, an amount which bears the same proportion to the areawide net tax capacity for the year attributable to that municipality as the total preceding year's net tax capacity of residential property which is subject to the taxing jurisdiction of the governmental unit within the municipality bears to the total preceding year's net tax capacity of residential property of the municipality.

Sec. 7. Minnesota Statutes 1992, section 473F.08, subdivision 6, is amended to read:

Subd. 6. [APPLICATION TO COMMERCIAL-INDUSTRIAL PROPERTY.] The areawide tax rate determined in accordance with subdivision 5 shall apply to <u>that portion of the net tax capacity of</u> each commercial-industrial property subject to taxation within a municipality, including property located within any tax increment financing district, as defined in section 469.174, subdivision 9, to that portion of the net tax capacity of the item which bears the same proportion to its total net tax capacity as 40 percent of the amount determined under sections 473F.06 and 473F.07 is to the amount determined under section 473F.05 equal to the municipality's contribution percentage. The tax rate determined in accordance with subdivision 4 shall apply in the taxation of the remainder of the net tax capacity of the item property.

Sec. 8. Minnesota Statutes 1992, section 473F.08, is amended by adding a subdivision to read:

Subd. 6a. [APPLICATION TO HOMESTEAD PROPERTY.] Each county assessor shall determine the countywide ratio of the excess homestead net tax capacity for the previous year reported under section 473F.05 to the excess homestead net tax capacity for the current year. The areawide tax rate determined under subdivision 5, multiplied by the excess homestead net tax capacity ratio, shall apply to the excess homestead net tax capacity of each homestead property in the county. The tax rate determined in accordance with subdivision 4 shall apply in the taxation of the remainder of the net tax capacity of the property.

Sec. 9. Minnesota Statutes 1992, section 473F.08, subdivision 8a, is amended to read:

Subd. 8a. [FISCAL DISPARITIES ADJUSTMENT.] In any year in which the highest class rate for class 3a property changes from the rate in the previous year, the following adjustments shall be made to the procedures described in sections 473F.06 to 473F.08.

(1) An initial contribution tax capacity shall be determined for each municipality based on the previous year's class rates.

(2) Each jurisdiction's distribution tax capacity shall be determined based upon the areawide tax base determined by summing the tax capacities computed under clause (1) for all municipalities and apportioning the resulting sum pursuant to section 473F.07, subdivision 5.

(3) Each jurisdiction's distribution levy shall be determined by applying the procedures described in subdivision 3, clause (a), to the distribution tax capacity determined pursuant to clause (2).

(4) Each municipality's final contribution tax capacity shall be determined equal to as its excess homestead net tax capacity plus that portion of its initial contribution tax capacity attributable to commercial-industrial property multiplied by the ratio of the new highest class rate for class 3a property to the previous year's highest class rate for class 3a property.

(5) For the purposes of computing education aids and any other state aids requiring the addition of the fiscal disparities distribution tax capacity to the local tax capacity, each municipality's final distribution tax capacity shall be determined equal to its initial distribution tax capacity multiplied by the ratio of the new highest class rate for class 3a property to the previous year's highest class rate for class 3a property to the previous year's highest class rate for class 3a property to the areawide total initial contribution net tax capacity.

(6) The areawide tax rate shall be determined by dividing the sum of the amounts determined in clause (3) by the sum of the values determined in clause (4).

(7) The final contribution tax capacity determined in clause (4) shall also be used to determined the portion of each commercial/industrial property's tax capacity subject to the areawide tax rate pursuant to subdivision 6.

Sec. 10. [APPLICATION.]

Sections 1 to 9 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective for taxes payable in 1995 and subsequent years."

Delete the title and insert:

"A bill for an act relating to property taxation; including certain homestead property value in the areawide tax base; subjecting certain homestead property value to the areawide tax rate; amending Minnesota Statutes 1992, sections 473F.02, by adding subdivisions; 473F.05; 473F.07, subdivision 1; and 473F.08, subdivisions 2, 6, 8a, and by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2178, A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Meeker county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2187, A bill for an act relating to state lands; authorizing the sale of certain lands in Mille Lacs county to resolve a trespass situation.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2218, A bill for an act relating to economic development; establishing a micro business loan pilot program; appropriating money.

Reported the same back with the following amendments:

Page 2, after line 23, insert:

## "Sec. 3. [SUPPORT FOR EXISTING MICRO BUSINESS LOAN PROGRAMS.]

The commissioner may make grants to nonprofit organizations that are not certified community development corporations to support the activities of existing micro business loan programs. Grants made under this section must not exceed ten percent of the total appropriations under this act."

Page 2, line 24, delete "3" and insert "4"

Page 2, line 27, after "corporations" insert "and other nonprofit organizations" and delete "a"

Page 2, line 28, delete "program" and insert "programs and activities" and delete "section 2" and insert "sections 2 and 3"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2278, A bill for an act relating to state government; establishing positions of secretaries to lead executive offices; assigning duties; requiring appointments; proposing coding for new law as Minnesota Statutes, chapter 4B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [REORGANIZATION IMPLEMENTATION PLAN.]

The governor must develop an implementation plan to create a secretarial system of executive branch organization. The plan takes effect only if enacted into law after the plan is proposed.

Sec. 2. [SECRETARIES.]

Subdivision 1. [APPOINTMENT.] Under the plan, the governor would appoint eight secretaries. Secretaries would head executive offices designated by the governor.

<u>Subd. 2.</u> [EXECUTIVE AGENCY ASSIGNMENT.] <u>Under the plan, the governor shall assign each executive branch</u> <u>state agency to the jurisdiction of one of the executive offices.</u> <u>Each agency would report to the governor through the</u> <u>secretary for that office.</u>

Subd. 3. [DUTIES.] (a) Under the plan, each secretary would:

(1) represent and act on behalf of the governor on issues related to the secretary's functional area;

(2) advise the governor on the appointment of agency directors, heads of small agencies, and board members;

(3) supervise agency directors and hold them accountable for their actions;

(4) direct strategic planning and policy development for the functional area assigned to the secretary;

(5) direct formulation and presentation of a comprehensive program budget for the functional area assigned to the secretary;

(6) exercise authority to the extent and in the manner specified in section Minnesota Statutes, 16B.37, to transfer personnel, powers, or duties among agencies assigned to the secretary;

(7) resolve administrative, jurisdictional, operational, program, or policy conflicts among agencies or officials assigned to the secretary; and

# (8) coordinate development of legislation and represent agencies in the legislative process.

(b) If a reorganization or reassignment undertaken in accordance with paragraph (a), clause (6), results in a change in the duties of a classified or unclassified bargaining unit position or a transfer of duties to a new position, the incumbent employee in the position must be provided with opportunities for retraining to enable the employee to perform the duties of the new or changed position.

<u>Subd. 4.</u> [OTHER EMPLOYEES.] <u>Each secretary would appoint other employees to serve in the office of the</u> secretary. <u>All employees in the office of a secretary would be confidential employees and serve in the unclassified</u> <u>service.</u>

Subd. 5. [EXEMPTIONS.] (a) Under the plan, agencies whose membership consists of both: (1) persons appointed by executive officials; and (2) legislators or judicial branch officials, or persons appointed by legislators or judicial branch officials, would not be assigned to one of the eight executive offices and are not subject to the jurisdiction of the secretaries.

(b) Under the plan, the following groups shall not be assigned to one of the eight executive offices and are not subject to the jurisdiction of the secretaries: board on aging, council for the blind, council on Asian-Pacific Minnesotans, council on Black Minnesotans, council on affairs of Spanish-speaking people, council on disability, council for the hearing impaired, crime victims reparations board, general crime victims advisory council, governor's advisory council on technologies for people with disabilities, governor's planning council on developmental disabilities, human rights advisory task force, department of human rights, Indian affairs council, crime victims and witness advisory council, ombudspersons appointed under Minnesota Statutes, section 257.0755, ombudsperson for older Minnesotans, ombudsperson for mental health and mental retardation, ombudsperson for corrections, and ombudsperson for crime victims.

(c) Under the plan any function assigned to the state treasurer, state auditor, secretary of state, or attorney general shall not be assigned to one of the eight executive offices and is not subject to the jurisdiction of the secretaries.

#### Sec. 3. [ELIMINATION OF OTHER POSITIONS.]

As a result of efficiencies achieved through the realignment of agency authority and accountability in section 1, the governor shall ensure a net reduction of 45 executive or managerial positions and 15 professional and clerical support positions in executive branch agencies. In accomplishing these reductions, the governor shall eliminate certain commissioner and deputy commissioner positions and shall consolidate support services management, such as management information systems, public information, research, and training and development. Classified or unclassified employees who are covered by a collective bargaining agreement may not be laid off except as provided in a plan negotiated under Minnesota Statutes, chapter 179A, that provides options to lay off for employees who would be affected.

#### Sec. 4. [IMPLEMENTATION.]

On the day following final enactment of this section, the governor must begin planning required by section 1. By September 1, 1994, the governor must submit to the legislature a plan showing which agencies would be assigned to the jurisdiction of each executive office, and which positions would be eliminated."

#### Delete the title and insert:

"A bill for an act relating to state government; requiring the governor to develop a plan to create a secretarial system of executive branch organization."

With the recommendation that when so amended the bill pass.

5383

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2292, A bill for an act relating to employment; providing for protection of whistle-blowers; establishing a whistle-blowers' hotline; establishing procedures for investigating reports; amending Minnesota Statutes 1992, sections 181.932, subdivisions 1 and 2; and 181.935; proposing coding for new law in Minnesota Statutes, chapter 6.

Reported the same back with the following amendments:

Page 1, delete lines 9 to 19, and insert:

"Section 1. [6.77] [HOTLINE.]

The state auditor shall maintain a statewide toll free hotline for receiving reports of improper use of government office, gross waste of public funds, or other abuse or neglect of duty by a public agency or public officer. The auditor shall investigate the reports as the state auditor may deem the public interest to demand and shall inform the appropriate agency of any finding of misconduct. The auditor shall annually report to the legislature and government a summary of activity under this section and shall recommend legislation, where appropriate, to improve government practices and accountability.

Sec. 2. [181.9315] [CITATION; WHISTLE BLOWER PROTECTION ACT.]

Section 181.932 may be cited as the whistle blower protection act."

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 7, delete "chapter" and insert "chapters" and before the period, insert "; and 181"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2297, A bill for an act relating to education; changing consolidation timelines; providing for early retirement incentives in districts reorganizing; creating consolidation transition revenue; appropriating money; amending Minnesota Statutes 1992, sections 122.23, subdivisions 6, 8, 10, 13, and by adding a subdivision; 122.531, subdivision 9; and 122.533; proposing coding for new law in Minnesota Statutes, chapter 124; repealing Minnesota Statutes 1992, section 122.23, subdivision 13a.

Reported the same back with the following amendments:

Page 4, delete lines 7 to 32, and insert:

<u>"Subd. 20.</u> [RETIREMENT INCENTIVES.] (a) <u>A school board of a newly reorganized district may offer early</u> retirement incentives to licensed and nonlicensed staff. The early retirement incentives that the board may offer are:

(1) the payment of employer pension plan contributions for a specified period of allowable service credit for district employees who have at least ten years of allowable service credit in the applicable pension plan under paragraph (b);

(2) an extended leave of absence for an eligible employee under section 125.60;

(3) severance payment incentives under paragraph (c);

## (4) the employer payment of the premiums for continued health insurance coverage under paragraph (d).

These incentives may only be offered to employees who terminate active employment with the school district or who enter into an extended leave of absence as a result of the consolidation, whichever applies. The board may determine the staff to whom the incentives are offered. Unilateral implementation of this section by a school board is not an unfair labor practice under chapter 179A.

(b) An employee with at least ten years of allowable service credit in the applicable pension plan who is offered an early retirement incentive under paragraph (a), clause (1), may purchase up to five additional years of allowable service credit from the applicable pension plan. To do so, the former employee must pay the member contributions to the pension plan annually in a manner and in accord with a schedule specified by the executive director of the applicable fund. If the former employee makes the member contributions, the board shall make the applicable employer contribution. The salary used to determine these contributions is the salary of the person in the last year that the former employee was employed by the district. During the period of continuing member and employer contributions, the person is not considered to be an active member of the applicable pension plan, is not eligible for any active member disability or survivorship benefit coverage, and is not included in any post-employment termination benefit plan changes unless the applicable benefit legislation provides otherwise. Continued eligibility to purchase service credit under this paragraph expires if the person is subsequently employed during the service purchase period by a public employer with retirement coverage under a pension plan specified in section 356.30, subdivision 3.

(c) Severance payment incentives must conform with sections 465.72, 465.721, and 465.722.

(d) The board may offer a former employee with continued employer-paid health insurance coverage. Coverage may not extend beyond age 65 or the end of the first month in which the employee is eligible for employer-paid health insurance coverage from a new employer. For purposes of this subdivision, "employer-paid health insurance coverage" means medical, hospitalization, or health insurance coverage provided through an insurance company that is licensed to do business in the state and for which the employing unit pays more than one-half of the cost of the insurance premiums."

Page 6, line 2, after "for" insert "the payment of district costs for the"

Page 6, line 3, after "incentives" insert "granted by the district"

Page 6, line 4, delete "remaining" and before "must" insert "remaining after the payment of district costs for the early retirement incentives"

Page 6, line 5, after "debt" insert "as"

Page 6, line 6, after "remaining" insert "after the reduction of operating debt"

Page 6, line 15, after "costs" insert "of the district"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2321, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Clay and Wilkin counties.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2401, A bill for an act relating to the state building code; providing for the disposition of certain receipts from permit surcharges; appropriating money; amending Minnesota Statutes 1992, section 16B.70, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2473, A bill for an act relating to housing, regulating the use of federal tax exempt revenue bonds, amending Minnesota Statutes 1992, section 474A.03, subdivisions 1 and 2a.

Reported the same back with the following amendments:

Page 1, line 10, strike "1991" and insert "1994"

Page 2, after line 19, insert:

"Sec. 3. Minnesota Statutes 1992, section 474A.04, subdivision 6, is amended to read:

Subd. 6. [ENTITLEMENT TRANSFERS.] An entitlement issuer may enter into an agreement with another entitlement issuer whereby the recipient entitlement issuer issues obligations pursuant to bonding authority allocated to the original entitlement issuer under this section. An entitlement issuer may enter into an agreement with an issuer which is not an entitlement issuer whereby the recipient issuer issues qualified mortgage bonds, up to \$100,000 of which are issued pursuant to bonding authority allocated to the original entitlement issuer under this section. The agreement may be approved and executed by the mayor of the entitlement issuer with or without approval or review by the city council. A housing and redevelopment authority which is an entitlement issuer, may elect to use its entitlement allocation to jointly issue qualified bonds with any adjacent county, a municipality, or a housing and redevelopment authority which the entitlement issuer has entered into a joint powers agreement under section 471.59."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections" and before the period insert, "; and 474A.04, subdivision 6"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2485, A bill for an act relating to water; providing for duties of the legislative water commission; providing for a sustainable agriculture advisory committee; requiring plans relating to sustainable agriculture and integrated pest management; establishing groundwater policy and education; changing water well permit requirements; requiring reports to the legislature; creating an advisory committee; appropriating money; amending Minnesota Statutes 1992, sections 3.887, subdivisions 5, 6, and 8; 17.114, subdivisions 1, 3, 4, and by adding subdivisions; 18B.045, subdivision 1; 103A.43; 103B.151, subdivision 1; 103G.271, subdivision 5; 103H.175, by adding a subdivision; 103H.201, subdivisions 1 and 4; 103I.101, subdivision 5; and 103I.331, subdivision 6; Minnesota Statutes 1993 Supplement, sections 18E.06; and 115B.20, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 103A; and 103F; repealing Minnesota Statutes 1992, section 103F.460.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 3.887, subdivision 5, is amended to read:

Subd. 5. [POWERS AND DUTIES.] (a) The legislative water commission shall review water policy reports and recommendations of the environmental quality board, the biennial report of the board of water and soil resources, and other water-related reports as may be required by law or the legislature.

(b) The commission shall oversee the activities of the pollution control agency under sections 116.16 to 116.181 relating to water pollution control.

(c) The commission may conduct public hearings and otherwise secure data and comments.

(d) <u>The commission shall hold annual hearings on issues relating to groundwater including, in every</u> even-numbered year, a hearing on the groundwater policy report required by section 103A.204.

(e) The commission shall make recommendations as it deems proper to assist the legislature in formulating legislation.

(e) (f) Data or information compiled by the legislative water commission or its subcommittees shall be made available to the legislative commission on Minnesota resources and standing and interim committees of the legislature on request of the chair of the respective commission or committee.

Sec. 2. Minnesota Statutes 1992, section 3.887, subdivision 6, is amended to read:

Subd. 6. [STUDY <u>REVIEW</u> <u>OF</u> <u>POLICY</u> <u>REPORT.</u>] The legislative water commission shall study the recommendations of the environmental quality board for the management and protection of water resources in the state, and shall report its findings to the legislative commission on Minnesota resources and the legislature by November 15, 1991, on the state's water management needs for the year 2000 <u>hold a hearing on the groundwater</u> policy report submitted every even-numbered year by the environmental quality board under section 103A.204.

Sec. 3. Minnesota Statutes 1992, section 3.887, subdivision 8, is amended to read:

Subd. 8. [REPEALER.] This section is repealed effective June 30, 1995 2000.

Sec. 4. Minnesota Statutes 1992, section 17.114, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] To assure the viability of agriculture in this state, the commissioner shall investigate, demonstrate, report on, and make recommendations on the current and future sustainability of agriculture in this state. The department of agriculture is the lead state agency on sustainable agriculture has the meaning given to it in Laws 1987, chapter 396, article 12, section 6 and integrated pest management.

Sec. 5. Minnesota Statutes 1992, section 17.114, subdivision 3, is amended to read:

Subd. 3. [DUTIES.] (a) The commissioner shall:

(1) establish a clearinghouse and provide information, appropriate educational opportunities and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;

(2) survey producers and support services and organizations to determine information and research needs in the area of sustainable agricultural practices;

(3) demonstrate the on-farm applicability of sustainable agriculture practices to conditions in this state;

(4) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(5) direct the programs of the department so as to work toward the sustainability of agriculture in this state;

(6) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

5386

(7) work closely with farmers, the University of Minnesota, and other appropriate organizations to identify opportunities and needs as well as assure coordination and avoid duplication of state agency efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(8) report to the legislature environmental quality board for review and then to the legislative water commission every odd numbered even-numbered year.

(b) The report under paragraph (a), clause (8), must include:

(1) the presentation and analysis of findings regarding the current status and trends regarding the economic condition of producers; the status of soil and water resources utilized by production agriculture; the magnitude of off-farm inputs used; and the amount of nonrenewable resources used by Minnesota farmers;

(2) a description of current state or federal programs directed toward sustainable agriculture including significant results and experiences of those programs;

(3) a description of specific actions the department of agriculture is taking in the area of sustainable agriculture;

(4) a description of current and future research needs at all levels in the area of sustainable agriculture; and

(5) suggestions for changes in existing programs or policies or enactment of new programs or policies that will affect farm profitability, maintain soil and water quality, reduce input costs, or lessen dependence upon nonrenewable resources.

Sec. 6. Minnesota Statutes 1992, section 17.114, is amended by adding a subdivision to read:

<u>Subd. 3a.</u> [SUSTAINABLE AGRICULTURE ADVISORY COMMITTEE.] (a) <u>The commissioner shall establish a</u> <u>sustainable agriculture advisory committee to assist in carrying out the duties in subdivision 3. The committee must</u> include farmers, higher education representatives with expertise in sustainable agriculture, officials from other state agencies, representatives from the agricultural utilization research institute, private sector agricultural professionals, and representatives from environmental and agricultural interest groups. Terms, compensation, and removal of members are governed by section 15.059.

(b) This subdivision is repealed effective December 31, 2000.

Sec. 7. Minnesota Statutes 1992, section 17.114, subdivision 4, is amended to read:

Subd. 4. [INTEGRATED PEST MANAGEMENT.] (a) The state shall promote and facilitate the use of integrated pest management through education, technical or financial assistance, information and research.

(b) The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public post-secondary institutions, Minnesota extension service, local units of government, and the private sector; establishment of information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption.

(c) The commissioner shall report to the governor and legislature by November 15, 1990, and on a biennial basis thereafter environmental quality board for review and then to the legislative water commission every even-numbered year. The report shall be combined with the report required in subdivision 3.

Sec. 8. Minnesota Statutes 1992, section 18B.045, subdivision 1, is amended to read:

Subdivision 1. [DEVELOPMENT.] The commissioner shall develop a pesticide management plan for the prevention, evaluation, and mitigation of occurrences of pesticides or pesticide breakdown products in groundwaters and surface waters of the state. The pesticide management plan must include components promoting prevention, developing appropriate responses to the detection of pesticides or pesticide breakdown products in groundwater and surface waters, and providing responses to reduce or eliminate continued pesticide movement to groundwater and surface water. Beginning September 1, 1994, and biennially thereafter, the commissioner must submit a status report on the plan to the environmental guality board for review and then to the legislative water commission.

Sec. 9. Minnesota Statutes 1993 Supplement, section 18E.06, is amended to read:

18E.06 [REPORT TO WATER COMMISSION.]

By November September 1, 1990 1994, and each year thereafter, the agricultural chemical response compensation board and the commissioner shall submit to the house of representatives committee on ways and means, the senate committee on finance, the environmental quality board, and the legislative water commission a report detailing the activities and reimbursements for which money from the account has been spent during the previous year.

Sec. 10. [103A.204] [GROUNDWATER POLICY.]

(a) The responsibility for the protection of groundwater in Minnesota is vested in a multi-agency approach to management. The following is a list of agencies and the groundwater protection areas for which the agencies are primarily responsible; the list is not intended to restrict the areas of responsibility to only those specified:

(1) environmental quality board: creation of a water resources committee to coordinate state groundwater protection programs and a biennial groundwater policy report beginning in 1994 that includes, for the 1994 report, the findings in the groundwater protection report coordinated by the pollution control agency for the Environmental Protection Agency;

(2) pollution control agency: water quality monitoring and reporting and the development of best management practices and regulatory mechanisms for protection of groundwater from nonagricultural chemical contaminants;

(3) department of agriculture: sustainable agriculture, integrated pest management, water quality monitoring, and the development of best management practices and regulatory mechanisms for protection of groundwater from agricultural chemical contaminants;

(4) board of water and soil resources: reporting on groundwater education and outreach with local government officials, local water planning and management, and local cost share programs;

(5) department of natural resources: water quantity monitoring and regulation, sensitivity mapping, and development of a plan for the use of integrated pest management and sustainable agriculture on state-owned lands; and

(6) department of health: regulation of wells and borings, and the development of health risk limits under section 103H.201.

(b) The environmental quality board shall through its water resources committee coordinate with representatives of all agencies listed in paragraph (a), citizens, and other interested groups to prepare a biennial report every even-numbered year as part of its duties described in sections 103A.43 and 103B.151.

Sec. 11. Minnesota Statutes 1992, section 103A.43, is amended to read:

103A.43 [WATER RESEARCH NEEDS EVALUATION ASSESSMENTS AND REPORTS.]

(a) The environmental quality board shall evaluate and report to the legislative water commission and the legislative commission on Minnesota resources on statewide water research needs and recommended priorities for addressing these needs. Local water research needs may also be included.

(b) The environmental quality board shall conduct coordinate a biennial assessment of water quality, groundwater degradation trends, and efforts to reduce, prevent, minimize, and eliminate degradation of water.

(c) The environmental quality board shall assess coordinate an assessment of the quantity of surface and ground water in the state and the availability of water to meet the state's needs.

(d) The environmental quality board shall prepare <u>coordinate</u> and submit a report <u>on water policy</u> to the legislative water commission and the legislative commission on Minnesota resources by September 15 of each <del>odd numbered</del> <u>even-numbered</u> year. The report may <u>include the groundwater</u> policy report in section 103A.204.

Sec. 12. Minnesota Statutes 1992, section 103B 151, subdivision 1, is amended to read:

Subdivision 1. [WATER PLANNING.] The environmental quality board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) initiate, coordinate, and continue to develop comprehensive long-range water resources planning in furtherance of the plan adopted prepared by the water planning environmental quality board board's water resources committee entitled "A Framework for a Water and Related Land Resources Strategy for Minnesota, 1979" including a new plan and strategy "Minnesota Water Plan," published in January 1991, by November September 15, 1990 2000, and each five year ten-year interval afterwards;

(3) coordinate water planning activities of local, regional, and federal bodies with state water planning and integrate these plans with state strategies;

(4) coordinate development of state water policy recommendations and priorities, and a recommended program for funding identified needs, including priorities for implementing the state water resources monitoring plan;

(5) in cooperation with state agencies participating in the monitoring of water resources, develop a plan for monitoring the state's water resources;

(6) administer federal water resources planning with multiagency interests;

(7) (6) ensure that groundwater quality monitoring and related data is provided and integrated into the Minnesota land management information system according to published data compatibility guidelines. Costs of integrating the data in accordance with data compatibility standards must be borne by the agency generating the data;

(8) identify water resources information and education needs, priorities, and goals and prepare an implementation plan to guide state activities relating to water resources information and education;

(9) (7) coordinate the development and evaluation of water information and education materials and resources; and

(10) (8) coordinate the dissemination of water information and education through existing delivery systems.

Sec. 13. [103F.461] [GROUNDWATER EDUCATION.]

(a) In each even-numbered year, the board of water and soil resources must review groundwater education activities with local units of government and develop recommendations for improvement in a report to the environmental quality board for review and then to the legislative water commission as part of the groundwater policy report in section 103A.204. The board must work with agencies and interested groups with responsibility for groundwater education in preparing the report.

(b) The board must ensure that the biennial review of groundwater education with local units of government is coordinated with the Minnesota environmental education advisory board and the nonpoint source education and information strategy of the pollution control agency.

(c) Grants for innovative groundwater education strategies to local units of government identified in this section may be awarded by the board of water and soil resources.

Sec. 14. Minnesota Statutes 1992, section 103G.271, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION ON ONCE-THROUGH WATER USE PERMITS.] (a) The commissioner may not, after December 31, 1990, issue a water use permit to increase the volume of appropriation from a groundwater source for a once-through cooling system using in excess of 5,000,000 gallons annually.

(b) Except as provided in paragraph (c), once-through system water use permits using in excess of 5,000,000 gallons annually, must be terminated by the commissioner by the end of their design life but not later than December 31, 2010. Existing once-through systems are required to convert to water efficient alternatives within the design life of existing equipment. The commissioner shall, by August 1, 1990, submit to the legislative water commission for review the approach by which the commissioner will achieve appropriate conversion of the systems after considering the age of the system, the condition of the system, recent investments in the system, and feasibility and costs of alternatives available to replace usage of a once through system.

(c) Paragraph (b) does not apply where groundwater appropriated for use in a once-through system is subsequently discharged into a wetland or public waters wetland owned or leased by a nonprofit corporation if:

the membership of the corporation includes a local government unit;

(2) the deed or lease requires that the area containing the wetland or public waters wetland be maintained as a nature preserve;

(3) public access is allowed consistent with the area's status as a nature preserve; and

(4) by January 1, 2003, the permittee incurs costs of developing the nature preserve and associated facilities that, when discounted to 1992 dollars, exceed twice the projected cost, as determined by the commissioner, of the conversion required in paragraph (b), discounted to 1992 dollars.

The costs incurred under clause (4) may include preparation of plans and designs; site preparation; construction of wildlife habitat structures; planting of trees and other vegetation; installation of signs and markers; design and construction of trails, docks, and access structures; and design and construction of interpretative facilities. The permittee shall submit an estimate of the cost of the conversion required in paragraph (b) to the commissioner by January 1, 1993, and shall annually report to the commissioner on the progress of the project and the level of expenditures.

Sec. 15. Minnesota Statutes 1992, section 103H.175, is amended by adding a subdivision to read:

Subd. 3. [REPORT.] In each even-numbered year, the pollution control agency, in cooperation with other agencies participating in the monitoring of water resources, shall provide a draft report on the status of groundwater monitoring to the environmental quality board for review and then to the legislative water commission as part of the report in section 103A.204.

Sec. 16. Minnesota Statutes 1992, section 103H.201, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE.] (a) If groundwater quality monitoring results show that there is a degradation of groundwater, the commissioner of health may promulgate health risk limits under subdivision 2 for substances degrading the groundwater.

(b) Health risk limits shall be determined by two methods depending on their toxicological end point.

(c) For systemic toxicants that are not carcinogens, the adopted health risk limits shall be derived using United States Environmental Protection Agency risk assessment methods using a reference dose, a drinking water equivalent, an uncertainty factor, and a factor for relative source contamination, which in general will measure an estimate of daily exposure to the human population, including sensitive subgroups, that is unlikely to result in deleterious effects during long term exposure contribution factor.

(d) For toxicants that are known or probable carcinogens, the adopted health risk limits shall be derived from a quantitative estimate of the chemical's carcinogenic potency published by the United States Environmental Protection Agency's carcinogen assessment group Agency and determined by the commissioner to have undergone thorough scientific review.

Sec. 17. Minnesota Statutes 1992, section 103H.201, subdivision 4, is amended to read:

Subd. 4. [ADOPTION OF EXISTING RECOMMENDED ALLOWABLE LIMITS.] (a) Notwithstanding and in lieu of subdivision 2, <u>until November 1, 1994</u>, the commissioner may adopt recommended allowable limits, <u>and related toxicological end points</u>, established by the commissioner on or before <u>May 1, 1989</u> <u>February 15, 1994</u>, as health risk limits under this subdivision. Before a recommended allowable limit is adopted as an adopted health risk limit under this subdivision, the commissioner shall:

(1) publish in the State Register and disseminate through the Minnesota extension service and through soil and water conservation districts notice of intent to adopt a recommended allowable limit as an adopted health risk limit for specific substances and shall solicit information on the health impacts of the substance;

(2) publish the recommended allowable limit in the State Register and disseminate through the Minnesota extension service and through soil and water conservation districts allowing 60 days for public comment; and

(3) publish the <u>adopted</u> recommended allowable limit in the State Register and, at the same time, make available a summary of the public comments received and the commissioner's responses to the comments.

(b) A recommended allowable limit adopted by the commissioner as an adopted health risk limit under this subdivision may be challenged in the manner provided in sections 14.44 and 14.45.

76TH DAY]

(c). After July 1, 1991, and before September 1, 1991 During the comment period under paragraph (a), clause (2), 25 or more persons may submit a written request for a public hearing as provided under section 14.25 for any health risk limits as adopted under this subdivision.

Sec. 18. Minnesota Statutes 1992, section 103I.101, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER TO ADOPT RULES.] The commissioner shall adopt rules including:

(1) issuance of licenses for:

(i) qualified well contractors, persons modifying or repairing well casings, well screens, or well diameters;

(ii) persons constructing, repairing, and sealing unconventional wells such as drive points or dug wells;

(iii) persons constructing, repairing, and sealing dewatering wells;

(iv) persons sealing wells; and

(v) persons installing well pumps or pumping equipment and excavating holes for installing elevator shafts or hydraulic cylinders;

(2) issuance of registration for monitoring well contractors;

(3) establishment of conditions for examination and review of applications for license and registration;

(4) establishment of conditions for revocation and suspension of license and registration;

(5) establishment of minimum standards for design, location, construction, repair, and sealing of wells to implement the purpose and intent of this chapter;

(6) establishment of a system for reporting on wells and borings drilled and sealed;

(7) modification of fees prescribed in this chapter, according to the procedures for setting fees in section 16A.128;

(8) establishment of standards for the construction, maintenance, sealing, and water quality monitoring of wells in areas of known or suspected contamination, for which the commissioner may adopt emergency rules;

(9) (8) establishment of wellhead protection measures for wells serving public water supplies;

(10) (9) establishment of procedures to coordinate collection of well data with other state and local governmental agencies;

(11) (10) establishment of criteria and procedures for submission of well logs, formation samples or well cuttings, water samples, or other special information required for and water resource mapping; and

(12) (11) establishment of minimum standards for design, location, construction, maintenance, repair, sealing, safety, and resource conservation related to borings, including exploratory borings as defined in section 1031.005, subdivision 9.

Until the commissioner adopts rules under this chapter to replace rules relating to wells and borings that were adopted under chapter 156A, the rules adopted under chapter 156A shall remain in effect.

Sec. 19. Minnesota Statutes 1992, section 103I.205, subdivision 1, is amended to read:

Subdivision 1. [NOTIFICATION REQUIRED.] (a) Except as provided in paragraphs (d) and (e), a person may not construct a well until a notification of the proposed well on a form prescribed by the commissioner is filed with the commissioner with the filing fee in section 103I.208. If after filing the well notification an attempt to construct a well is unsuccessful, a new notification is not required unless the information relating to the successful well has substantially changed.

(b) The property owner, the property owner's agent, or the well contractor where a well is to be located must file the well notification with the commissioner.

(c) The well notification under this subdivision preempts local permits and notifications, and counties or home rule charter or statutory cities may not require a permit or notification for wells unless the commissioner has delegated the permitting or notification authority under section 103I.111.

(d) A person who is an individual that constructs a drive point well on property owned or leased by the individual for farming or agricultural purposes or as the individual's place of abode must notify the commissioner of the installation and location of the well. The person must complete the notification form prescribed by the commissioner and mail it to the commissioner by ten days after the well is completed. A fee may not be charged for the notification. A person who sells drive point wells at retail must provide buyers with notification forms and informational materials including requirements regarding wells, their location, construction, and disclosure. The commissioner must provide the notification forms and informational materials to the sellers.

(e) A person may not construct a monitoring well or dewatering well until a permit is issued by the commissioner for the construction. If after obtaining a permit an attempt to construct a well is unsuccessful, a new permit is not required as long as the initial permit is modified to indicate the location of the successful well.

Sec. 20. Minnesota Statutes 1992, section 103I.208, is amended to read:

103I.208 [WELL NOTIFICATION FILING FEES AND PERMIT FEES.]

Subdivision 1. [WELL NOTIFICATION FEE.] The well notification fee to be paid by a property owner is:

(1) for a new well drilled that produces less than 50 gallons a minute based on the actual capacity of the pump installed, \$50; and

(2) for a new well that produces 50 gallons a minute or more based on the actual capacity of the pump installed, \$100; and

(3) for construction of a dewatering well, \$100 for each well except a dewatering project comprising five or more wells shall be assessed a single fee of \$500 for the wells recorded on the notification.

Subd. 2. [PERMIT FEE.] The permit fee to be paid by a property owner is:

(1) for a well that is not in use under a maintenance permit, \$50 annually;

(2) for construction of a monitoring well, \$50;

(3) for a monitoring well that is unsealed under a maintenance permit, \$50 annually;

(4) for monitoring wells used as a leak detection device at a single motor fuel retail outlet or petroleum bulk storage site excluding tank farms, the construction permit fee is \$50 per site regardless of the number of wells constructed on the site, and the annual fee for a maintenance permit for unsealed monitoring wells is \$50 per site regardless of the number of monitoring wells located on site;

(5) for a groundwater thermal exchange device, in addition to the notification fee for wells, \$50;

(6) for a vertical heat exchanger, \$50;

(7) for construction of the dewatering well, \$50 for each well except a dewatering project comprising more than ten wells shall be issued a single permit for the wells recorded on the permit for \$500; and

(8) (7) for a dewatering well that is unsealed under a maintenance permit, \$25 annually for each well, except a dewatering project comprising more than ten wells shall be issued a single permit for \$250 annually for wells recorded on the permit.

Sec. 21. Minnesota Statutes 1992, section 103I.331, subdivision 6, is amended to read:

Subd. 6. [REPEALER.] This section is repealed effective June 30, 1995 1996.

5393

Sec. 22. Minnesota Statutes 1993 Supplement, section 115B.20, subdivision 6, is amended to read:

Subd. 6. [REPORT TO LEGISLATURE.] Each year, the commissioner of agriculture and the agency shall submit to the senate finance committee, the house ways and means committee, the <u>environmental quality board</u>, the <u>legislative water commission</u>, and the legislative commission on waste management a report detailing the activities for which money from the account has been spent during the previous fiscal year.

Sec. 23. [APPLICATION OF TECHNIQUES ON STATE LAND.] -

(a) The commissioner of natural resources must, by September 1, 1995, prepare a plan on the optimum use of sustainable agriculture and integrated pest management techniques to be applied on lands owned by the state.

(b) The commissioner of natural resources shall appoint a task force of interagency staff and interested citizens to develop the plan including a review of the requirements of Minnesota Statutes, sections 17.114, subdivision 4, paragraph (b) and 18B.063. The task force is subject to Minnesota Statutes, section 15.059.

(c) At a minimum, the plan must address specific practices for sustainable agriculture and integrated pest management to be applied on state-owned lands, including any funding recommendations.

(d) The commissioner of natural resources must present the plan to the environmental quality board for review and then to the legislative water commission in 1995.

Sec. 24. [APPLICATION.]

Notwithstanding section 18, rules of the department of health with respect to fees under Minnesota Statutes, chapter 1031, that are in effect on the effective date of section 18 remain in force until repealed or amended by the legislature.

Sec. 25. [APPROPRIATIONS.]

(a) \$50,000 is appropriated for fiscal year 1995 from the general fund to the commissioner of agriculture for coordination and outreach activities relating to sustainable agriculture and integrated pest management programs in section 4.

(b) \$100,000 is appropriated for fiscal year 1995 from the general fund to the commissioner of agriculture for demonstration grants on sustainable agriculture and integrated pest management projects. This appropriation is available until expended.

(c) \$100,000 is appropriated for fiscal year 1995 from the general fund to the University of Minnesota Institute for Sustainable Agriculture for demonstration and research grants on sustainable agriculture projects. This appropriation is contingent on the institute receiving \$300,000 in matching funds. The appropriation is available until expended.

(d) \$50,000 is appropriated for fiscal year 1995 from the general fund to the environmental quality board through the director of the office of strategic and long-range planning for the purposes of sections 10 and 11.

(e) \$200,000 is appropriated for fiscal year 1995 from the general fund to the board of water and soil resources for education grants under section 13.

(f) \$160,000 is appropriated for fiscal year 1995 from the general fund to the board of soil and water resources to fund two complement positions with the Minnesota extension service to work on groundwater education efforts with local units of government and landowners.

(g) \$100,000 is appropriated for fiscal year 1995 from the general fund to the office of strategic and long-range planning for the purpose of maintaining a computerized database of the results of groundwater quality monitoring required in Minnesota Statutes, section 103H.175.

(h) \$200,000 is appropriated for fiscal year 1995 from the general fund to the board of soil and water resources for the purpose of well sealing under Minnesota Statutes, section 1031.331, subdivision 4. This appropriation is available until expended.

Sec. 26. [REPEALER.]

Minnesota Statutes 1992, section 103F.460, is repealed.

Sec. 27. [EFFECTIVE DATE.]

Sections 16 and 17 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to water; providing for duties of the legislative water commission; providing for a sustainable agriculture advisory committee; requiring plans relating to sustainable agriculture and integrated pest management; changing disclosures and fees related to dewatering wells; establishing groundwater policy and education; changing water well permit requirements; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 3.887, subdivisions 5, 6, and 8; 17.114, subdivisions 1, 3, 4, and by adding a subdivision; 18B.045, subdivision 1; 103A.43; 103B.151, subdivision 1; 103G.271, subdivision 5; 103H.175, by adding a subdivision; 103H.201, subdivisions 1 and 4; 103I.101, subdivision 5; 103I.205, subdivision 1; 103I.208; and 103I.331, subdivision 6; Minnesota Statutes 1993 Supplement, sections 18E.06; and 115B.20, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 103A; and 103F; repealing Minnesota Statutes 1992, section 103F.460."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2567, A bill for an act relating to state government; permitting state employees to donate vacation leave for the benefit of a certain state employee.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2605, A bill for an act relating to transportation; bonding; abolishing requirement that electorate approve bonds in excess of tax limitations for airports and authorizing issuance by 60 percent vote of governing body; allowing taxes to be levied by local governing body to pay bond principal or interest; allowing one municipality to issue bonds on behalf of other municipalities in a joint agreement; amending Minnesota Statutes 1992, sections 360.036, subdivisions 2 and 3; 360.037, subdivision 2; and 360.042, subdivision 10.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2622, A bill for an act relating to state lands; authorizing the department of natural resources to sell certain state land in the counties of Itasca and St. Louis.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

[76TH DAY

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2624, A bill for an act relating to employee relations; ratifying labor agreements.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

# Section 1. [RATIFICATIONS.]

Subdivision 1. [COUNCIL 6.] The labor agreement between the state of Minnesota and state bargaining units 2, 3, 4, 6, and 7, represented by the American Federation of State, County and Municipal Employees, council 6, approved by the legislative commission on employee relations on August 16, 1993, is ratified.

<u>Subd. 2.</u> [SUPERVISORS.] The labor agreement between the state of Minnesota and the Middle Management Association, approved by the legislative commission on employee relations on November 10, 1993, is ratified.

Subd. 3. [ENGINEERS.] The labor agreement between the state of Minnesota and the Minnesota Government Engineers Council, approved by the legislative commission on employee relations on November 10, 1993, is ratified.

<u>Subd. 4.</u> [COMMUNITY COLLEGE FACULTY.] <u>The labor agreement between the state of Minnesota and the</u> <u>Minnesota Community College Faculty Association, approved by the legislative commission on employee relations</u> <u>on November 10, 1993, is ratified.</u>

Subd. 5. [NURSES.] The labor agreement between the state of Minnesota and the Minnesota Nurses Association, approved by the legislative commission on employee relations on January 21, 1994, is ratified.

<u>Subd. 6.</u> [SPECIAL TEACHERS.] The labor agreement between the state of Minnesota and the State Residential Schools Education Association, approved by the legislative commission on employee relations on January 21, 1994, is ratified.

<u>Subd. 7.</u> [LAW ENFORCEMENT.] <u>The labor agreement between the state of Minnesota and the Minnesota Law</u> <u>Enforcement Association, approved by the legislative commission on employee relations on January 21, 1994, is</u> <u>ratified.</u>

<u>Subd.</u> 8. [UNREPRESENTED EMPLOYEES, HIGHER EDUCATION BOARD.] <u>The plan for unclassified,</u> <u>unrepresented employees of the higher education board, approved by the legislative commission on employee</u> <u>relations on January 21, 1994, is ratified, except that the provisions establishing notice of termination are approved</u> <u>as submitted by the higher education board to the legislative commission on employee relations.</u>

<u>Subd. 9.</u> [PROFESSIONAL EMPLOYEES.] <u>The labor agreement between the state of Minnesota and the Minnesota</u> <u>Association of Professional Employees, approved by the legislative commission on employee relations on February 17,</u> <u>1994</u>, is ratified.

Subd. 10. [MANAGERIAL PLAN.] The plan for managerial employees, as approved by the legislative commission on employee relations on February 17, 1994, is ratified.

<u>Subd. 11.</u> [UNREPRESENTED EMPLOYEES, HIGHER EDUCATION COORDINATING BOARD.] <u>The plan for</u> <u>unrepresented</u>, <u>unclassified employees of the higher education coordinating board</u>, as recommended for modification by the <u>department of employee relations and approved by the legislative commission on employee relations on</u> <u>February 17, 1994</u>, is ratified.

Subd. 12. [COMMISSIONER'S PLAN.] The plan for unrepresented nonmanagerial employees, as approved by the legislative commission on employee relations on March 11, 1994, is approved.

#### Sec. 2. [INTERIM APPROVAL.]

After adjournment of the 1994 session, but before the 1995 session of the legislature, the legislative commission on employee relations may give interim approval to any negotiated agreement, arbitration award, salary, or compensation plan submitted to it under other law. The commission shall submit the agreement, award, salary, or plan to the entire legislature for ratification in the same manner and with the same effect as provided for agreements, awards, salaries, and plans submitted after adjournment of the legislature in an odd-numbered year.

#### Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment.

# ARTICLE 2

Section 1. Minnesota Statutes 1992, section 3.855, subdivision 2, is amended to read:

Subd. 2. [STATE EMPLOYEE NEGOTIATIONS.] (a) The commissioner of employee relations shall regularly advise the commission on the progress of collective bargaining activities with state employees under the state public employment labor relations act. During negotiations, the commission may make recommendations to the commissioner as it deems appropriate but no recommendation shall impose any obligation or grant any right or privilege to the parties.

(b) The commissioner shall submit to the chair of the commission any negotiated agreements or arbitration awards for legislative approval or disapproval. Approved Negotiated agreements shall be submitted within five days of the date of approval by the commissioner or the date of approval by the affected state employees, whichever occurs later. Arbitration awards shall be submitted within five days of their receipt by the commissioner. If the commission disapproves an agreement or award, the commission shall specify in writing to the parties those portions with which it disagrees and its reasons. If the commission approves an agreement or award, it shall submit the matter to the legislature to be accepted or rejected under this section 179A.22, subdivision 4. Failure of the commission to disapprove an agreement or award within 30 days of its receipt constitutes approval. Approval or disapproval by the commission is not binding on the legislature.

(c) After adjournment of When the legislature in an odd numbered year is not in session, the commission may give interim approval to a negotiated agreement, salary, compensation plan, or arbitration award. It The commission shall submit the negotiated agreement agreements, salaries, compensation plans, or arbitration award awards for which it has provided approval to the entire legislature for ratification at a special legislative session called to consider them or at its next regular legislative session as provided in this section 179A.22, subdivision 4. Approval or disapproval by the commission is not binding on the legislature.

(d) When the legislature is not in session the proposed agreement, arbitration decision, salary, or compensation plan must be implemented upon its approval by the commission, and state employees covered by the proposed agreement or arbitration decision do not have the right to strike while the interim approval is in effect. Wages and economic fringe benefit increases provided for in the agreement or arbitration decision paid in accordance with the interim approval by the commission are not affected, but the wages or benefit increases must cease to be paid or provided effective upon the rejection of the agreement, arbitration decision, salary, or compensation plan, or upon adjournment of the legislature without acting on it.

Sec. 2. Minnesota Statutes 1992, section 3.855, subdivision 3, is amended to read:

# Subd. 3. [OTHER DUTIES SALARIES AND COMPENSATION PLANS.] The commission shall also:

(a) review and approve, reject, or modify a plan for compensation, terms and conditions of employment prepared and submitted by the commissioner of employee relations under section 43A.18, subdivision 2, covering all state employees who are not represented by an exclusive bargaining representative and whose compensation is not provided for by chapter 43A or other law;

(b) review and approve, reject or modify a plan for total compensation and terms and conditions of employment for employees in positions identified as being managerial under section 43A.18, subdivision 3, whose salaries and benefits are not otherwise provided for in law or other plans established under chapter 43A;

(c) review and approve, reject or modify recommendations for salaries submitted by the governor under section 43A.18, subdivision 5, covering agency head positions listed in section 15A.081;

(d) continually monitor the state's civil service system provided for in chapter 43A, rules of the commissioner of employee relations and the collective bargaining process provided for in chapter 179A, as applied to state employees;

(c) research and analyze the need for improvements in those statutory sections;

(f) adopt rules consistent with this section relating to the scheduling and conduct of commission business and other organizational and procedural matters; and

(g) perform other related functions delegated to it by the legislature. review and approve, reject, or modify recommendations for salaries of officials of higher education systems under section 15A.081, subdivision 7b; and

(e) review and approve, reject, or modify plans for compensation, terms, and conditions of employment proposed under section 43A.18, subdivision 4.

Sec. 3. Minnesota Statutes 1992, section 3.855, is amended by adding a subdivision to read:

Subd. 4. [OTHER DUTIES.] The commission shall:

(1) continually monitor the state's civil service system provided for in chapter 43A, rules of the commissioner of employee relations, and the collective bargaining process provided for in chapter 179A, as applied to state employees;

(2) research and analyze the need for improvements in those statutory sections;

(3) adopt rules consistent with this section relating to the scheduling and conduct of commission business and other organizational and procedural matters; and

(4) perform other related functions delegated to it by the legislature.

Sec. 4. Minnesota Statutes 1993 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5 3.855:

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;

# JOURNAL OF THE HOUSE

#### 5398

# [76th Day

## \$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.

5399

Sec. 5. Minnesota Statutes 1992, section 15A.081, subdivision 7, is amended to read:

Subd. 7. [METROPOLITAN OFFICERS.] The governor shall set the salary rate within the range set forth below for the following positions, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5 3.855:

	Effective
Chair, metropolitan airports	<del>July 1, 1987</del>
commission	\$15,000-\$25,000
Chair, metropolitan waste control commission	\$25,000-\$67,500

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 6. Minnesota Statutes 1992, section 15A.081, subdivision 7b, is amended to read:

Subd. 7b. [HIGHER EDUCATION OFFICERS.] The higher education board, state university board, the state board for community colleges, the state board of technical colleges, and the higher education coordinating board shall set the salary rates for, respectively, the chancellor of the higher education system, the chancellor of the state universities, the chancellor of the community colleges, the chancellor of vocational technical education, and the executive director of the higher education coordinating board. The respective board shall submit the proposed salary increase to the legislative commission on employee relations for approval, modification, or rejection in the manner provided in section 43A.18, subdivision 2 3.855. Salary rates for the positions specified in this subdivision may not exceed 95 percent of the salary of the governor under section 15A.082, subdivision 3. In deciding whether to recommend a salary increase, the governing board shall consider the performance of the chancellor or director, including the chancellor's or director's progress toward attaining affirmative action goals.

Sec. 7. Minnesota Statutes 1993 Supplement, section 15A.083, subdivision 4, is amended to read:

Subd. 4. [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of any position for which a salary range has been provided shall fix the individual salary within the prescribed range, considering the qualifications and overall performance of the employee. The supreme court shall set the salary of the state court administrator and the salaries of district court administrators. The salary of the state court administrator or a district court administrator may not exceed the salary of a district court judge. If district court administrators die, the amounts of their unpaid salaries for the months in which their deaths occur must be paid to their estates. The salary of the state public defender must be 95 percent of the salary of the attorney general.

Salary or Range Effective July 1, 1994

Board on judicial standards executive director

\$44,000-70,000 60,000

Sec. 8. Minnesota Statutes 1992, section 43A.05, subdivision 5, is amended to read:

Subd. 5. [COMPARABILITY ADJUSTMENTS.] The commissioner shall compile, subject to availability of funds and personnel, and submit to the legislative commission on employee relations by January 1 of each odd-numbered year a list showing, by bargaining unit, and by plan for executive branch employees covered by a plan established <del>pursuant to <u>under</u> section 43A.18</del>, those female-dominated classes and those male-dominated classes in state civil service for which a compensation inequity exists based on comparability of the value of the work. The commissioner shall also submit to the legislative commission on employee relations, along with the list, an estimate of the appropriation necessary for providing comparability adjustments for classes on the list. The commission shall review and approve, disapprove, or modify; the list and proposed appropriation. The commission's action shall <u>must</u> be submitted to the full legislature in the same manner as provided in sections 3.855 and 43A.18 or 179A.22, subdivision 4, provided that. The full legislature may approve, reject, or modify the commission's action. The commission shall show the

distribution of the proposed appropriation among the bargaining units and among the plans established under 43A.18. Each bargaining unit and each plan shall <u>must</u> be allocated that proportion of the total proposed appropriation which that equals the cost of providing adjustments for the positions in the unit or plan approved by the commission for comparability adjustments divided by the total cost of providing adjustments for all positions on the list approved by the commission for comparability adjustments. Distribution of any appropriated funds within each bargaining unit or plan shall <u>must</u> be determined by collective bargaining agreements or by plans.

Sec. 9. Minnesota Statutes 1992, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

(1) chosen by election or appointed to fill an elective office;

(2) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions, and institutions specifically established by law in the unclassified service;

(3) deputy and assistant agency heads and one confidential secretary in the agencies listed in subdivision 1a and in the office of strategic and long-range planning;

(4) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;

(5) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(6) employees in the offices of the governor and of the lieutenant governor and one confidential employee for the governor in the office of the adjutant general;

(7) employees of the Washington, D.C., office of the state of Minnesota;

(8) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(9) presidents, vice-presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants, and student employees eligible under terms of the federal economic opportunity act work study program in the <u>higher education board</u>, the school and resource center for the arts, state universities and community colleges, but not the custodial, clerical, or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions;

(10) officers and enlisted persons in the national guard;

(11) attorneys, legal assistants, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(12) judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(13) members of the state patrol; provided that selection and appointment of state patrol troopers must be made in accordance with applicable laws governing the classified service;

(14) chaplains employed by the state;

(15) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(16) student workers;

(17) executive directors or executive secretaries appointed by and reporting to any policy-making board or commission established by statute;

(18) employees unclassified pursuant to other statutory authority;

(19) intermittent help employed by the commissioner of agriculture to perform duties relating to pesticides, fertilizer, and seed regulation; and

(20) the administrators and the deputy administrators at the state academies for the deaf and the blind.

Sec. 10. Minnesota Statutes 1992, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the departments of administration; agriculture; commerce; corrections; jobs and training; education; employee relations; trade and economic development; finance; health; human rights; labor and industry; natural resources; office of administrative hearings; public safety; public service; human services; revenue; transportation; and veterans affairs; the housing finance and pollution control agencies; the state lottery board; the state board of investment; the office of administrative hearings; the office of waste management; the offices of the attorney general, secretary of state, state auditor, and state treasure; the state board of technical colleges; the higher education board; the higher education coordinating board; the Minnesota center for arts education; and the Minnesota zoological board.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(1) the designation of the position would not be contrary to other law relating specifically to that agency;

(2) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(3) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(4) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(5) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with, the governor and the agency head, the employing statutory board or commission, or the employing constitutional officer;

(6) the position would be at the level of division or bureau director or assistant to the agency head; and

(7) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision.

Sec. 11. Minnesota Statutes 1992, section 43A.18, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER'S UNREPRESENTED NONMANAGERIAL EMPLOYEE PLAN.] Except as provided in section 43A.01, the compensation, terms and conditions of employment for all classified and unclassified employees, except unclassified employees in the legislative and judicial branches, who are not covered by a collective bargaining agreement and not otherwise provided for in Laws 1981, chapter 210 chapter 43A or other law shall be are governed solely by the commissioner's a plan developed by the commissioner. The legislative commission on employee relations shall review and approve, reject, or modify the plan and submit it to the legislature along with any recommendations it deems appropriate under section 3.855, subdivision 2. The plan need not be adopted in accordance with the rulemaking provisions of chapter 14.

The plan shall not take effect until approved by the legislature, provided that the legislative commission may give interim approval-to effect the plan and subsequently submit it to the entire legislature for ratification in the same manner as provided for negotiated agreements and arbitration awards under section 179A.22, subdivision 4. If the legislature modifies or rejects the plan or adjourns without action during the following legislative session, any total compensation increases which were provided pursuant to interim approval by the commission and not ratified by the legislature shall not be affected but shall cease to be provided.

Sec. 12. Minnesota Statutes 1992, section 43A.18, subdivision 3, is amended to read:

Subd. 3. [MANAGERIAL PLAN.] (a) The commissioner shall identify individual positions or groups of positions in the classified and unclassified service, in the executive branch as being managerial. The list shall <u>must</u> not include positions listed in subdivision 4. The commissioner shall annually submit the listing of positions to the chair of the legislative commission on employee relations for the commission's review and comment, and shall note on each listing the changes from the prior year.

(a) (b) The commissioner shall periodically prepare a plan for total compensation and terms and conditions of employment for employees of those positions identified as being managerial and whose salaries and benefits are not otherwise provided for in law or other plans established under this chapter. Before becoming effective those portions of the plan establishing compensation and terms and conditions of employment shall <u>must</u> be reviewed and approved or modified by the legislative commission on employee relations and the legislature in the same manner as provided for the commissioner's plan in <u>under section 3.855</u>, subdivision subdivisions 2 and 3.

(b) (c) Incumbents of managerial positions as identified under this subdivision shall <u>must</u> be excluded from any bargaining units under the provisions of chapter 179 <u>179A</u>.

(c) (d) The management compensation plan shall <u>must</u> provide methods and levels of compensation for managers that will be generally comparable to those applicable to managers in other public and private employment. Provisions of The plan shall <u>must</u> ensure that compensation within assigned salary ranges is related to level of performance. The plan shall <u>must</u> also provide a procedure for establishment of a salary rate for a newly created position and a new appointee to an existing position and for progression through assigned salary ranges. The employee benefits established under the provisions of the managerial plan may be extended to agency heads whose salaries are established in section 15A.081, subdivision 1, and to constitutional officers, judges of the workers' compensation court of appeals, and tax court judges.

Sec. 13. Minnesota Statutes 1993 Supplement, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] (a) Notwithstanding any other law to the contrary, total compensation terms and conditions of employment for employees listed in this subdivision must be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. Compensation plans established under paragraphs (b), (c), (d), and (e), and (f) must be reviewed and approved, modified, or rejected by the legislature and the legislative commission on employee relations under section 3.855, subdivision  $2_{L}$  before becoming effective.

(a) (b) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer must be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer, respectively.

(b) (c) Total compensation for unclassified positions under section 43A.08, subdivision 1, clause (9), in the state universities and the community colleges not covered by a collective bargaining agreement must be determined by the state university board and the state board for community colleges, respectively.

(e) (d) Total compensation for classified administrative law judges in the office of administrative hearings must be determined by the chief administrative law judge.

(d) (e) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board and in the state board of technical colleges must be determined by the higher education coordinating board and the state board of technical colleges, respectively.

(e) (f) Total compensation for unclassified <u>managerial</u> positions not covered by a collective bargaining agreement in the higher education board must be determined by the higher education board.

Sec. 14. Minnesota Statutes 1992, section 43A.18, subdivision 5, is amended to read:

Subd. 5. [GOVERNOR TO RECOMMEND CERTAIN SALARIES.] (a) The governor shall, by July 1 of each odd-numbered year, submit to the legislative commission on employee relations recommendations for salaries within the salary range for the positions listed in section 15A.081, subdivisions 1 and 7. The governor may also propose additions or deletions of positions from those listed.

(b) Before submitting the recommendations, the governor shall consult with the commissioner of administration, the commissioner of finance, and the commissioner of employee relations concerning the recommendations.

(c) In making recommendations, the governor shall consider the criteria established in subdivision 8 and the performance of individual incumbents. The performance evaluation must include a review of an incumbent's progress toward attainment of affirmative action goals. The governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities and in determining recommendations rate each position by this system.

(d) Before the governor's recommended salaries take effect, the recommendations must be reviewed and approved, rejected, or modified by the legislative commission on employee relations and the legislature in the same manner as provided for the commissioner's plan in under section <u>3.855</u>, subdivision 2. The governor may also at any time propose changes in the salary rate of any positions covered by this subdivision, which must be submitted and approved in the same manner as provided in this subdivision.

(e) The governor shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law after consultation with the commissioner, whose recommendation is advisory only. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

(f) The salary of a newly appointed head of an agency or chair of a metropolitan agency listed in section 15A.081, subdivision 1 or 7, may be increased or decreased by the governor from the salary previously set for that position within 30 days of the new appointment after consultation with the commissioner. If the governor increases a salary under this paragraph, the governor shall submit the new salary to the legislative commission on employee relations and the full legislature for approval, modification, or rejection in the manner provided in under section 3.855, subdivision 2. If the legislature rejects an increased salary or adjourns without action during the following legislative session, the salary for the position reverts to the level in effect before the governor proposed the change.

Sec. 15. Minnesota Statutes 1992, section 179A.18, subdivision 1, is amended to read:

Subdivision 1. [WHEN AUTHORIZED.] Essential employees may not strike. Except as otherwise provided by subdivision 2 and section 179A.17, subdivision 2, other public employees may strike only under the following circumstances:

(1)(a) the collective bargaining agreement between their exclusive representative and their employer has expired or, if there is no agreement, impasse under section 179A.17, subdivision 2, has occurred; and

(b) the exclusive representative and the employer have participated in mediation over a period of at least 45 days, provided that the mediation period established by section 179A.17, subdivision 2, <u>shall govern governs</u> negotiations <del>pursuant to <u>under</u> that section, <u>and provided that</u> for the purposes of this subclause the mediation period commences on the day following receipt by the commissioner of a request for mediation; or</del>

(2) the employer violates section 179A.13, subdivision 2, clause (9); or

(3) in the case of state employees,

(a) the legislative commission on employee relations has not given approval during a legislative interim to rejected a negotiated agreement or arbitration decision under section 179A.22, subdivision 4, within 30 days after its receipt during a legislative interim; or

(b) the entire legislature rejects or fails to ratify a negotiated agreement or arbitration decision, which has been approved during a legislative interim by the legislative commission on employee relations, at a special legislative session called to consider it, or at its next regular legislative session, whichever occurs first.

Sec. 16. Minnesota Statutes 1992, section 179A.22, subdivision 4, is amended to read:

Subd. 4. [AGREEMENTS.] The commissioner of employee relations is authorized to enter into agreements with exclusive representatives. The negotiated agreements and arbitration decision shall <u>must</u> be submitted to the legislature to be accepted or rejected in accordance with this section and section 3.855.

If a proposed agreement or arbitration decision is rejected or is not approved by the legislature prior to its adjournment in an odd numbered year, the legislative commission on employee relations is authorized to give interim approval to a proposed agreement or arbitration decision. The proposed agreement or arbitration decision shall be implemented upon its approval by the commission and state employees covered by the proposed agreement or arbitration decision shall not have the right to strike while the interim approval is in effect. The commission shall submit the agreement or arbitration decision to the legislature for ratification at a special legislative session called to consider it or at its next regular legislative session. Wages and economic fringe benefit increases provided for in the agreement or arbitration decision which were paid pursuant to the interim approval by the commission shall not be affected but these wages and benefit increases shall cease to be paid or provided effective upon the rejection of the agreement or arbitration decision or upon adjournment by the legislature without acting upon the agreement or arbitration decision.

Sec. 17. [SETTLEMENT FORM.]

Until the commissioner of mediation services adopts a rule under authority of Minnesota Statutes, section 179A.04, subdivision 3, paragraph (n), that provides otherwise, public employers shall use the "uniform baseline and settlement form" and accompanying instructions presented by the commissioner of mediation services to the legislative commission on employee relations on February 17, 1994. However, the commissioner shall reduce the "uniform baseline and settlement form" to a one page document without omitting any of the current elements. A public employer shall use the form in the manner required by section 179A.04, subdivision 3, paragraph (n).

For agreements or awards that were entered into or issued before the effective date of this section, the employer shall complete the form and make it available to the public within 60 days of the effective date of this section. The state and school districts shall complete forms for agreements or awards entered into or issued after June 30, 1993. Other public employers shall complete forms for agreements or awards entered into or issued after December 31, 1993.

The commissioner shall publish the form submitted to the commission in the State Register within 30 days of the effective date of this section. The commissioner shall mail a copy of the form and instructions, free of charge, to associations of public employers, to exclusive representatives, and to any other person requesting the form and instructions.

Sec. 18. [EFFECTIVE DATE.]

Sections 7 and 17 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to employee relations; ratifying labor agreements; making certain positions unclassified; changing duties of the legislative commission on employee relations; revising a salary range for a certain position in the judicial branch; amending Minnesota Statutes 1992, sections 3.855, subdivisions 2, 3, and by adding a subdivision; 15A.081, subdivisions 7 and 7b; 43A.05, subdivision 5; 43A.08, subdivisions 1 and 1a; 43A.18, subdivisions 2, 3, and 5; 179A.18, subdivision 1; and 179A.22, subdivision 4; Minnesota Statutes 1993 Supplement, sections 15A.081, subdivision 1; 15A.083, subdivision 4; and 43A.18, subdivision 4."

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.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2634, A bill for an act relating to transportation; requiring understandable notice of requirements for appealing town road damage awards; amending Minnesota Statutes 1992, section 164.07, subdivision 6.

Reported the same back with the following amendments:

Page 1, after line 18, insert:

5404

#### "Sec. 2. [EFFECTIVE DATE.]

This act is effective on the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2673, A bill for an act relating to government; providing that a public body may close one or more meetings for preliminary consideration of charges against an individual subject to its authority; amending Minnesota Statutes 1992, section 471.705, subdivision 1d.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2675, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public waters in Aitkin county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2680, A bill for an act relating to charitable organizations; changing definitions; modifying registration and waiver requirements; amending Minnesota Statutes 1993 Supplement, section 309.501, subdivisions 1, 3, and 4.

Reported the same back with the following amendments:

Page 1, lines 18 and 19, reinstate the stricken language

Page 1, line 20, reinstate the stricken "(3)"

Page 1, line 22, reinstate the stricken "(4)" and delete "(3)"

Page 2, lines 6, 21, 25, 31, and 35, reinstate the stricken language and delete the new language

Page 2, line 11, reinstate the stricken "(6)" and delete "(5)".

Page 2, line 17, delete "all" and insert "at least 70 percent"

Page 2, after line 36, insert:

"Registered combined charitable organization includes a charitable organization organized by Minnesota state employees and their major bargaining units for the purpose of providing grants to nonprofit agencies providing Minnesota residents with food or shelter, if the charitable organization meets the requirements of paragraph (b), clauses (1), (4), and (5)."

Pages 5 and 6, delete section 3

Amend the title as follows:

Page 1, line 3, delete "and waiver"

Page 1, line 5, delete ", 3, and 4" and insert "and 3"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2692, A bill for an act relating to state lands; authorizing private sale of certain state land in Crow Wing county to resolve an encroachment situation.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2710, A bill for an act relating to state government; requiring use of state lottery terminals to provide citizens with electronic access to state agencies for the purpose of obtaining certain licenses and permits; proposing coding for new law in Minnesota Statutes, chapter 16B.

Reported the same back with the following amendments:

Page 1, delete lines 15 to 19, and insert "study and report to the legislature by January 1, 1995, on the best way to increase conveniently accessible and affordable electronic services to citizens, including electronic licensing and permitting of a wide variety of state services. As part of this study, the commissioner shall consider the advisability of using the state lottery computer network as a vehicle for delivering these services."

Amend the title as follows:

Page 1, line 2, delete "use of state"

Page 1, delete lines 3 and 4

Page 1, line 5, delete everything before the semicolon and insert "the commissioner of administration to study and report on the best way to increase electronic services to citizens"

With the recommendation that when so amended the bill pass.

The report was adopted:

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2717, A bill for an act relating to water; creating programs to provide financial assistance to address nonpoint source water pollution in the departments of agriculture and trade and economic development and the pollution control agency; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; requiring rulemaking; providing for certain exemptions from rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 116.182, subdivisions 2, 3, 4, and 5;

**5406** 

### 76TH DAY]

446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, 10, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 17; 116; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

Reported the same back with the following amendments:

Pages 1 to 3, delete sections 1 and 2

Page 3, line 33, delete "6" and insert "4"

Page 9, lines 7 and 23, delete "2, 7" and insert "5"

Page 16, line 18, delete "23" and insert "21"

Renumber the sections in sequence

Amend the title as follows

Page 1, line 2, delete "programs" and insert "a program"

Page 1, line 4, delete "departments of agriculture and" and insert "department of"

Page 1, line 13, delete "13.99, by adding a subdivision;"

Page 1, line 21, delete "17;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2811, A bill for an act relating to economic development; providing for creation of enterprise zones within the cities of Minneapolis and St. Paul; providing incentives for business to locate within an enterprise zone; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2821, A bill for an act relating to child custody; providing for presumptive custody in grandparents in certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 518.

Reported the same back with the following amendments:

Page 1, line 7, delete "PRESUMPTIVE" and after "CUSTODY" insert "PRESUMPTION"

Page 1, line 25, delete the second "and" and insert "or"

Page 2, line 4, delete "to" and insert ", (2) or"

Page 2, line 8, delete "within 24 hours"

Page 2, lines 13, 15, and 17, delete "to" and insert ", (2) or"

Page 2, line 22, delete the first "it" and insert ", pursuant to a petition filed under chapter 518, the court"

Page 2, after line 25, insert:

"Subd. 4. [RETURN TO PARENT.] If the court orders permanent custody to the grandparent, the court shall set conditions the parent must meet in order to obtain custody. The court may notify the parent that the parent may request assistance from the local social service agency in order to meet the conditions set by the court."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2892, A bill for an act relating to agriculture; amending provisions regarding the pricing of certain dairy products; amending Minnesota Statutes 1993 Supplement, sections 32.72; and 32.73, subdivision 4.

Reported the same back with the following amendments:

Page 1, lines 19 to 21, reinstate the stricken language

Page 2, delete section 2

Amend the title as follows:

Page 1, line 4, delete the semicolon

Page 1, line 5, delete everything before the period

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2896, A bill for an act relating to Itasca county; permitting the county board to submit a question to nonbinding referendum.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on General Legislation, Veterans Affairs and Elections.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 103, A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening

#### WEDNESDAY, MARCH 23, 1994

5409

the gambling control board's enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include certain senior citizen activities, certain real estate taxes and assessments, and wildlife management projects; prohibiting the use of lawful purpose contributions by local governmental units in pension or retirement funds; exempting organizations with gross receipts of \$50,000 or less from the annual audit; expanding the definition of a class C license; making class C licensee reporting requirements quarterly; modifying the definition of allowable expense to include some advertising costs; eliminating additional compensation for the state lottery director; clarifying and strengthening the regulation of the conduct of bingo; prohibiting certain forms of gambling by persons under 18; modifying the definition of net profits for local assessments; prescribing penalties; amending Minnesota Statutes 1992, sections 240.13, subdivision 8; 240.25, by adding a subdivision; 240.26, subdivision 3; 299L.03, subdivisions 1 and 2; 299L.07, by adding a subdivision; 349.12, subdivisions 1, 3a, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivisions 6 and 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168, subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 5, 6, 8, and 9; 349.191, subdivisions 1, 4, and by adding a subdivision; 349.211, subdivisions 1 and 2; 349.2122; 349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2, 4, and by adding a subdivision; 349.213, subdivision 1; 349A.03, subdivision 2; 349A.12, subdivisions 1, 2, 5, and 6; and 609.755; proposing coding for new law in Minnesota Statutes, chapters 471; and 609; repealing Minnesota Statutes 1992, sections 349A.03, subdivision 3; and 349A.08, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

### "ARTICLE 1

## PARI-MUTUEL RACING

Section 1. [INTENT.]

It is the intent of sections 2 to 17 to make possible the existence of an on-track horse racing industry in Minnesota and to provide for the regulation of pari-mutuel betting on horse racing to insure that it is conducted with integrity and in the public interest, at the least possible administrative cost to the state.

Sec. 2. Minnesota Statutes 1992, section 240.01, subdivision 4, is amended to read:

Subd. 4. [COMMISSION <u>DIVISION</u>.] "Commission" is the Minnesota racing commission. "Division" is the division of pari-mutuel racing in the department of commerce.

Sec. 3. Minnesota Statutes 1993 Supplement, section 240.011, is amended to read:

240.011 [APPOINTMENT OF DIRECTOR.]

<u>Subdivision 1.</u> [DIVISION ESTABLISHED; TRANSFER OF AUTHORITY.] <u>A division of pari-mutuel racing is</u> <u>created in the department of commerce.</u> The division is <u>under the supervision and control of the director of</u> <u>pari-mutuel racing</u>.

<u>Subd.</u> 2. [DIRECTOR; APPOINTMENT.] The governor shall appoint the director of the Minnesota racing commission <u>pari-mutuel racing</u>, who serves in the unclassified service at the governor's pleasure. The director must be a person qualified by experience in the administration and regulation of pari-mutuel racing to discharge the duties of the director. The governor must select a director from a list of one or more names submitted by the Minnesota racing commission.

Sec. 4, [240.012] [RACING DIRECTOR.]

Subdivision 1. [POWERS.] The director of pari-mutuel racing has the following powers:

(1) to regulate horse racing in Minnesota to ensure that it is conducted in the public interest;

(2) to issue licenses as provided in this chapter;

(3) to enforce all laws and rules governing horse racing;

(4) to collect and distribute all taxes provided for in this chapter;

(5) to conduct necessary investigations and inquiries and compel the submission of information, documents, and records the director deems necessary to carry out its duties;

(6) to supervise the conduct of pari-mutuel betting on horse racing;

(7) to employ and supervise personnel under this chapter;

(8) to determine the number of racing days to be held in the state and at each licensed racetrack; and

(9) to take all necessary steps to ensure the integrity of racing in Minnesota.

Subd. 2. [ANNUAL REPORT.] The director of pari-mutuel racing shall on February 15 of each year submit a report to the governor and legislature on the division's activities, organizational structure, receipts and disbursements, and recommendations for changes in the laws relating to racing and pari-mutuel betting.

Subd. 3. [AUDIT.] The legislative auditor shall audit or the director may contract for an audit of the books and accounts of the division annually or as often as the legislative auditor's funds and personnel permit. The division shall pay the total cost of the audit. All collections received for the audits must be deposited in the general fund.

<u>Subd. 4.</u> [ADVISORY COMMITTEE.] <u>The director may establish an advisory committee of not more than nine</u> <u>members, to advise the director on (1) the present and future state of horse racing and pari-mutuel betting in</u> <u>Minnesota, (2) the director's exercise of the powers and duties assigned to the director under this chapter, and (3)</u> <u>proposed changes in the laws and rules governing horse racing and pari-mutuel betting.</u>

Sec. 5. Minnesota Statutes 1992, section 240.04, is amended to read:

240.04 [EMPLOYEES.]

Subdivision 1. [DIRECTOR; DUTIES.] The director shall perform the following duties:

(a) take and preserve records of all proceedings before the commission, maintain its books, documents, and records, and make them available for public inspection as the commission directs;

(b) if so designated by the commission, act as a hearing officer in hearings which need not be conducted under the administrative procedure act to conduct hearings, receive testimony and exhibits, and certify the record of proceedings to the commission;

(c) act as the commission's chief personnel officer and supervise the employment, conduct, duties, and discipline of commission employees; and

(d) perform other duties as directed by the commission.

Subd. 1a. [DEPUTY DIRECTOR.] The commission <u>director</u> may appoint a deputy director who serves in the unclassified service at the commission's <u>director's</u> pleasure.

Subd. 2. [DIRECTOR OF PARI-MUTUELS.] The commission <u>director</u> may employ a director of pari-mutuels who serves in the unclassified service at the commission's <u>director's</u> pleasure. The director of pari-mutuels shall perform the following duties:

(a) supervise all forms of pari-mutuel betting on horse racing in the state;

(b) inspect all machinery;

(c) make reports on pari-mutuel betting as the commission director directs;

(d) subject to commission the director's approval, appoint assistants to perform duties the commission director designates; and

(e) perform other duties as directed by the commission director.

If no director of pari-mutuels is appointed the duties of that office are assigned to the executive director. The ecommission <u>director</u> may contract with outside services or personnel to assist the executive director in the performance of these duties.

Subd. 3. [DIRECTOR OF RACING SECURITY.] The commission director may appoint a director of racing security to serve in the unclassified service at the commission's director's pleasure. The director of racing security shall enforce all laws and commission rules relating to the security and integrity of racing. The director of racing security and all other persons designated by the commission director as security officers have free and open access to all areas of all facilities the commission director licenses and may search without a search warrant any part of a licensed racetrack and the person of any licensee of the commission division on the premises. The director of racing security may order a licensee to take, at the licensee's expense, security measures necessary to protect the integrity of racing, but the order may be appealed to the commission director. Nothing in this chapter prohibits law enforcement authorities and agents from entering, in the performance of their duties, a premises licensed under Laws 1983, chapter 214.

If no director of racing security is appointed the duties of that office are assigned to the executive director. The commission <u>director</u> may contract with outside services or personnel to assist the executive director in the performance of these duties.

Subd. 4. [VETERINARIAN.] The commission <u>director</u> may appoint a veterinarian who must be a doctor of veterinary medicine and who serves at its pleasure in the unclassified service. The veterinarian shall, while employed by the commission <u>division</u>, perform the following duties:

(a) supervise the formulation, administration, and evaluation of all medical tests the commission's <u>director's</u> rules require or authorize;

(b) advise the commission <u>director</u> on all aspects of veterinary medicine relating to its <u>the director's</u> powers and duties; and

(c) supervise all personnel involved in medical testing, subject to the supervision of the executive director.

If no veterinarian is appointed, the duties of that office <u>may be are</u> assigned to the executive director. The commission <u>director</u> may contract with outside personnel to assist the executive director in the performance of these duties.

The commission <u>director</u> may require that a licensee reimburse it <u>the division</u> for the costs of services provided by assistant veterinarians.

Subd. 5. [OTHER EMPLOYEES.] Subject to applicable laws, the commission director shall employ and assign duties to other officers, employees, and agents as it the director deems necessary to discharge its the director's functions.

Subd. 6. [COMPENSATION.] The compensation of all commission division employees shall be as provided in chapter 43A.

Subd. 7. [ASSISTANCE.] The commission and director may request assistance from any department or agency of the state in fulfilling its the director's duties, and shall make appropriate reimbursement for all such assistance.

. Sec. 6. Minnesota Statutes 1992, section 240.05, is amended to read:

240.05 [LICENSES; CLASSES.]

Subdivision 1. [CLASSES.] The commission director may issue five four classes of licenses:

(a) class A licenses, for the ownership and operation of a racetrack with horse racing on which pari-mutuel betting is conducted;

(b) class B licenses, for the sponsorship and management of horse racing on which pari-mutuel betting is conducted;

(c) class C licenses, for the privilege of engaging in certain occupations related to horse racing; and

(d) class D licenses, for the conduct of pari-mutuel horse racing by county agricultural societies or associations; and

### (c) class E licenses, for the management of a teleracing facility.

No person may engage in any of the above activities without first having obtained the appropriate license from the commission director.

Subd. 2. [FORMS.] All application forms for licenses must contain a statement to the effect that by accepting a license from the commission <u>division</u> a licensee consents to having property or person subject to inspection at any time by the director of racing security or by security officers designated by the commission <u>director</u>.

Subd. 3. [POLICY.] It is the intent of the legislature that authority granted by law to the commission <u>director</u> to issue licenses not be construed as requiring the commission to issue any license.

Sec. 7. Minnesota Statutes 1992, section 240.06, is amended to read:

## 240.06 [RACETRACK LICENSES.]

Subdivision 1. [APPLICATION.] The commission director may issue one or more class A licenses, but not more than one to any one person. An application for a class A license must be on a form the commission director prescribes and must be accompanied by detailed plans and specifications of the track, buildings, fences, and other improvements. The application must contain:

(a) the name and address of the applicant and, if it is a corporation, the names of all officers, directors, and shareholders of the corporation and any of its holding corporations;

(b) if required by the commission director, the names of any person or persons holding directly, indirectly, or beneficially an interest of any kind in the applicant or any of its holding corporations, whether the interest is financial, administrative, policy making, or supervisory;

(c) a statement of the assets and liabilities of the applicant;

(d) an affidavit executed by the applicant setting forth that no officer, director, or other person with a present or future direct or indirect financial or management interest in the racetrack, to the best of the applicant's knowledge:

(1) is in default in the payment of an obligation or debt to the state under this chapter;

(2) has ever been convicted of a felony in a state or federal court or has a state or federal felony charge pending;

(3) is or has been connected with or engaged in any illegal business;

(4) has ever been found guilty of fraud or misrepresentation in connection with racing or breeding;

(5) has ever been found guilty of a violation of a law or rule relating to horse racing, pari-mutuel betting or any other form of gambling which is a serious violation as defined by the <del>commission's</del> <u>director's</u> rules; or

(6) has ever knowingly violated a rule or order of the commission director or the Minnesota racing commission, or a law of Minnesota relating to racing;

(e) an irrevocable consent statement, to be signed by the applicant, which states that suits and actions relating to the subject matter of the application or acts or omissions arising from it may be commenced against the applicant in any court of competent jurisdiction in this state by the service on the secretary of state of any summons, process, or pleadings authorized by the laws of this state. If any summons, process, or pleadings is served upon the secretary of state, it must be by duplicate copies. One copy must be retained in the office of the secretary of state and the other copy must be forwarded immediately by certified mail to the address of the applicant, as shown by the records of the commission division; and

(f) an affirmative action plan establishing goals and timetables consistent with the Minnesota human rights act, chapter 363, and in conformity with the goals established by the commission <u>director</u> by rule.

Subd. 2. [HEARINGS.] Before granting a class A license the commission <u>director</u> shall conduct one or more public hearings in the area where the racetrack is or will be located. The commission <u>director</u> shall also request comments on the application from the city council or town board of the city or town where the track is or will be located, or from the county board if it is to be located outside a city or town and from the appropriate regional development commission or the metropolitan council, as the case may be.

Subd. 3. [INVESTIGATION.] Before granting a class A license the commission <u>director</u> shall conduct, or request the division of gambling enforcement to conduct, a comprehensive background and financial investigation of the applicant and sources of financing. The <u>commission</u> <u>director</u> may charge an applicant an investigation fee to cover the cost of the investigation, and shall from this fee reimburse the division of gambling enforcement for its share of the cost of the investigation. The <u>commission</u> <u>director</u> has access to all criminal history data compiled by the division of gambling enforcement on class A licensees and applicants.

Subd. 4. [LICENSE ISSUANCE.] If after considering the information received at the hearing or hearings and the comments requested under subdivision 2, the commission director determines that the license will not adversely affect the public health, welfare, and safety, that the racetrack will be operated in accordance with all applicable laws and rules, that the license will not create a competitive situation that will adversely affect racing and the public interest, and that the applicant is financially able to operate a licensed racetrack, it the director may issue a class A license to the applicant. The license is effective until revoked or suspended by the commission director or relinquished by the licensee.

Subd. 5. [PROHIBITED LOCATIONS.] A class A license may not be issued to any location where the operation of a racetrack is prohibited by a valid local zoning ordinance. Not <u>The director may not issue</u> more than one class A license may be issued by the commission within the seven-county metropolitan area.

Subd. 5a. [ADDITIONAL LICENSE; METROPOLITAN AREA.] Notwithstanding subdivision 5, the commission director may issue one additional class A license within the seven-county metropolitan area, provided that the additional license may only be issued for a facility:

(1) located more than 20 miles from any other racetrack in existence on January 1, 1987;

(2) containing a track no larger than five-eighths of a mile in circumference;

(3) used exclusively for standard-bred racing; -

(4) not owned or operated by a governmental entity or a nonprofit organization; and

(5) that has a current road or highway system adequate to facilitate present and future vehicular traffic expeditiously to and from the facility.

The consideration of clause (5) shall prevail when two competing licensees are relatively equal regarding other considerations mandated by law or rule.

An application for an additional class A license within the seven-county metropolitan area may not delay or adversely affect an application for a class A license for a facility to be located outside the seven-county metropolitan area.

Subd. 6. [CHANGES IN OWNERSHIP OR MANAGEMENT.] If a change in the officers, directors, shareholders, or other persons with a present or future direct or indirect financial or management interest in the licensee, or a change of ownership of more than five percent of the licensee's shares is made after the application is filed or the license issued, the applicant or licensee must notify the commission director of the changes within five days of their occurrence and provide the affidavit required by subdivision 1, clause (d).

Subd. 7. [LICENSE SUSPENSION AND REVOCATION.] The commission director:

(1) may revoke a class A license for (i) a violation of law, order, or rule which in the commission's director's opinion adversely affects the integrity of horse racing in Minnesota, or for an intentional false statement made in a license application, or for (ii) a willful failure to pay any money required to be paid by Laws 1983, chapter 214, and under this chapter;

(2) may revoke <u>a class A license</u> for failure to perform material covenants or representations made in a license application; and

(3) shall revoke a class A license if live racing has not been conducted on at least 60 racing days assigned by the director during any period of 12 consecutive months, unless the director authorizes a shorter period because of circumstances beyond the licensee's control.

The commission director may suspend a class A license for up to one year for a violation of law, order, or rule which in the commission's director's opinion adversely affects the integrity of horse racing in Minnesota, and may suspend a class A license indefinitely if it the director determines that the licensee has as an officer, director, shareholder, or other person with a direct, indirect, or beneficial interest a person who is in the commission's director's opinion inimical to the integrity of horse racing in Minnesota or who cannot be certified under subdivision 1, clause (d).

A license revocation or suspension under this subdivision is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act, and is in addition to criminal penalties imposed for a violation of law or rule.

Subd. 8. [WORK AREAS.] A class A licensee must provide at no cost to the commission <u>division</u> suitable work areas for commission members, officers, <u>division</u> employees, and agents, including agents of the division of gambling enforcement, who are directed or requested by the commission <u>director</u> to supervise and control racing at the licensed racetrack.

Sec. 8. Minnesota Statutes 1992, section 240.09, is amended to read:

### 240.09 [COUNTY FAIR LICENSES.]

Subdivision 1. [APPLICATION.] The commission director may issue class D licenses to county agricultural societies or associations incorporated under chapter 38 or nonprofit corporations organized under chapter 317A in existence and operating fairs on April 21, 1951, to conduct and manage, on their own fairgrounds, horse racing on which pari-mutuel betting is conducted. An application for a class D license must be on a form the commission director prescribes and must be accompanied by a certified copy of a resolution of the county board of the county where racing is to be conducted stating that it has reviewed the license application and does not object to it. An application for a class D license must be accompanied by detailed plans and specifications of the track, buildings, fences, and other improvements.

Subd. 2. [OCCUPATIONAL LICENSES.] A person who participates in the management or conduct of horse racing or pari-mutuel betting for a county fair holding a class D license who is in an occupation listed in section 240.08, subdivision 1, or the rules of the commission director must have a class C license from the commission division except for active members, as defined in section 349.12, of nonprofit organizations who act without compensation as concession workers.

Subd. 3. [HEARING.] Before granting an initial class D license, the commission <u>director</u> must hold at least one public hearing in the county where the license is to be issued, and if the racetrack to be licensed is within a city, it the <u>director</u> must also request comments on the application from the city council.

Subd. 3a. [INVESTIGATION.] Before granting a class D license the director shall conduct, or request the division of gambling enforcement to conduct, a comprehensive background and financial investigation of the applicant and the sources of financing. The director may charge an applicant an investigation fee to cover the cost of the investigation, and shall from this fee reimburse the division of gambling enforcement for its share of the cost of the investigation. The director has access to all criminal history data compiled by the division of gambling enforcement on class A licensees and applicants.

Subd. 4. [ISSUANCE.] If after considering the information received at the hearing or hearings and considering the comments requested under subdivision 3, the commission director determines that the license will not adversely affect the public health, welfare, and safety and that the racing to be licensed will be conducted in accordance with all applicable laws and rules, it the director may issue a class D license to the applicant. The license is for a period of one year.

Subd. 5. [RENEWAL.] On making the same determination as in subdivision 4, the commission director may renew a class D license without a hearing unless it the director determines a hearing is necessary.

Subd. 6. [REVOCATION AND SUSPENSION.] Revocation and suspension of class D licenses, and refusals to renew class D licenses, are as provided in section 240.06, subdivision 7. A license suspension or revocation or a refusal to renew a class D license is a contested case under sections 14.57 to 14.69 of the administrative procedure act and is in addition to criminal penalties imposed for a violation of law or rule.

Sec. 9. Minnesota Statutes 1992, section 240.10, is amended to read:

#### 240.10 [LICENSE FEES.]

The fee for a class A license is \$10,000 per year. The fee for a class B license is \$100 for each assigned racing day on which racing is actually conducted, and \$50 for each day on which simulcasting is authorized and actually takes place. The fee for a class D license is \$50 for each assigned racing day on which racing is actually conducted. The fee for a class E license is \$1,000 per year. Fees imposed on class B and class D licenses must be paid to the commission division at a time and in a manner as provided by rule of the commission director.

The commission director shall by rule establish an annual license fee for each occupation it the director licenses under section 240.08 but no annual fee for a class C license may exceed \$100.

License fee payments received must be paid by the commission division to the state treasurer for deposit in the general fund.

Sec. 10. Minnesota Statutes 1992, section 240.12, is amended to read:

#### 240.12 [LICENSE AGREEMENTS.]

The commission <u>director</u> may enter into agreements with comparable bodies in other racing jurisdictions for the mutual recognition of occupational licenses issued by each <u>body</u> <u>agency</u>. The <u>commission</u> <u>director</u> may by rule provide for and may charge a fee for the registration of each license issued in another jurisdiction.

Sec. 11. Minnesota Statutes 1992, section 240.13, is amended to read:

#### 240.13 [PARI-MUTUEL BETTING.]

Subdivision 1. [AUTHORIZED.] (a) Class B and class D licenses give the licensees authority to conduct pari-mutuel betting on the results of races run at the licensed racetrack, and on other races as authorized by the commission director under this section.

(b) A class B or class E license gives the licensee the authority to transmit and receive telecasts and conduct pari-mutuel betting on the results of horse races run at its class A facility, and of other horse races run at other locations outside of the state, as authorized by the commission director. A class E licensee must present, for pari mutuel wagering purposes, all live horse races conducted at its class A facility. The class B or class E licensee may present racing programs separately or concurrently.

(c) Subject to the approval of the commission, for simulcasts and telerace simulcasts <u>director</u> the types of betting, takeout, and distribution of winnings on pari-mutuel pools of <u>on simulcast races at</u> a class B <del>or class E</del> facility are those in effect at the sending racetrack. Pari-mutuel pools accumulated at a class E facility-must be commingled with the pools at the class A facility for comparable pools on those races that are being simultaneously presented at both facilities. Pari-mutuel pools may be commingled with pools at the sending racetrack, for the purposes of determining odds and payout prices, via the totalizator computer at the class A facility.

(d) The commission director may not authorize a class B or class E licensee to conduct simulcasting or telerace simulcasting unless 125 days of live racing, consisting of not less than eight live races on each racing day, have been conducted at the class A facility within the preceding 12 months. The number of live racing days required may be adjusted by agreement between the licensee and 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 number of live racing days required must be reduced by one day for each assigned racing day that the licensee is unable to conduct live racing due to natural occurrences or catastrophes beyond its control.

Subd. 2. [REQUIREMENTS.] (a) A licensee conducting pari-mutuel betting must provide at the licensed track or at the teleracing facility:

(1) the necessary equipment for issuing pari-mutuel tickets; and

(2) mechanical or electronic equipment for displaying information the <del>commission</del> <u>director</u> requires. All mechanical or electronic devices must be approved by the <del>commission</del> <u>director</u> before being used.

(b) A licensee conducting pari-mutuel betting must post prominently at each point of sale of pari-mutuel tickets, in a manner approved by the commissioner of human services, the toll-free telephone number established by the commissioner of human services in connection with the compulsive gambling program established under section 245.98.

Subd. 3. [TYPES OF BETTING.] The commission director shall by rule designate those types of pari-mutuel pools which are permitted at licensed racetracks and teleracing facilities, and no licensee may conduct any type of pari-mutuel pool which has not been so designated. Pari-mutuel pools permitted at licensed racetracks and pari-mutuel pools designated by the commission are permitted at teleracing facilities.

Subd. 4. [TAKEOUT; DISTRIBUTION OF WINNINGS.] A licensee conducting pari-mutuel betting must deduct from a straight pari-mutuel pool, before payments to holders of winning tickets, an amount equal to not more than 17 percent of the total money in that pool. The licensee must deduct from a multiple pari-mutuel pool, before payments to the holders of winning tickets, an amount equal to not more than 23 percent of the total money in that pool. The licensee must deduct from a multiple pari-mutuel pool, before payments to the holders of winning tickets, an amount equal to not more than 23 percent of the total money in that pool. The remaining money in each pool must be distributed among the holders of winning tickets in a manner the commission director by rule prescribes for each type of pool. Breakage must be computed on the basis of payoffs rounded down to the next lowest increment of 10 cents, with a minimum payoff of \$1.10 on a \$1 ticket, except that the licensee may reduce the minimum payoff to \$1.05 on a \$1 ticket if there is not a sufficient amount in a pool to make a minimum payoff of \$1.10.

Subd. 5. [PURSES.] (a) From the amounts deducted from all pari-mutuel pools by a licensee, an amount equal to not less than the following percentages of all money in all pools must be set aside by the licensee and used for purses for races conducted by the licensee, provided that a licensee may agree by contract with an organization representing a majority of the horsepersons racing the breed involved to set aside amounts in addition to the following percentages:

(1) for live races conducted at a class A facility, and for races that are part of full racing card simulcasting or full racing eard telerace simulcasting that takes place within the time period of the live races, 8.4 percent;

(2) for simulcasts and telerace simulcasts conducted during the racing season other than as provided for in clause (1), 50 percent of the takeout remaining after deduction for taxes on pari-mutuel pools, payment to the breeders fund, and payment to the sending out-of-state racetrack for receipt of the signal; and

(3) for simulcasts and telerace simulcasts conducted outside of the racing season, 25 percent of the takeout remaining after deduction for the state pari-mutuel tax, payment to the breeders fund, payment to the sending out-of-state racetrack for receipt of the signal and, before January 1, 2005, a further deduction of eight percent of all money in all pools; provided, however, that. In the event that wagering on simulcasts and telerace simulcasts outside of the racing season exceeds \$125 million in any calendar year, the amount set aside for purses by this formula is increased to 30 percent on amounts between \$125,000,000 and \$150,000,000 wagered; 40 percent on amounts between \$150,000,000 and \$175,000,000 wagered. In lieu of the eight percent deduction, a deduction as agreed to between the licensee and the horsepersons' organization representing the majority of horsepersons racing at the licensee's class A facility during the preceding 12 months, is allowed after December 31, 2004.

The commission <u>director</u> may by rule provide for the administration and enforcement of this subdivision. The deductions for payment to the sending out-of-state racetrack must be actual, except that when there exists any overlap of ownership, control, or interest between the sending out-of-state racetrack and the receiving licensee, the deduction must not be greater than three percent unless agreed to between the licensee and the horsepersons' organization representing the majority of horsepersons racing the breed racing the majority of races during the existing racing meeting or, if outside of the racing season, during the most recent racing meeting.

In lieu of the amount the licensee must pay to the <u>commission division</u> for deposit in the Minnesota breeders fund under section 240.15, subdivision 1, the licensee shall pay 5-1/2 percent of the takeout from all pari-mutuel pools generated by wagering at the licensee's facility on full racing card simulcasts and full racing card telerace simulcasts of races not conducted in this state.

(b) From the money set aside for purses, the licensee shall pay to the horseperson's organization representing the majority of the horsepersons racing the breed involved and contracting with the licensee with respect to purses and the conduct of the racing meetings and providing representation, benevolent programs, benefits, and services for

horsepersons and their on-track employees, an amount, sufficient to perform these services, as may be determined by agreement by the licensee and the horseperson's organization. The amount paid may be deducted only from the money set aside for purses to be paid in races for the breed represented by the horseperson's organization. With respect to racing meetings where more than one breed is racing, the licensee may contract independently with the horseperson's organization representing each breed racing.

(c) Notwithstanding sections 325D.49 to 325D.66, a horseperson's organization representing the majority of the horsepersons racing a breed at a meeting, and the members thereof, may agree to withhold horses during a meeting.

(d) Money set aside for purses from wagering, during the racing season, on simulcasts and telerace simulcasts must be used for purses for live races conducted at the licensee's class A facility during the same racing season, over and above the 8.4 percent purse requirement or any higher requirement to which the parties agree, for races conducted in this state. Money set aside for purses from wagering, outside of the racing season, on simulcasts and telerace simulcasts must be for purses for live races conducted at the licensee's class A facility during the next racing season, over and above the 8.4 percent purse requirement or any higher requirement to which the parties agree, for races conducted in this state.

(e) Money set aside for purses from wagering on simulcasts and telerace simulcasts must be used for purses for live races involving the same breed involved in the simulcast or telerace simulcast except that money set aside for purses and payments to the breeders fund from wagering on full racing card simulcasts and full racing card telerace simulcasts of races not conducted in this state, occurring during a live mixed meet, must be allotted to the purses and breeders fund for each breed participating in the mixed meet in the same proportion that the number of live races run by each breed bears to the total number of live races conducted during the period of the mixed meet.

(f) The allocation of money set aside for purses to particular racing meets may be adjusted, relative to overpayments and underpayments, by contract between the licensee and the horsepersons' organization representing the majority of horsepersons racing the breed involved at the licensee's facility.

(g) Subject to the provisions of this chapter, money set aside from pari-mutuel pools for purses must be for the breed involved in the race that generated the pool, except that if the breed involved in the race generating the pari-mutuel pool is not racing in the current racing meeting, or has not raced within the preceding 12 months at the licensee's class A facility, money set aside for purses may be distributed proportionately to those breeds that have run during the preceding 12 months or paid to the commission division and used for purses or to promote racing for the breed involved in the race generating the pari-mutuel pool, or both, in a manner prescribed by the commission director.

#### (h) This subdivision does not apply to a class D licensee.

Subd. 6. [SIMULCASTING.] (a) The commission director may permit an authorized a class <u>B</u> licensee to conduct simulcasting or telerace simulcasting at the licensee's facility on any day authorized by the commission director. All simulcasts and telerace simulcasts must comply with the Interstate Horse Racing Act of 1978, United States Code, title 15, sections 3001 to 3007. In addition to teleracing programs featuring live racing conducted at the licensee's class A facility, the class <u>E</u> licensee may conduct not more than seven teleracing programs per week during the racing season, unless additional telerace 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 elass A facility during the preceding 12 months.

(b) The commission <u>director</u> 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.

(c) 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.

(e) With the approval of the commission <u>director</u> 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 <u>director</u> may allow this to be done on a commingled pool basis.

(f) Except as otherwise provided in this section, simulcasting and telerace simulcasting may be conducted on a separate pool basis or, with the approval of the commission director, on a commingled pool basis. All provisions of law governing pari-mutuel betting apply to simulcasting and telerace simulcasting except as otherwise provided in this subdivision or in the commission's director'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 director, 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. Notwithstanding subdivision 7 and section 240.15, subdivision 5, the commission director 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, an alternative facility that serves as the racetrack for the purpose of commingling pools.

(g) If there is more than one class B licensee conducting racing within the seven-county metropolitan area, simulcasting and telerace 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.

Subd. 7. [TIME LIMIT FOR PAYMENTS.] The licensee must pay off on an uncashed ticket presented for payment within 90 days of the end of the racing meeting during which it was issued. A ticket not presented for payment within that period is an unredeemed ticket and shall be reported to the <u>commission director</u> as provided in section 240.15, subdivision 5.

Subd. 8. [PROHIBITED ACTS.] A licensee may not accept a bet from any person under the age of 18 years; and a licensee may not accept a bet of less than \$1.

Subd. 9. [TRANSMISSION TO INDIAN LANDS; POOLING OF BETS.] A licensed racetrack may, with the approval of the horsepersons' organization representing the majority of horsepersons racing the breed involved, transmit telecasts of races the licensee conducts to sites on Indian lands of tribes who are lawfully conducting pari-mutuel wagering authorized by a tribal-state compact entered into pursuant to the Indian Gaming Regulatory Act, Public Law Number 100-497, or through litigation, arbitration, or mediation relative to that act. Nothing in this subdivision shall be construed to indicate that state policy or law permits or encourages the transmission of telecasts to sites on Indian lands. With prior approval of the commission director, a licensed racetrack transmitting telecasts of races it conducts, to sites on Indian lands within or outside of Minnesota or to other locations outside the state, may commingle the amounts bet at the receiving entity with the pools at the sending licensed racetrack.

Sec. 12. Minnesota Statutes 1992, section 240.15, is amended to read:

### 240.15 [PAYMENTS TO STATE.]

Subdivision 1. [TAXES IMPOSED.] (a) There is imposed a tax at the rate of six percent of the total amount withheld from all pari-mutuel pools by the licensee, including breakage and amounts withheld under section 240.13, subdivision 4.

In addition to the above tax, the licensee must designate and pay to the commission <u>division</u> a tax of one percent of the total amount bet on each racing day, for deposit in the Minnesota breeders fund.

The taxes imposed by this clause must be paid from the amounts permitted to be withheld by a licensee under section 240.13, subdivision 4.

(b) The commission director may impose an admissions tax of not more than ten cents on each paid admission at a licensed racetrack on a racing day if:

(1) the tax is requested by a local unit of government within whose borders the track is located;

(2) a public hearing is held on the request; and

5419

(3) the commission <u>director</u> finds that the local unit of government requesting the tax is in need of its revenue to meet extraordinary expenses caused by the racetrack.

Subd. 2. [PAYMENT.] The licensee must remit the tax to the commission <u>division</u> or its representative within seven days of the day on which it was collected. The payments must be accompanied by a detailed statement of the remittance on a form the commission <u>director</u> prescribes. The commission <u>director</u> may by rule provide for the direct deposit of required payments in the commission's <u>division's</u> account in a financial institution within the state and for determining the time of applicability of different tax rates under subdivision 1.

Subd. 3. [TAX EXCLUSIVE.] The tax imposed by subdivision 1 is in lieu of any tax or license fee, other than taxes on real property, imposed by a political subdivision and in lieu of any other sales or excise tax imposed by the state on pari-mutuel pools or pari-mutuel ticket sales.

Subd. 4. [REPORTS.] Within 100 days of the end of each calendar year a licensee subject to the tax imposed by subdivision 1 must file with the commission <u>director</u> a certified financial report disclosing receipts from all sources during the racing meeting and expenses and disbursements. The financial report must be prepared by an independent certified public accountant in accordance with generally accepted auditing standards.

Subd. 5. [UNREDEEMED TICKETS.] Not later than 100 days after the end of a racing meeting a licensee who sells pari-mutuel tickets must remit to the commission <u>division</u> or its representative an amount equal to the total value of unredeemed tickets from the racing meeting. The remittance must be accompanied by a detailed statement of the money on a form the commission prescribes <u>director</u>.

Notwithstanding any provision to the contrary in chapter 345, unredeemed pari-mutuel tickets shall not be considered unclaimed funds and shall be handled in accordance with the provisions of this subdivision. Any person claiming to be entitled to the proceeds of any unredeemed ticket who fails to claim said proceeds prior to their being remitted to the commission division, may within one year after the date of remittance to the commission division file with the commission director a verified claim for such proceeds on such form as the commission director prescribes along with the pari-mutuel ticket. Unless the claimant satisfactorily establishes the right to the proceeds, the claim shall be rejected. If the claim is allowed, the commission director shall pay the proceeds without interest to the claimant. There is hereby appropriated from the general fund to the commission director an amount sufficient to make payment to persons entitled to such proceeds.

Subd. 6. [DISPOSITION OF PROCEEDS.] The commission <u>director</u> shall distribute all money received under this section, and all money received from license fees and fines it collects, as follows: all money designated for deposit in the Minnesota breeders fund must be paid into that fund for distribution under section 240.18 except that all money generated by full racing card simulcasts, or full racing card telerace simulcasts of races not conducted in this state, must be distributed as provided in section 240.18, subdivisions 2, paragraph (d), clauses (1), (2), and (3); and 3. Revenue from an admissions tax imposed under subdivision 1 must be paid to the local unit of government at whose request it was imposed, at times and in a manner the commission <u>director</u> determines. All other revenues received under this section by the commission <u>division</u>, and all license fees, fines, and other revenue it receives, must be paid to the state treasurer for deposit in the general fund.

Sec. 13. Minnesota Statutes 1992, section 240.155, is amended to read:

## 240.155 [REIMBURSEMENT ACCOUNTS AND PROCEDURES.]

Subdivision 1. [REIMBURSEMENT ACCOUNT CREDIT.] Money received by the commission <u>division</u> as reimbursement for the costs of services provided by assistant veterinarians and stewards must be deposited in the state treasury and credited to a racing commission reimbursement account, except as provided under subdivision 2. Receipts are appropriated to the commission <u>director</u> to pay the costs of providing the services.

Subd. 2. [GENERAL FUND CREDIT.] Money received by the <u>commission</u> <u>division</u> as reimbursement for the compensation of a steward who is an employee of the <u>commission</u> <u>division</u> for which a general fund appropriation has been made must be credited to the general fund.

Sec. 14. Minnesota Statutes 1992, section 240.16, is amended to read:

240.16 [STEWARDS.]

Subdivision 1. [POWERS AND DUTIES.] All horse races run at a licensed racetrack must be presided over by a board of three stewards, who must be appointees of the commission director or persons approved by it the director. The commission director shall designate one steward as chair. At least two stewards for all races either shall be

employees of the <del>commission</del> <u>division</u> who shall serve in the unclassified service, or shall be under contract with the <del>commission</del> <u>director</u> to serve as stewards. The <del>commission</del> <u>director</u> may delegate the following duties and powers to a board of stewards:

(a) to ensure that races are run in accordance with the commission's director's rules;

(b) to supervise the conduct of racing to ensure the integrity of the sport;

(c) to settle disputes arising from the running of horse races, and to certify official results;

(d) to impose on licensees, for violation of law or commission <u>director's</u> rules, fines not exceeding \$2,000 and license suspensions not exceeding 90 days;

(e) to recommend to the commission director where warranted penalties in excess of those in clause (d);

(f) to otherwise enforce the laws and rules of racing; and

(g) to perform other duties and have other powers assigned by the commission director.

Subd. 1a. [SIMULCAST.] All simulcasts and telerace simulcasts are subject to the regulation of the commission director. The commission director may assign an official to preside over these activities and, if so assigned, the official has the powers and duties provided by rule.

Subd. 2. [APPEALS; HEARINGS.] A ruling of a board of stewards may be appealed to the commission director or be reviewed by it the director on its the director's own initiative. The commission may provide for appeals to be heard by less than a quorum of the commission. A hearing on a penalty imposed by a board of stewards must be granted on request.

Subd. 3. [PROCEDURAL POWERS.] A board of stewards has the authority to administer oaths, issue subpoenas, order the production of documents and other evidence, and regulate the course of hearings before it, according to the commission's director's rules. Hearings held by a board of stewards are not subject to the provisions of the Administrative Procedure Act except those provisions which the commission director by rule makes applicable.

Subd. 4. [RULES.] In addition to rules under subdivision 3, the commission <u>director</u> may <u>promulgate adopt</u> rules governing the qualifications, appointment, approval, authority, removal, and compensation of stewards.

Subd. 5. [COSTS.] The commission director may require that a licensee reimburse it the division for the costs of providing a state-paid steward or stewards to supervise racing at the licensee's racetrack.

Subd. 6. [COMPENSATION.] The total compensation of stewards who are employees of the commission <u>division</u> <u>must</u> be commensurate with the compensation of stewards who are not <u>commission</u> <u>division</u> employees.

Sec. 15. Minnesota Statutes 1992, section 240.25, subdivision 2, is amended to read:

Subd. 2. [OFF-TRACK BETS.] (a) No person shall:

(1) for a fee, directly or indirectly, accept anything of value from another to be transmitted or delivered for wager in any licensed pari-mutuel system of wagering on horse races, or for a fee deliver anything of value which has been received outside of the enclosure of a licensed racetrack holding a race meet licensed under this chapter or a teleracing facility, to be placed as wagers in the pari-mutuel system of wagering on horse racing within the enclosure or facility; or

(2) give anything of value to be transmitted or delivered for wager in any licensed pari-mutuel system of wagering on horse races to another who charges a fee, directly or indirectly, for the transmission or delivery.

(b) Nothing in this subdivision prohibits the conducting of pari-mutuel wagering at a licensed teleracing facility.

Sec. 16. Minnesota Statutes 1992, section 240.27, subdivision 1, is amended to read:

Subdivision 1. [PERSONS EXCLUDED.] The commission <u>director</u> may exclude from any and all licensed racetracks or licensed teleracing facilities in the state a person who:

(a) has been convicted of a felony under the laws of any state or the United States;

5420

(b) has had a license suspended, revoked, or denied by the <u>director</u>, the <u>Minnesota</u> racing commission or by the racing authority of any other jurisdiction; or

(c) is determined by the commission <u>director</u>, on the basis of evidence presented to it <u>the director</u>, to be a threat to the integrity of racing in Minnesota.

Sec. 17. Minnesota Statutes 1992, section 240.28, is amended to read:

## 240.28 [CONFLICT OF INTEREST.]

Subdivision 1. [FINANCIAL INTEREST.] No person may serve on as the director or be employed by the commission division who has an interest in any corporation, association, or partnership which holds a license from the commission director or which holds a contract to supply goods or services to a licensee or at a licensed racetrack or a licensed teleracing facility, including concessions contracts. No member or Neither the director nor an employee of the commission division may own, wholly or in part, or have an interest in a horse which races at a licensed racetrack in Minnesota. No member or Neither the director nor an employee of the commission division may have a financial interest in or be employed in a profession or business which conflicts with the performance of duties as a member director or employee.

Subd. 2. [BETTING.] No member or <u>Neither the director nor an</u> employee of the commission <u>division</u> may bet or cause a bet to be made on a race at a licensed racetrack while serving on <u>as director</u> or being employed by the commission <u>division</u>. No person appointed or approved by the director as a steward may bet or cause a bet to be made at a licensed racetrack during a racing meeting at which the person is serving as a steward. The commission <u>director</u> shall by rule prescribe such restrictions on betting by its licensees as it <u>the director</u> deems necessary to protect the integrity of racing.

Subd. 3. [VIOLATION.] A violation of subdivisions 1 and 2 is grounds for removal from the commission as <u>director</u> or termination of employment. A bet made directly or indirectly by a licensee in violation of a rule made by the commission director under subdivision 2 is grounds for suspension or revocation of the license.

Sec. 18. [CONSTITUTIONAL AMENDMENT.]

The following amendment to the Minnesota Constitution, article X, section 8, is proposed to the people. If the amendment is adopted, the section will read as follows:

Sec. 8. [PARI-MUTUEL BETTING.] The legislature may authorize on track pari-mutuel betting on horse racing in a manner prescribed by law.

Sec. 19. [SUBMISSION TO VOTERS.]

The proposed amendment must be submitted to the people at the 1994 general election. The question submitted shall be:

<u>"Shall the Minnesota Constitution be amended to repeal the requirement that pari-mutuel betting on horse racing be limited to on-track betting only?</u>

<u>Yes</u> ...... <u>No</u> ......"

#### Sec. 20. [REPORT TO LEGISLATURE.]

If the constitutional amendment proposed in section 18 is approved by the people at the 1994 general election, the director of pari-mutuel racing shall submit a report to the legislature containing the director's recommendations on legislation to authorize and regulate off-track pari-mutuel betting on horse racing. The report must contain draft legislation that embodies the director's recommendations. The draft legislation must provide that:

(1) off-track pari-mutuel betting be conducted primarily to support on-track horse racing and not supplant it;

(2) a separate license be required to operate each off-track betting location;

(3) off-track betting locations be limited to teletheatres with large-screen television displays of live horse racing, theatre seating and full dining and beverage service; and

(4) a limited number of off-track betting locations be licensed, with a reasonable geographic distribution of locations around the state.

The director shall submit the report to the legislature by February 1, 1995.

Sec. 21. [RACING COMMISSION ABOLISHED.] <u>The Minnesota racing commission is abolished.</u> <u>All powers,</u> <u>duties, rules, actions, and other proceedings of the Minnesota racing commission in effect or undertaken before the</u> <u>effective date of this section are transferred to the director of pari-mutuel racing.</u> <u>All money appropriated to the</u> <u>Minnesota racing commission on the effective date of this section is transferred to the division of pari-mutuel racing</u> <u>in the department of commerce.</u>

Sec. 22. [TRANSITION.]

The person who is serving as director of pari-mutuel racing on June 30, 1994, shall serve as director of the division of pari-mutuel racing until June 30, 1995, and until that date may be removed only for cause. On and after July 1, 1995, the appointment of the director of the division of pari-mutuel racing is governed by section 4.

Sec. 23. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall, in the next and subsequent editions of Minnesota Statutes, change the term "commission" to "director," and make such other stylistic changes as the revisor deems necessary, in the following sections: 240.01, subdivision 16; 240.07; 240.08; 240.14; 240.17; 240.18; 240.19; 240.20; 240.21; 240.22; 240.23; 240.24; 240.25, subdivisions 4, 5, and 6; 240.26, subdivision 3; and 240.29. The revisor shall make the same changes in chapters 7869 to 7899 of Minnesota Rules.

Sec. 24. [REPEALER.]

Minnesota Statutes 1992, sections 240.01, subdivisions 4, 17, 18, 20, 21, and 23; 240.02; 240.03; and 240.091, are repealed.

Sec. 25. [EFFECTIVE DATE.]

Sections 1 to 17 and 21 to 24 are effective July 1, 1994. Sections 18 to 20 are effective the day following final enactment.

#### ARTICLE 2

## GAMBLING TAX RECODIFICATION

Section 1. [297E.01] [DEFINITIONS.]

<u>Subdivision 1.</u> [SCOPE.] <u>Unless otherwise defined in this chapter, or unless the context clearly indicates otherwise, the terms used in this chapter have the meaning given them in chapter 349. The definitions in this section are for tax administration purposes and apply to this chapter.</u>

<u>Subd. 2.</u> [BINGO.] For purposes of this chapter "bingo" means the game of bingo as defined in section 349.12, subdivision 4, and as conducted under chapter 349, and any other game that is substantially the same as or similar to that game, including but not limited to a game where:

(1) players pay compensation for a game sheet, card, or paper that has spaces arranged on it in columns and rows containing printed numbers or figures, or that has spaces in which players are allowed to place their own numbers or figures, or for an electronic, mechanical, or other facsimile of such sheets, cards or paper;

(2) <u>numbers or figures are randomly selected for comparison with the numbers or figures on each game sheet, card,</u> paper, or facsimile;

5422

(3) game winners are those who have a game sheet, card, paper, or facsimile with some or all of the randomly selected numbers or figures displayed thereon, in the same pattern or arrangement that has been previously designated or understood to be a winning pattern or arrangement for the game; and

(4) game winner receive or are eligible to receive a prize such as money, property, or other reward or benefit.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of revenue or a person to whom the commissioner has delegated functions.

Subd. 4. [CONTRABAND.] For purposes of this chapter, "contraband" means all of the items listed in section 349.2125, and all pull-tab or tipboard deals or portions of deals on which the tax imposed under section 297E.02 has not been paid.

<u>Subd. 5.</u> [DISTRIBUTOR.] "<u>Distributor</u>" means a distributor as defined in section 349.12, subdivision 11, or a person who markets, sells, or provides gambling product to a person or entity for resale or use at the retail level.

Subd. 6. [FISCAL YEAR.] "Fiscal year" means the period from July 1 to June 30.

Subd. 7. [GAMBLING PRODUCT.] "Gambling product" means bingo cards, paper, or sheets; pull-tabs; tipboards; paddletickets and paddleticket cards; raffle tickets; or any other ticket, card, board, placard, device, or token that represents a chance, for which consideration is paid, to win a prize.

<u>Subd. 8.</u> [GROSS RECEIPTS.] "<u>Gross receipts</u>" means all receipts derived from lawful gambling activity including, but not limited to, the following items:

(1) gross sales of bingo cards and sheets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(2) the ideal gross of pull-tab and tipboard deals or games less the value of unsold and defective tickets and before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(3) gross sales of raffle tickets and paddle tickets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(4) admission, commission, cover, or other charges imposed on participants in lawful gambling activity as a condition for or cost of participation; and

(5) interest, dividends, annuities, profit from transactions, or other income derived from the accumulation or use of gambling proceeds.

Gross receipts does not include proceeds from rental under section 349.164 or 349.18, subdivision 3, for duly licensed bingo hall lessors.

<u>Subd. 9.</u> [IDEAL GROSS.] <u>"Ideal gross" means the total amount of receipts that would be received if every</u> individual ticket in the pull-tab or tipboard deal was sold at its face value. In the calculation of ideal gross and prizes, a free play ticket shall be valued at face value.

Subd. 10. [MANUFACTURER.] "Manufacturer" means a manufacturer as defined in section 349.12, subdivision 26, or a person or entity who: (1) assembles from raw materials, or from subparts or other components, a completed item of gambling product for resale, use, or receipt in Minnesota; or (2) sells, furnishes, ships, or imports completed gambling product from outside Minnesota for resale, use, receipt, or storage in Minnesota; or (3) being within the state, assembles, produces, or otherwise creates gambling products.

Subd. <u>11.</u> [PRIZE.] <u>"Prize" means a thing of value, other than a free play, offered or awarded to the winner of a gambling game.</u>

Subd. 12. [PULL-TAB.] "Pull-tab" is a pull-tab as defined in section 349.12, subdivision 32, or any other gambling ticket or device that is substantially the same as or similar to such a pull-tab, including but not limited to, a ticket or card that:

(1) has one or more concealed numbers, figures, or symbols, or combination thereof, printed on it;

5423

(2) may be used in games where the player knows in advance, or can determine in advance, what the pre-designated winning numbers, figures, symbols, or combinations are; and

(3) may be played by revealing the concealed ticket information and comparing that information with the pre-designated winning numbers, figures, symbols, or combinations in order to determine a winner.

Subd. 13. [RAFFLE.] "Raffle" means a raffle as defined in section 349.12, subdivision 33, and any other game that is played in a manner substantially similar to the play of such a raffle, including but not limited to raffles in which compensation is paid for the chance to win a thing of value, the chance is evidenced by a ticket, card, token, or equivalent item, and the winner is selected by random drawing.

Subd. 14. [RETAIL LEVEL.] "Retail level" means an activity where gambling product is sold to players or participants in gambling games and where the players or participants give consideration for a chance to win a prize.

<u>Subd. 15.</u> [TAXPAYER.] <u>"Taxpayer" means a person subject to or liable for a tax imposed by this chapter, a person required to file reports or returns with the commissioner under this chapter, a person required to keep or retain records under this chapter, or a person required by this chapter to obtain or hold a permit.</u>

Subd. 16. [TICKET.] "Ticket" means a valid token, card, or other tangible voucher, other than bingo cards, sheets, or paper, that grants the holder a chance or chances to participate in a game of gambling.

Subd. 17. [TIPBOARD.] "Tipboard" means a tipboard as defined in section 349.12, subdivision 34, and any game that is substantially the same as or similar to the game of tipboards authorized under chapter 349, including but not limited to any of the following games:

(1) a game that consists of one or more boards, placards, or other devices in which (i) the board, placard, or other device has been marked off into a grid or columns in which each section represents a chance to win a prize, (ii) participants pay a consideration to select a section or sections, (iii) all or some of the winning numbers, figures, symbols, or other winning criteria for the game are concealed or otherwise not known by the player at the time the player obtains a chance in the game, and (iv) the numbers, figures, symbols, or other criteria for winning the game are later revealed for comparison with the information on the board, placard, or other device in order to determine a winner;

(2) a game that consists of one or more boards, placards, or other devices that (i) have tickets attached to or otherwise associated with them, and that have one or more concealed numbers, figures, or combination thereof on the tickets; (ii) participants pay a consideration to obtain the tickets, (iii) all or some of the winning numbers, figures, symbols, or other winning criteria for the game are concealed or otherwise not known by the player at the time the player obtains a chance in the game, and (iv) the numbers, figures, symbols, or other criteria for winning the game are later revealed for comparison with the information on the game tickets in order to determine a winner, or

(3) a game that consists of a deal or set of tickets that (i) have one or more concealed numbers, figures, or symbols, or combination thereof, on the tickets, (ii) participants pay a consideration to obtain the tickets, (iii) all or some of the winning numbers, figures, symbols, or combination thereof, are concealed or otherwise not known to the player at the time the player obtains the ticket, and (iv) the tickets are used in games where the numbers, figures, symbols, or other winning criteria are later revealed for comparison with the information on the game tickets in order to determine a winner.

"Tipboards" includes any game otherwise described in this subdivision in which the winning chances are determined in whole or in part by the outcome of one or more sporting events. "Tipboard" does not include boards, placards, tickets, or other devices lawfully used in connection with the operation of the state lottery under chapter 349A or the lawful conduct of pari-mutuel betting on horse racing under chapter 240.

<u>Subd. 18.</u> [OTHER WORDS.] <u>Unless specifically defined in this chapter, or unless the context clearly indicates</u> otherwise, the words used in this chapter have the meanings given them in chapter <u>349</u>.

# Sec. 2. [297E.02] [TAX IMPOSED.]

<u>Subdivision 1.</u> [IMPOSITION.] <u>A tax is imposed on all lawful gambling other than (1) pull-tabs purchased and placed into inventory after January 1, 1987, and (2) tipboards purchased and placed into inventory after June 30, 1988, at the rate of ten percent on the gross receipts as defined in section 349.12, subdivision 21, less prizes actually paid. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.02 and all local taxes and license fees except a fee authorized under section 349.16, subdivision 8, or a tax authorized under subdivision 5.</u>

The tax imposed under this subdivision is payable by the organization or party conducting, directly or indirectly, the gambling.

<u>Subd. 2.</u> [TAX-EXEMPT GAMBLING.] <u>An organization's receipts from lawful gambling that are excluded or exempt from licensing under section 349.166, are not subject to the tax imposed by this section or section 297A.02. This exclusion from tax is only valid if at the time of the event giving rise to the tax the organization either has an exclusion under section 349.166, subdivision 1, or has applied for and received a valid exemption from the lawful gambling control board.</u>

Subd. 3. [COLLECTION; DISPOSITION.] Taxes imposed by this section are due and payable to the commissioner when the gambling tax return is required to be filed. Returns covering the taxes imposed under this section must be filed with the commissioner on or before the 20th day of the month following the close of the previous calendar month. The commissioner may require that the returns be filed via magnetic media or electronic data transfer. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.191, 349.211, and 349.213, must be paid to the state treasurer for deposit in the general fund.

Subd. 4. [PULL-TAB AND TIPBOARD TAX.] (a) A tax is imposed on the sale of each deal of pull-tabs and tipboards sold by a 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 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 8.

(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 or 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 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;

(3) sales of promotional tickets as defined in section 349.12; and

(4) 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. A distributor shall 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 the 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.

(c) A distributor having a liability of \$120,000 or more during a fiscal year ending June 30 must remit all liabilities in the subsequent calendar year by 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.

Subd. 5. [LOCAL GAMBLING TAX.] A statutory or home rule charter city that has one or more licensed organizations operating lawful gambling, and a county that has one or more licensed organizations outside incorporated areas operating lawful gambling, may impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. The tax may be imposed only if the amount to be received by the city or county is necessary to cover the costs incurred by the city or county to regulate lawful gambling. The tax imposed by this subdivision may not exceed three percent of the gross receipts of a licensed organization from all lawful gambling less prizes actually paid out by the organization. A city or county may not use money collected under this subdivision for any purpose other than to regulate lawful gambling. A tax imposed under this subdivision is in lieu of all other local taxes and local investigation fees on lawful gambling. A city or county that imposes a tax under this subdivision shall annually, by March 15, file a report with the board in a form prescribed by the board showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax.

<u>Subd. 6.</u> [COMBINED RECEIPTS TAX.] In addition to the taxes imposed under subdivisions 1 and 4, a tax is imposed on the combined receipts of the organization. As used in this section, "combined receipts" is the sum of the organization's gross receipts from lawful gambling less gross receipts directly derived from the conduct of bingo, raffles, and paddlewheels, as defined in section 349.12, subdivision 21, for the fiscal year. The combined receipts of an organization are subject to a tax computed according to the following schedule:

If the combined receipts for the fiscal year are: Not over \$500,000 Over \$500,000, but not over \$700,000 <u>The tax is:</u>

<u>zero</u>

two percent of the amount over \$500,000, but not over \$700,000

\$4,000 plus four percent of the amount over \$700,000, but not over \$900,000 \$12,000 plus six percent of the amount over \$900,000

<u>Over \$700,000, but not over</u> <u>\$900,000</u>

## Over \$900,000

<u>Subd. 7.</u> [UNTAXED GAMBLING PRODUCT.] (a) In addition to penalties or criminal sanctions imposed by this chapter, a person, organization, or business entity possessing or selling a pull-tab or tipboard upon which the tax imposed by subdivision 4 has not been paid is liable for a tax of six percent of the ideal gross of each pull-tab or tipboard. The tax on a partial deal must be assessed as if it were a full deal.

(b) In addition to penalties and criminal sanctions imposed by this chapter, a person not licensed by the board who conducts bingo, raffles, or paddlewheel games is liable for a tax of six percent of the gross receipts from that activity.

(c) The tax must be assessed by the commissioner. An assessment must 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. The burden is upon the taxpayer to show its incorrectness or invalidity. The tax imposed under this subdivision does not apply to gambling that is exempt from taxation under subdivision 2.

Subd. 8. [PERSONAL DEBT.] The tax imposed by this section, and interest and penalties imposed with respect to it, are a personal debt of the person required to file a return from the time the liability for it arises, irrespective of when the time for payment of the liability occurs. The debt must, in the case of the executor or administrator of the estate of a decedent and in the case of a fiduciary, be that of the person in the person's official or fiduciary capacity only unless the person has voluntarily distributed the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which event the person is personally liable for any deficiency.

Subd. 9. [PUBLIC INFORMATION.] <u>All records concerning the administration of the taxes under this chapter are classified as public information.</u>

<u>Subd. 10.</u> [REFUNDS; APPROPRIATION.] <u>A person who has, under this chapter, paid to the commissioner an</u> amount of tax for a period in excess of the amount legally due for that period, may file with the commissioner a claim for a refund of the excess. The amount necessary to pay the refunds is appropriated from the general fund to the commissioner.

<u>Subd.</u> <u>11.</u> [UNPLAYED OR DEFECTIVE PULL-TABS OR TIPBOARDS.] If a deal of pull-tabs or tipboards registered with the board or bar coded in accordance with chapter <u>349</u> and upon which the tax imposed by subdivision <u>4 has been paid is returned unplayed to the distributor, the commissioner shall allow a refund of the tax paid.</u>

If a defective deal registered with the board or bar coded in accordance with chapter 349 and upon which the taxes have been paid is returned to the manufacturer, the distributor shall submit to the commissioner of revenue certification from the manufacturer that the deal was returned and in what respect it was defective. The certification must be on a form prescribed by the commissioner and must contain additional information the commissioner requires.

The commissioner may require that no refund under this subdivision be made unless the returned pull-tabs or tipboards have been set aside for inspection by the commissioner's employee.

Reductions in previously paid taxes authorized by this subdivision must be made when and in the manner prescribed by the commissioner.

Sec. 3. [297E.03] [SPORTS BOOKMAKING TAX.]

<u>Subdivision 1.</u> [IMPOSITION OF TAX.] <u>An excise tax of six percent is imposed on the value of all bets received</u> 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.

<u>Subd. 4.</u> [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.

<u>Subd. 5.</u> [TAX RETURNS.] A <u>person engaged in sports bookmaking shall file monthly tax returns with the</u> <u>commissioner of revenue, in the form required by the commissioner, of all bookmaking activity, and shall include</u> <u>information on all bets recorded, accepted, forwarded, and placed.</u> The returns <u>must be filed on or before the 20th</u> <u>day of the month following the month in which the bets reported were recorded, accepted, forwarded, or placed.</u> <u>The tax imposed by this section is due and payable at the time when the returns are filed.</u>

<u>Subd. 6.</u> [PERSONS LIABLE FOR TAX.] <u>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.</u>

<u>Subd. 7.</u> [JEOPARDY ASSESSMENT; JEOPARDY COLLECTION.] <u>The tax may be assessed by the commissioner</u> 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.

<u>Subd. 8.</u> [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. 4. [297E.031] [GAMBLING TAX PERMIT.]

Subdivision 1. [APPLICATION AND ISSUANCE.] <u>A distributor who sells gambling products under this chapter</u> must file with the commissioner an application, on a form prescribed by the commissioner, for a gambling tax permit and identification number. The commissioner, when satisfied that the applicant has a valid license from the board, shall issue the applicant a permit and number. A permit is not assignable and is valid only for the distributor in whose name it is issued. <u>Subd. 2.</u> [SUSPENSION; REVOCATION.] (a) If a distributor fails to comply with this chapter or a rule of the commissioner, or if a license issued under chapter 349 is revoked or suspended, the commissioner, after giving notice, may for reasonable cause revoke or suspend a permit held by a distributor. A notice must be sent to the distributor at least 15 days before the proposed suspension or revocation is to take effect. The notice must give the reason for the proposed suspension or revocation and must require the distributor to show cause why the proposed action should not be taken. The notice may be served personally or by mail.

(b) The notice must inform the distributor of the right to a contested case hearing. If a request in writing is made to the commissioner within 14 days of the date of the notice, the commissioner shall defer action on the suspension or revocation and shall refer the case to the office of administrative hearings for the scheduling of a contested case hearing. The distributor must be served with 20 days' notice in writing specifying the time and place of the hearing and the allegations against the distributor.

(c) The commissioner shall issue a final order following receipt of the recommendation of the administrative law judge.

(d) Under section 271.06, subdivision 1, an appeal to the tax court may be taken from the commissioner's order of revocation or suspension. The commissioner may not issue a new permit after revocation except upon application accompanied by reasonable evidence of the intention of the applicant to comply with all applicable laws and rules.

Sec. 5. [297E.04] [MANUFACTURER'S REPORTS AND RECORDS.]

A manufacturer who sells gambling product for use in this state, or for receipt by a person or entity in this state, shall file with the commissioner, on a form prescribed by the commissioner, a report of gambling product sold to any person in the state, including the established governing body of an Indian tribe recognized by the United States Department of the Interior. The report must be filed monthly on or before the 20th day of the month succeeding the month in which the sale was made. The commissioner may require that the report be submitted via magnetic media or electronic data transfer. The commissioner may inspect the premises, books, records, and inventory of a manufacturer without notice during the normal business hours of the manufacturer. A person violating this section is guilty of a misdemeanor.

Sec. 6. [297E.05] [DISTRIBUTOR REPORTS AND RECORDS.]

<u>Subdivision 1.</u> [BUSINESS RECORDS.] A distributor shall keep at each place of business complete and accurate records for that place of business, including itemized invoices of gambling product held, purchased, manufactured, or brought in or caused to be brought in from without this state, and of all sales of gambling product. The records must show the names and addresses of purchasers, the inventory at the close of each period for which a return is required of all gambling product on hand, and other pertinent papers and documents relating to the purchase, sale, or disposition of gambling product. Books, records, itemized invoices, and other papers and documents required by this section must be kept for a period of at least 3-1/2 years after the date of the documents, or the date of the entries appearing in the records, unless the commissioner of revenue authorizes in writing their destruction or disposal at an earlier date.

Subd. 2. [SALES RECORDS.] <u>A distributor must maintain a record of all gambling product that it sells.</u> <u>The record</u> <u>must include:</u>

(1) the identity of the person or firm from whom the distributor purchased the product;

(2) the registration number of the product;

(3) the name, address, and license or exempt permit number of the organization or person to which the sale was made;

(4) the date of the sale;

(5) the name of the person who ordered the product;

(6) the name of the person who received the product;

(7) the type of product;

(8) the serial number of the product;

(9) the name, form number, or other identifying information for each game; and

(10) in the case of bingo cards sold on and after January 1, 1991, the individual number of each card.

<u>Subd. 3.</u> [INVOICES.] <u>A distributor shall give with each sale of gambling product an itemized invoice showing the distributor's name and address, the purchaser's name and address, the date of the sale, description of the deals, including the ideal gross from every deal of pull-tabs and every deal of tipboards.</u>

<u>Subd. 4.</u> [REPORTS.] <u>A distributor shall report monthly to the commissioner, on a form the commissioner prescribes, its sales of each type of gambling product. This report must be filed monthly on or before the 20th day of the month succeeding the month in which the sale was made. The commissioner may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer.</u>

<u>Subd. 5.</u> [CERTIFIED PHYSICAL INVENTORY.] <u>The commissioner may, upon request, require a distributor to</u> <u>furnish a certified physical inventory of all gambling product in stock.</u> <u>The inventory must contain the information</u> <u>required by the commissioner.</u>

Sec. 7. [297E.06] [ORGANIZATION REPORTS AND RECORDS.]

<u>Subdivision 1.</u> [REPORTS.] An organization must file with the commissioner, on a form prescribed by the commissioner, a report showing all gambling activity conducted by that organization for each month. Gambling activity includes all gross receipts, prizes, all gambling taxes owed or paid to the commissioner, all gambling expenses, and all lawful purpose and board-approved expenditures. The report must be filed with the commissioner on or before the 20th day of the month following the month in which the gambling activity takes place. The commissioner may require that the reports be filed via magnetic media or electronic data transfer.

<u>Subd. 2.</u> [BUSINESS RECORDS.] <u>An organization shall maintain records supporting the gambling activity reported</u> to the commissioner. <u>Records include, but are not limited to, the following items:</u>

(1) all winning and unsold tickets, cards, or stubs for pull-tab, tipboard, paddlewheel, and raffle games;

(2) all reports and statements, including checker's records, for each bingo occasion;

(3) all cash journals and ledgers, deposit slips, register tapes, and bank statements supporting gambling activity receipts;

(4) all invoices that represent purchases of gambling product;

(5) all canceled checks, check recorders, journals and ledgers, vouchers, invoices, bank statements, and other documents supporting gambling activity expenditures; and

(6) all organizational meeting minutes.

<u>All records required to be kept by this section must be preserved by the organization for at least 3-1/2 years and</u> may be inspected by the commissioner of revenue at any reasonable time without notice or a search warrant.

Subd. 3. [ACCOUNTS.] All gambling activity transactions must be segregated from all other revenues and expenditures made by the conducting organization.

Sec. 8. [297E.07] [INSPECTION RIGHTS.]

At any reasonable time, without notice and without a search warrant, the commissioner may enter a place of business of a manufacturer, distributor, or organization; any site from which pull-tabs or tipboards or other gambling equipment or gambling product are being manufactured, stored, or sold, or any site at which lawful gambling is being conducted, and inspect the premises, books, records, and other documents required to be kept under this chapter to determine whether or not this chapter is being fully complied with. If the commissioner is denied free access to or is hindered or interfered with in making an inspection of the place of business, books, or records, the permit of the distributor may be revoked by the commissioner, and the license of the manufacturer, the distributor, or the organization may be revoked by the board.

### Sec. 9. [297E.08] [EXAMINATIONS.]

<u>Subdivision 1.</u> [EXAMINATION OF TAXPAYER.] <u>To determine the accuracy of a return or report, or in fixing</u> <u>liability under this chapter, the commissioner may make reasonable examinations or investigations of a taxpaver's</u> <u>place of business, tangible personal property, equipment, computer systems and facilities, pertinent books, records,</u> <u>papers, vouchers, computer printouts, accounts, and documents.</u>

<u>Subd.</u> 2. [ACCESS TO RECORDS OF OTHER PERSONS IN CONNECTION WITH EXAMINATION OF TAXPAYER.] When conducting an investigation or an audit of a taxpayer, the commissioner may examine, except where privileged by law, the relevant records and files of a person, business, institution, financial institution, state agency, agency of the United States government, or agency of another state where permitted by statute, agreement, or reciprocity. The commissioner may compel production of these records by subpoena. A subpoena may be served directly by the commissioner.

Subd. 3. [POWER TO COMPEL TESTIMONY.] In the administration of this chapter, the commissioner may:

(1) administer oaths or affirmations and compel by subpoena the attendance of witnesses, testimony, and the production of a person's pertinent books, records, papers, or other data;

(2) examine under oath or affirmation any person regarding the business of a taxpayer concerning a matter relevant to the administration of this chapter. The fees of witnesses required by the commissioner to attend a hearing are equal to those allowed to witnesses appearing before courts of this state. The fees must be paid in the manner provided for the payment of other expenses incident to the administration of state tax law; and

(3) in addition to other remedies available, bring an action in equity by the state against a taxpayer for an injunction ordering the taxpayer to file a complete and proper return or amended return. The district courts of this state have jurisdiction over the action, and disobedience of an injunction issued under this clause must be punished as for contempt.

<u>Subd. 4.</u> [THIRD-PARTY SUBPOENA WHERE TAXPAYER'S IDENTITY IS KNOWN.] <u>An investigation may extend</u> to any person that the commissioner determines has access to information that may be relevant to the examination or investigation. If a subpoena requiring the production of records under subdivision 2 is served on a third-party record keeper, written notice of the subpoena must be mailed to the taxpayer and to any other person who is identified in the subpoena. The notices must be given within three days of the day on which the subpoena is served. Notice to the taxpayer required by this section is sufficient if it is mailed to the last address on record with the commissioner of revenue.

The provisions of this subdivision relating to notice to the taxpaver or other parties identified in the subpoend do not apply if there is reasonable cause to believe that the giving of notice may lead to attempts to conceal, destroy, or alter records relevant to the examination, to prevent the communication of information from other persons through intimidation, bribery, or collusion, or to flee to avoid prosecution, testifying, or production of records.

<u>Subd. 5.</u> [THIRD-PARTY SUBPOENA WHERE TAXPAYER'S IDENTITY IS NOT KNOWN.] <u>A subpoena that does</u> not identify the person or persons whose tax liability is being investigated may be served only if:

(1) the subpoena relates to the investigation of a particular person or ascertainable group or class of persons;

(2) there is a reasonable basis for believing that the person or group or class of persons may fail or may have failed to comply with tax laws administered by the commissioner of revenue;

(3) the subpoena is clear and specific concerning information sought to be obtained; and

(4) the information sought to be obtained is limited solely to the scope of the investigation.

A party served with a subpoena that does not identify the person or persons with respect to whose tax liability the subpoena is issued may, within three days after service of the subpoena, petition the district court in the judicial district in which that party is located for a determination whether the commissioner of revenue has complied with all the requirements in clauses (1) to (4), and whether the subpoena is enforceable. If no petition is made by the party served within the time prescribed, the subpoena has the effect of a court order.

<u>Subd. 6.</u> [REQUEST BY TAXPAYER FOR SUBPOENA.] <u>If the commissioner has the power to issue a subpoena for investigative or auditing purposes, the commissioner shall honor a reasonable request by the taxpayer to issue a subpoena on the taxpayer's behalf in connection with the investigation or audit.</u>

<u>Subd. 7.</u> [APPLICATION TO COURT FOR ENFORCEMENT OF SUBPOENA.] <u>The commissioner or the taxpayer</u> may apply to the district court of the county of the taxpayer's residence, place of business, or county where the <u>subpoena can be served as with any other case at law, for an order compelling the appearance of the subpoenaed</u> witness or the production of the subpoenaed records. Failure to comply with the order of the court for the appearance of a witness or the production of records may be punished by the court as for contempt.

<u>Subd. 8.</u> [COST OF PRODUCTION OF RECORDS.] The cost of producing records of a third party required by a subpoena must be paid by the taxpayer if the taxpayer requests the subpoena to be issued or if the taxpayer has the records available but has refused to provide them to the commissioner. In other cases where the taxpayer cannot produce records and the commissioner then issues a subpoena for third-party records, the commissioner shall pay the reasonable cost of producing the records. The commissioner may later assess the reasonable costs against the taxpayer if the records contribute to the determination of an assessment of tax against the taxpayer.

Sec. 10. [297E.09] [ASSESSMENTS.]

<u>Subdivision 1.</u> [GENERALLY.] The commissioner shall make determinations, corrections, and assessments with respect to taxes, including interest, additions to taxes, and assessable penalties, imposed under this chapter.

<u>Subd. 2.</u> [COMMISSIONER FILED RETURNS.] If a taxpayer fails to file a return required by this chapter, the commissioner may make a return for the taxpayer from information in the commissioner's possession or obtainable by the commissioner. The return is prima facie correct and valid.

<u>Subd. 3.</u> [ORDER OF ASSESSMENT; NOTICE AND DEMAND TO TAXPAYER.] (a) If a return has been filed and the commissioner determines that the tax disclosed by the return is different from the tax determined by the examination, the commissioner shall send an order of assessment to the taxpayer. The order must explain the basis for the assessment and must explain the taxpayer's appeal rights. An assessment by the commissioner must be made by recording the liability of the taxpayer in the office of the commissioner, which may be done by keeping a copy of the order of assessment sent to the taxpayer. An order of assessment is final when made but may be reconsidered by the commissioner under section 349.219.

(b) The amount of unpaid tax shown on the order must be paid to the commissioner:

(1) within 60 days after notice of the amount and demand for its payment have been mailed to the taxpayer by the commissioner; or

(2) if an administrative appeal is filed under section 349.219 within 60 days following the determination or compromise of the appeal.

Subd. 4. [ERRONEOUS REFUNDS.] An erroneous refund is considered an underpayment of tax on the date made. An assessment of a deficiency arising out of an erroneous refund may be made at any time within two years from the making of the refund. If part of the refund was induced by fraud or misrepresentation of a material fact, the assessment may be made at any time.

<u>Subd. 5.</u> [ASSESSMENT PRESUMED VALID.] <u>A return or assessment made by the commissioner is prima facie</u> correct and valid. The taxpayer has the burden of establishing the incorrectness or invalidity of the return or assessment in any action or proceeding in respect to it.

<u>Subd. 6.</u> [AGGREGATE REFUND OR ASSESSMENT.] <u>On examining returns of a taxpayer for more than one year</u> or period, the commissioner may issue one order covering the period under examination that reflects the aggregate refund or additional tax due.

<u>Subd. 7.</u> [SUFFICIENCY OF NOTICE.] <u>An order of assessment sent by United States mail, postage prepaid to the taxpayer at the taxpayer's last known address, is sufficient even if the taxpayer is deceased or is under a legal disability, or, in the case of a corporation, has terminated its existence, unless the department has been provided with a new address by a party authorized to receive notices of assessment.</u>

# Sec. 11. [297E.10] [EXTENSIONS FOR FILING RETURNS AND PAYING TAXES.]

If, in the commissioner's judgment, good cause exists, the commissioner may extend the time for filing tax returns, paying taxes, or both, for not more than six months.

# Sec. 12. [297E.11] [LIMITATIONS ON TIME FOR ASSESSMENT OF TAX.]

<u>Subdivision 1.</u> [GENERAL RULE.] <u>Except as otherwise provided in this chapter, the amount of taxes assessable</u> <u>must be assessed within 3-1/2 years after the return is filed, whether or not the return is filed on or after the date</u> <u>prescribed. A return must not be treated as filed until it is in processible form. A return is in processible form if it</u> <u>is filed on a permitted form and contains sufficient data to identify the taxpayer and permit the mathematical</u> <u>verification of the tax liability shown on the return.</u>

<u>Subd. 2.</u> [FALSE OR FRAUDULENT RETURN.] <u>Notwithstanding subdivision 1, the tax may be assessed at any time if a false or fraudulent return is filed or if a taxpayer fails to file a return.</u>

<u>Subd. 3.</u> [OMISSION IN EXCESS OF 25 PERCENT.] <u>Additional taxes may be assessed within 6-1/2 years after the due date of the return or the date the return was filed, whichever is later, if the taxpayer omits from a tax return taxes in excess of 25 percent of the taxes reported in the return.</u>

<u>Subd. 4.</u> [TIME LIMIT FOR REFUNDS.] <u>Unless otherwise provided in this chapter, a claim for a refund of an overpayment of tax must be filed within 3-1/2 years from the date prescribed for filing the return, plus any extension of time granted for filing the return, but only if filed within the extended time, or two years from the time the tax is paid, whichever period expires later. Interest on refunds must be computed at the rate specified in section 270.76 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.</u>

<u>Subd. 5.</u> [BANKRUPTCY; SUSPENSION OF TIME.] <u>The time during which a tax must be assessed or collection</u> <u>proceedings begun is suspended during the period from the date of a filing of a petition in bankruptcy until 30 days</u> <u>after either:</u>

(1) notice to the commissioner that the bankruptcy proceedings have been closed or dismissed; or

(2) the automatic stay has been ended or has expired, whichever occurs first.

The suspension of the statute of limitations under this subdivision applies to the person the petition in bankruptcy is filed against, and all other persons who may also be wholly or partially liable for the tax.

<u>Subd. 6.</u> [EXTENSION AGREEMENT.] <u>If before the expiration of time prescribed in subdivisions 1 and 4 for the assessment of tax or the filing of a claim for refund, both the commissioner and the taxpayer have consented in writing to the assessment or filing of a claim for refund after that time, the tax may be assessed or the claim for refund filed at any time before the expiration of the agreed upon period. The period may be extended by later agreements in writing before the expiration of the period previously agreed upon.</u>

Sec. 13. [297E.13] [CIVIL PENALTIES.]

<u>Subdivision 1.</u> [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 five percent of the unpaid 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.

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.

<u>Subd. 2.</u> [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 five percent of the amount of tax not paid on or before the date prescribed for payment of the tax.

76TH DAY]

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 (i) 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 (ii) \$50.

<u>Subd. 3.</u> [COMBINED PENALTIES.] <u>When penalties are imposed under subdivisions 1 and 2, except for the minimum penalty under subdivision 2, the penalties imposed under both subdivisions combined must not exceed 38 percent.</u>

<u>Subd. 4.</u> [PENALTY FOR INTENTIONAL DISREGARD OF LAW OR RULES.] <u>If part of an additional assessment</u> is <u>due to negligence or intentional disregard of the provisions of this chapter or rules of the commissioner of revenue</u> (but without intent to defraud), there is added to the tax an amount equal to ten percent of the additional assessment.

<u>Subd. 5.</u> [PENALTY FOR FALSE OR FRAUDULENT RETURN; EVASION.] If a person files a false or fraudulent return, or attempts in any manner to evade or defeat a tax or payment of tax, there is imposed on the person a penalty equal to 50 percent of the tax found due for the period to which the return related, less amounts paid by the person on the basis of the false or fraudulent return.

<u>Subd. 6.</u> [PENALTY FOR REPEATED FAILURES TO FILE RETURNS OR PAY TAXES.] <u>If there is a pattern by</u> 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.

<u>Subd. 7.</u> [PENALTY FOR SALES AFTER REVOCATION, SUSPENSION, OR EXPIRATION.] <u>A distributor who</u> engages in, or whose representative engages in, the offering for sale, sale, transport, delivery, or furnishing of gambling equipment to a person, firm, or organization, after the distributor's license or permit has been revoked or suspended, or has expired, and until such license or permit has been reinstated or renewed, is liable for a penalty of \$1,000 for each day the distributor continues to engage in the activity. This subdivision does not apply to the transport of gambling equipment for the purpose of returning the equipment to a licensed manufacturer.

Subd. 8. [PAYMENT OF PENALTIES.] The penalties imposed by this section must be collected and paid in the same manner as taxes.

Subd. 9. [PENALTIES ARE ADDITIONAL.] The civil penalties imposed by this section are in addition to the criminal penalties imposed by this chapter.

<u>Subd. 10.</u> [ORDER PAYMENTS CREDITED.] <u>All payments received may be credited first to the oldest liability not</u> <u>secured by a judgment or lien in the discretion of the commissioner of revenue, but in all cases must be credited first</u> to penalties, next to interest, and then to the tax due.

Sec. 14. [297E.13] [TAX-RELATED CRIMINAL PENALTIES.]

Subdivision 1. [PENALTY FOR FAILURE TO FILE OR PAY.] (a) A person required to file a return, report, or other document with the commissioner, who knowingly fails to file it when required, is guilty of a gross misdemeanor. A person required to file a return, report, or other document who willfully attempts to evade or defeat a tax by failing to file it when required is guilty of a felony.

(b) A person required to pay or to collect and remit a tax, who knowingly fails to do so when required, is guilty of a gross misdemeanor. A person required to pay or to collect and remit a tax, who willfully attempts to evade or defeat a tax law by failing to do so when required is guilty of a felony.

<u>Subd. 2.</u> [FALSE OR FRAUDULENT RETURNS; PENALTIES.] (a) <u>A person required to file a return, report, or other document with the commissioner, who delivers to the commissioner a return, report, or other document known by the person to be fraudulent or false concerning a material matter is guilty of a felony.</u>

(b) A person who knowingly aids or assists in, or advises in the preparation or presentation of a return, report, or other document that is fraudulent or false concerning a material matter, whether or not the falsity or fraud committed is with the knowledge or consent of the person authorized or required to present the return, report, or other document, is guilty of a felony.

# Subd. 3. [FALSE INFORMATION.] A person is guilty of a felony if the person:

(1) is required by section 297E.05 to keep records or to make returns, and falsifies or fails to keep the records or falsifies or fails to make the returns; or

(2) knowingly submits materially false information in any report, document, or other communication submitted to the commissioner in connection with lawful gambling or with this chapter.

<u>Subd. 4.</u> [SALES WITHOUT PERMIT; VIOLATIONS.] (a) <u>A person who engages in the business of selling</u> gambling product in <u>Minnesota without the licenses or permits required under this chapter or chapter 349, or an officer of a corporation who so engages in the sales, is guilty of a gross misdemeanor.</u>

(b) A person selling gambling product in Minnesota after revocation of a license or permit under this chapter or chapter 349, when the commissioner or the board has not issued a new license or permit, is guilty of a felony.

<u>Subd. 5.</u> [UNTAXED GAMBLING EQUIPMENT.] It is a gross misdemeanor for a person to possess gambling equipment for resale in this state that has not been stamped or bar-coded in accordance with chapter 349 and upon which the taxes imposed by chapter 297A or section 297E.02, subdivision 4, have not been paid. The director of gambling enforcement or the commissioner or the designated inspectors and employees of the director or commissioner may seize in the name of the state of Minnesota any unregistered or untaxed gambling equipment.

Subd. 6. [CRIMINAL PENALTIES.] (a) Criminal penalties imposed by this section are in addition to civil penalties imposed by this chapter.

(b) A person who violates a provision of this chapter for which another penalty is not provided is guilty of a misdemeanor.

(c) A person who violates a provision of this chapter for which another penalty is not provided is guilty of a gross misdemeanor if the violation occurs within five years after a previous conviction under a provision of this chapter.

(d) A person who in any manner violates a provision of this chapter to evade a tax imposed by this chapter, or who aids and abets the evasion of a tax, or hinders or interferes with a seizing authority when a seizure is made as provided by section 297E.16 is guilty of a gross misdemeanor.

(e) This section does not preclude civil or criminal action under other applicable law or preclude any agency of government from investigating or prosecuting violations of this chapter or chapter 349. County attorneys have primary responsibility for prosecuting violations of this chapter, but the attorney general may prosecute a violation of this chapter.

<u>Subd. 7.</u> [STATUTE OF LIMITATIONS.] <u>Notwithstanding section 628.26, or other provision of the criminal laws</u> of this state, an indictment may be found and filed, or a complaint filed, upon a criminal offense named in this section, in the proper court within six years after the offense is committed.

Sec. 15. [297E.14] [INTEREST.]

<u>Subdivision 1.</u> [INTEREST RATE.] If an interest assessment is required under this section, interest is computed at the rate specified in section 270.75.

Subd. 2. [LATE PAYMENT.] If a tax is not paid within the time specified by law for payment, the unpaid tax bears interest from the date the tax should have been paid until the date the tax is paid.

Subd. 3. [EXTENSIONS.] If an extension of time for payment has been granted, interest must be paid from the date the payment should have been made if no extension had been granted, until the date the tax is paid.

<u>Subd. 4.</u> [ADDITIONAL ASSESSMENTS.] If a taxpayer is liable for additional taxes because of a redetermination by the commissioner, or for any other reason, the additional taxes bear interest from the time the tax should have been paid, without regard to any extension allowed, until the date the tax is paid.

5434

<u>Subd. 5.</u> [ERRONEOUS REFUNDS.] In the case of an erroneous refund, interest accrues from the date the refund was paid unless the erroneous refund results from a mistake of the department, then no interest or penalty is imposed unless the deficiency assessment is not satisfied within 60 days of the order.

<u>Subd. 6.</u> [INTEREST ON JUDGMENTS.] <u>Notwithstanding section 549.09, if judgment is entered in favor of the</u> commissioner with regard to any tax, the judgment bears interest at the rate specified in section 270.75 from the date the judgment is entered until the date of payment.

<u>Subd. 7.</u> [INTEREST ON PENALTIES.] (a) <u>A penalty imposed under section 297E.12, subdivision 1, 2, 3, 4, or 5, bears interest from the date the return or payment was required to be filed or paid, including any extensions, to the date of payment of the penalty.</u>

(b) A penalty not included in paragraph (a) bears interest only if it is not paid within ten days from the date of notice. In that case interest is imposed from the date of notice to the date of payment.

Sec. 16. [297E.15] [ADMINISTRATIVE REVIEW.]

<u>Subdivision 1.</u> [TAXPAYER RIGHT TO RECONSIDERATION.] <u>A taxpayer may obtain reconsideration by the</u> <u>commissioner of an order assessing tax, a denial of a request for abatement of penalty, or a denial of a claim for</u> <u>refund of money paid to the commissioner under provisions, assessments, or orders under this chapter by filing an</u> <u>administrative appeal as provided in subdivision 4.</u> <u>A taxpayer cannot obtain reconsideration if the action taken by</u> <u>the commissioner of revenue is the outcome of an administrative appeal.</u>

<u>Subd.</u> 2. [APPEAL BY TAXPAYER.] <u>A taxpayer who wishes to seek administrative review shall follow the procedure in subdivision 4.</u>

Subd. 3. [NOTICE DATE.] For purposes of this section, "notice date" means the date of the order adjusting the tax or order denying a request for abatement or, in the case of a denied refund, the date of the notice of denial.

<u>Subd.</u> 4. [TIME AND CONTENT FOR ADMINISTRATIVE APPEAL.] <u>Within 60 days after the notice date, the</u> <u>taxpayer must file a written appeal with the commissioner of revenue.</u> The appeal need not be in any particular form, <u>but must contain the following information:</u>

(1) name and address of the taxpayer;

(2) if a corporation, the state of incorporation of the taxpayer, and the principal place of business of the corporation;

(3) the Minnesota identification number or social security number of the taxpayer;

(4) the type of tax involved;

(5) the date;

(6) the tax years or periods involved and the amount of tax involved for each year or period;

(7) the findings in the notice that the taxpayer disputes;

(8) a summary statement that the taxpayer relies on for each exception; and

(9) the taxpayer's signature or signature of the taxpayer's duly authorized agent.

<u>Subd. 5.</u> [EXTENSIONS.] If requested in writing and within the time allowed for filing an administrative appeal, the commissioner may extend the time for filing an appeal for a period of not more than 30 days from the expiration of the 60 days from the notice date.

Subd. 6. [AUTOMATIC EXTENSION OF STATUTE OF LIMITATIONS.] Notwithstanding any statute of limitations to the contrary, if the commissioner has made a determination and the taxpayer has authority to file an administrative

<u>appeal, the period during which the commissioner can make further assessments or other determinations does not</u> <u>expire before:</u>

(1) 90 days after the notice date if no protest is filed under subdivision 4; or

(2) 90 days after the commissioner notifies the taxpayer of the determination on the appeal.

<u>Subd. 7.</u> [DETERMINATION OF APPEAL.] <u>On the basis of applicable law and available information, the commissioner shall determine the validity, if any, in whole or part of the appeal and notify the taxpayer of the decision. This notice must be in writing and contain the basis for the determination.</u>

Subd. 8. [AGREEMENT DETERMINING TAX LIABILITY.] If it appears to be in the best interests of the state, the commissioner may settle taxes, penalties, or interest that the commissioner has under consideration by virtue of an appeal filed under this section. An agreement must be in writing and signed by the commissioner and the taxpayer or the taxpayer's representative authorized by the taxpayer to enter into an agreement. An agreement must be filed in the office of the commissioner.

Subd. 9. [APPEAL OF AN ADMINISTRATIVE APPEAL.] Following the determination or settlement of an appeal, the commissioner must issue an order reflecting that disposition. Except in the case of an agreement determining tax under this section, the order is appealable to the Minnesota tax court under section 271.06.

<u>Subd. 10.</u> [APPEAL WHERE NO DETERMINATION.] <u>If the commissioner does not make a determination within</u> <u>six months of the filing of an administrative appeal, the taxpayer may elect to appeal to tax court.</u>

Subd. 11. [EXEMPTION FROM ADMINISTRATIVE PROCEDURE ACT.] This section is not subject to chapter 14.

Sec. 17. [297E.16] [CONTRABAND.]

Subdivision 1. [SEIZURE.] Contraband may be seized by the commissioner or by any sheriff or other police officer, hereinafter referred to as the "seizing authority," with or without process, and is subject to forfeiture as provided in subdivisions 2 and 3.

<u>Subd. 2.</u> [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within ten days after the seizure of alleged contraband, the person making the seizure shall make available an inventory of the property seized to the person from whom the property was seized, if known, and file a copy with the commissioner or the director of gambling enforcement. Within ten days after the date of service of the inventory, the person from whom the property was seized or any person claiming an interest in the property may file with the seizing authority a demand for judicial determination of whether the property was lawfully subject to seizure and forfeiture. Within 60 days after the date of filing of the demand, the seizing authority must bring an action in the district court of the county where seizure was made to determine the issue of forfeiture. The action must be brought in the name of the state and be prosecuted by the county attorney or by the attorney general. The court shall hear the action without a jury and determine the issues of fact and law involved. If a judgment of forfeiture is entered, the seizing authority may, unless the judgment is stayed pending an appeal, either (1) cause the forfeited property to be destroyed; or (2) cause it to be sold at a public auction as provided by law.

If demand for judicial determination is made and no action is commenced by the seizing authority as provided in this subdivision, the property must be released by the seizing authority and delivered to the person entitled to it. If no demand is made, the property seized is considered forfeited to the seizing authority by operation of law and may be disposed of by the seizing authority as provided where there has been a judgment of forfeiture. When the seizing authority is satisfied that a person from whom property is seized was acting in good faith and without intent to evade the tax imposed by section 297E.02, the seizing authority shall release the property seized without further legal proceedings.

Subd. 3. [DISPOSAL.] (a) The property described in section 349.2125, subdivision 1, clauses (4) and (5), must be confiscated after conviction of the person from whom it was seized, upon compliance with the following procedure: the seizing authority shall file with the court a separate complaint against the property, describing it and charging its use in the specific violation, and specifying substantially the time and place of the unlawful use. A copy of the

5437

complaint must be served upon the defendant or person in charge of the property at the time of seizure, if any. If the person arrested is acquitted, the court shall dismiss the complaint against the property and order it returned to the persons legally entitled to it. Upon conviction of the person arrested, the court shall issue an order directed to any person known or believed to have any right, title or interest in, or lien upon, any of the property, and to persons unknown claiming any right, title, interest, or lien in it, describing the property and (1) stating that it was seized and that a complaint against it, charging the specified violation, has been filed with the court, (2) requiring the persons to file with the court administrator their answer to the complaint, setting forth any claim they may have to any right or title to, interest in, or lien upon the property, within 30 days after the service of the order, and (3) notifying them in substance that if they fail to file their answer within the time, the property will be ordered sold by the seizing authority. The court shall cause the order to be served upon any person known or believed to have any right, title, interest, or lien as in the case of a summons in a civil action, and upon unknown persons by publication, as provided for service of summons in a civil action. If no answer is filed within the time prescribed, the court shall, upon affidavit by the court administrator, setting forth the fact, order the property sold by the seizing authority. Seventy percent of the proceeds of the sale of forfeited property, after payment of seizure, storage, forfeiture, and sale expenses, must be forwarded to the seizing authority for deposit as a supplement to its operating fund or similar fund for official use, and 20 percent must be forwarded to the county attorney or other prosecuting agency that handled the forfeiture for deposit as a supplement to its operating fund or similar fund for prosecutorial purposes. The remaining ten percent of the proceeds must be forwarded within 60 days after resolution of the forfeiture to the department of human services to fund programs for the treatment of compulsive gamblers. If an answer is filed within the time provided, the court shall fix a time for a hearing, which must not be less than ten nor more than 30 days after the time for filing an answer expires. At the time fixed for hearing, unless continued for cause, the matter must be heard and determined by the court, without a jury, as in other civil actions.

(b) If the court finds that the property, or any part of it, was used in the violation specified in the complaint, it shall order the unlawfully used property sold as provided by law, unless the owner shows to the satisfaction of the court that the owner had no notice or knowledge or reason to believe that the property was used or intended to be used in the violation. The officer making a sale, after deducting the expense of keeping the property, the fee for seizure, and the costs of the sale, shall pay all liens according to their priority, which are established at the hearing as being bona fide and as existing without the lienor having any notice or knowledge that the property was being used or was intended to be used for or in connection with the violation specified in the order of the court, and shall pay the balance of the proceeds to the seizing authority for official use and sharing in the manner provided in paragraph (a). A sale under this section frees the property sold from all liens on it. Appeal from the order of the district court is available as in other civil cases. At any time after seizure of the articles specified in this subdivision, and before the hearing provided for, the property must be returned to the owner or person having a legal right to its possession, upon execution of a good and valid bond to the state, with corporate surety, in the sum of at least \$100 and not more than double the value of the property seized, to be approved by the court in which the case is triable, or a judge of it, conditioned to abide any order and the judgment of the court, and to pay the full value of the property at the time of the seizure. The seizing authority may dismiss the proceedings outlined in this subdivision when the seizing authority considers it to be in the public interest to do so.

# Sec. 18. [297E.17] [DISTRIBUTOR'S BOND.]

On finding it necessary to ensure compliance with this chapter, the commissioner may require that a distributor deposit with the commissioner security in the form and amount determined by the commissioner, but not more than the lesser of (1) twice the estimated average monthly tax liability for the previous 12 months, or (2) \$10,000.

In lieu of security, the commissioner may require a distributor to file a bond issued by a surety company authorized to transact business in this state and approved by the commissioner of commerce as to solvency and responsibility.

The commissioner may make claim against this security or bond for all taxes, penalties, and interest owed by the distributor.

## Sec. 19. [INSTRUCTIONS TO REVISOR.]

(a) If a provision of a section of Minnesota Statutes repealed or amended by this article is amended or referred to by an act enacted in 1994, the revisor shall codify the amendment or reference consistent with the recodification of the affected section by this act, notwithstanding any law to the contrary.

(b) In the next edition of Minnesota Statutes, in the sections referred to in column A, the revisor of statutes shall delete the reference in column B and insert the reference in column C. The revisor may change the references in column C to the sections of Minnesota Statutes in which the bill sections are compiled.

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
<u>270.101, subd. 1</u> <u>349.12, subd. 25</u> <u>349.12, subd. 25</u>	<u>349.212</u> <u>349.19, subd. 9</u> <u>349.212, subd. 1</u>	<u>297E.02</u> 297E.06, subd. 4 297E.02, subd. 1
<u>349.15</u> <u>349.16, subd. 2</u> <u>349.166, subd. 2,</u>	<u>and 4</u> <u>349.212, subd. 1</u> <u>349.212, subd. 6</u> <u>349.212</u>	<u>and 4</u> <u>297E.02, subd. 1</u> <u>297E.02, subd. 6</u> <u>297E.02</u>
<u>paragraph (a)</u> 349.166, <u>subd. 2,</u> paragraph (e)	<u>349.212, subd. 4,</u> paragraph (c)	<u>297E.02, subd. 4,</u> <u>paragraph (b),</u> clause (4)
<u>349.2125, subd. 3</u> <u>349.213, subd. 1</u> <u>349.22, subd. 2</u>	<u>349.2121, subd. 4</u> <u>349.212</u> <u>349.219</u>	297E.02 297E.02 349.213, and chapter 297E

(c) In the next edition of Minnesota Statutes, the revisor shall change the reference to taxes under or by "this chapter" to taxes under or by "chapter 297E" in sections 349.16, subdivision 5; 349.1641; and 349.2127, subdivision 1.

Sec. 20. [PURPOSE.]

It is the intent of the legislature to simplify Minnesota's lawful gambling tax laws by consolidating and recodifying tax administration and compliance provisions now contained throughout Minnesota Statutes, chapter 349. Due to the complexity of the recodification, prior provisions are repealed on the effective date of the new provisions. The repealed provisions, however, continue to remain in effect until superseded by the analogous provision in the new law.

Sec. 21. [REPEALER.]

<u>Minnesota Statutes 1992, sections 349.166, subdivision 4; 349.212, subdivisions 1, 2, 3, 5, 6, and 7; 349.2121; 349.2122; 349.215; 349.2151; 349.2152; 349.216; 349.217, subdivisions 3, 4, 5, 6, 7, 8, and 9; 349.2171; and 349.219; and Minnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; and 349.217, subdivisions 1, 2, and 5a, are repealed.</u>

Sec. 22. [EFFECTIVE DATE.]

Sections 1, 8 to 16, and 18 to 20 are effective the day following final enactment.

Sections 2, 3, 4, 5, 6, and 7 are effective for returns, reports, records, assessments, taxes, or other payments first becoming due on or after August 1, 1994.

Section 4 is effective for sales or shipments of gambling product inventory made on or after August 1, 1994.

## ARTICLE 3

### GAMBLING TAX AMENDMENTS

Section 1. Minnesota Statutes 1992, section 270.101, subdivision 1, is amended to read:

Subdivision 1. [LIABILITY IMPOSED.] A person who, either singly or jointly with others, has the control of, supervision of, or responsibility for filing returns or reports, paying taxes, or collecting or withholding and remitting taxes and who fails to do so, or a person who is liable under any other law, is liable for the payment of taxes, penalties, and interest arising under chapters 296, 297, 297A, and 297C, or sections 290.92, 349.212, and 349.2121 297E.02.

Sec. 2. Minnesota Statutes 1992, section 349.2123, is amended to read:

#### 349.2123 [CERTIFIED PHYSICAL INVENTORY.]

The board or commissioner of revenue may, upon request, require a distributor to furnish a certified physical inventory of all gambling equipment in stock. The inventory must contain the information required by the board or the commissioner.

Sec. 3. Minnesota Statutes 1992, section 349.22, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] (a) A person who violates any provision of sections 349.11 to 349.23 for which another penalty is not provided is guilty of a misdemeanor.

(b) A person who violates any provision of sections 349.11 to 349.23 for which another penalty is not provided is guilty of a gross misdemeanor if the violation occurs within five years after a previous conviction under any provision of sections 349.11 to 349.23.

(c) A person who in any manner violates sections 349.11 to 349.23 to evade a tax imposed by a provision of this chapter, or who aids and abets the evasion of a tax, or hinders or interferes with a seizing authority when a seizure is made as provided by section 349.2125, is guilty of a gross misdemeanor.

Sec. 4. [EFFECTIVE DATE.]

Section 1 is effective for taxes, returns, or reports first becoming due on or after August 1, 1994.

Sections 2 and 3 are effective August 1, 1994.

### ARTICLE 4

#### GAMBLING ENFORCEMENT

Section 1. Minnesota Statutes 1992, section 299L.01, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] (a) For the purposes of this chapter, the terms defined in this subdivision have the meanings given them.

(b) "Division" means the division of gambling enforcement.

(c) "Commissioner" means the commissioner of public safety.

(d) "Director" means the director of gambling enforcement.

(e) "Manufacturer" means a person who assembles from raw materials or subparts a gambling device for sale or use in Minnesota.

(f) "Distributor" means a person who sells, offers to sell, or otherwise provides a gambling device to a person in Minnesota.

(g) "Used gambling device" means a gambling device five or more years old from the date of manufacture.

Sec. 2. Minnesota Statutes 1992, section 299L.01, is amended by adding a subdivision to read:

Subd. 4. [CONFLICT OF INTEREST.] (a) The director and any person employed by the division may not have a direct or indirect financial interest in:

(1) a class A or B licensee of the racing commission;

(2) a lottery retailer under contract with the state lottery;

(3) a person who is under a lottery procurement contract with the state lottery;

(4) a bingo hall, manufacturer, or distributor licensed under chapter 349; or

(5) a manufacturer or distributor licensed under this chapter.

(b) The director or an employee of the division of gambling enforcement may not participate in the conducting of lawful gambling under chapter 349.

Sec. 3. Minnesota Statutes 1992, section 299L.02, subdivision 2, is amended to read:

Subd. 2. [GAMBLING.] The director shall:

(1) conduct background investigations of applicants for licensing as a manufacturer or distributor of gambling equipment or as a bingo hall under chapter 349; and

(2) when requested by the director of gambling control, or when the director believes it to be reasonable and necessary, inspect the premises of a licensee under chapter 349 to determine compliance with law and with the rules of the board, or to conduct an audit of the accounts, books, records, or other documents required to be kept by the licensee.

The director may charge applicants under clause (1) a reasonable fee to cover the costs of the investigation.

Sec. 4. Minnesota Statutes 1992, section 299L.02, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [RESPONSE TO REQUESTS.] <u>An applicant, licensee, or the person subject to the jurisdiction of the commissioner or director under this chapter, must:</u>

(1) comply with a request from the commissioner or director for information, documents, or other material within 30 days of the mailing of the request by the commissioner or director unless the notice specifies a different time; and

(2) appear before the commissioner or director when requested to do so, and must bring documents or materials that the commissioner or director has requested.

Sec. 5. Minnesota Statutes 1992, section 299L.03, subdivision 1, is amended to read:

Subdivision 1. [INSPECTIONS; ACCESS.] In conducting any inspection authorized under this chapter or chapter 240, 349, or 349A, the employees of the division of gambling enforcement have free and open access to all parts of the regulated business premises, and may conduct the inspection at any reasonable time without notice and without a search warrant. For purposes of this subdivision, "regulated business premises" means premises where:

(1) lawful gambling is conducted by an organization licensed under chapter 349 or by an organization exempt from licensing under section 349.166;

(2) gambling equipment is manufactured, sold, distributed, or serviced by a manufacturer or distributor licensed under chapter 349;

(3) records required to be maintained under chapter 240, 349, or 349A are prepared or retained;

(4) lottery tickets are sold by a lottery retailer under chapter 340A; or

(5) races are conducted by a person licensed under chapter 240; or

(6) gambling devices are manufactured or distributed, including places of storage under section 299L.07.

Sec. 6. Minnesota Statutes 1992, section 299L.03, subdivision 2, is amended to read:

Subd. 2. [ITEMS REQUIRED TO BE PRODUCED.] In conducting an audit or inspection authorized under <u>this</u> <u>chapter or</u> chapter 240, 349 or 349A the director may inspect any book, record, or other document the licensee, retailer, or vendor is required to keep.

5440

Sec. 7. Minnesota Statutes 1992, section 299L.03, subdivision 6, is amended to read:

Subd. 6. [UNLICENSED SELLERS.] (a) If anyone not licensed under chapter 349 sells gambling equipment at a business establishment, the director may, in addition to any other provisions of chapter 349:

(1) assess a civil penalty of not more than \$300 <u>for each violation</u> against each person participating in the sales and assess a civil penalty of not more than \$1,000 <u>for each violation</u> against the owner or owners of the business establishment; or

(2) if the subject violation is the second or subsequent violation of this subdivision at the same business establishment within any 24-month period, assess a civil penalty of not more than \$300 for each violation against each person participating in such sales, and assess a civil penalty of not more than \$5,000 for each violation against the owner or owners of the business establishment.

(b) The assessment of a civil penalty under this section does not preclude a recommendation by the director at any time deemed appropriate to a licensing authority for revocation, suspension, or denial of a license controlled by the licensing authority.

(c) Within ten days of an assessment under this subdivision, the person assessed the penalty must pay the assessment or request that a hearing be held under chapter 14. If a hearing is requested, the hearing must be scheduled within 20 days of the request, and the recommendations of the administrative law judge must be issued within five working days of the close of the hearing. The director's final determination must be issued within five working days of the recommendations of the administrative law judge.

Sec. 8. Minnesota Statutes 1992, section 299L.03, is amended by adding a subdivision to read:

Subd. 12. [CEASE AND DESIST ORDERS.] When it appears to the director that any person has engaged in or is about to engage in any act or practice constituting a violation of this chapter, or any rule or order issued under this chapter, the director may issue and cause to be served on the person an order requiring the person to cease and desist from violations of this chapter, or any rule or order issued under this chapter. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. Unless otherwise agreed between the parties, a hearing must be held not later than 7 days after receiving the request for a hearing. Within 20 days of receiving the administrative law judge's report and subsequent exceptions and argument, the director shall issue an order vacating the cease and desist order, modifying the order, or making it permanent, as the facts require. If no hearing is requested within 30 days of service of the order, the order becomes final and remains in effect until modified or vacated by the commissioner. All hearings under this subdivision must be conducted in accordance with sections 14.57 to 14.59 of the administrative procedure act. If the person to whom a cease and desist order has been issued under this subdivision fails to appear at a hearing after being notified of the hearing, the person is deemed in default and the proceeding may be determined against the person on consideration of the cease and desist order, the allegations of which are deemed to be true.

(b) When it appears to the director that any person has engaged in or is about the engage in any act or practice constituting a violation of this chapter, or any rule adopted or subpoena or order issued under this chapter, the director may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with this chapter or any rule, subpoena, or order issued or adopted under this chapter, and may refer the matter to the attorney general. On a proper showing, the court shall grant a permanent or temporary injunction, restraining order, or writ of mandamus. The court may not require the director to post a bond.

Sec. 9. Minnesota Statutes 1992, section 299L.07, is amended to read:

#### 299L.07 [GAMBLING DEVICES.]

Subdivision 1. [<u>RESTRICTION LICENSE REQUIRED.</u>] Except as provided in <u>subdivision 2</u>, a person may not manufacture, sell, offer to sell, <u>lease</u>, <u>rent</u>, or otherwise provide, in whole or in part, a gambling device as defined in sections 349.30, subdivision 2, and 609.75, subdivision 4, except that a gambling device may be:

#### manufactured as provided in section 349.40;

(2) sold, offered for sale, or otherwise provided to a distributor licensed under subdivision 3;

(3) sold, offered for sale, or otherwise provided to the governing body of a federally recognized Indian tribe that is authorized to operate the gambling device under a tribal state compact under the Indian Caming Regulatory Act, United States Code, title 25, sections 2701 to 2721;

(4) sold, offered for sale, or otherwise provided to a person for use in the person's dwelling for display or amusement purposes in a manner that does not afford players an opportunity to obtain anything of value; or

(5) sold by a person who is not licensed under this section and who is not engaged in the trade or business of selling gambling devices, if the person does not sell more than one gambling device in any calendar year without first obtaining a license under this section.

Subd. 2. [LICENSE REQUIRED EXCLUSIONS.] A person may not manufacture or distribute gambling devices without having obtained a license under this section. Notwithstanding subdivision 1, a gambling device:

(1) may be manufactured without a licensed as provided in section 349.40; and

(2) may be sold by a person who is not licensed under this section, if the person (i) is not engaged in the trade or business of selling gambling devices, and (ii) does not sell more than one gambling device in any calendar year.

Subd. 2a. [RESTRICTIONS.] (a) A manufacturer licensed under this section may sell, offer to sell, lease, or rent, in whole or in part, a gambling device only to a distributor licensed under this section.

(b) A distributor licensed under this section may sell, offer to sell, market, rent, lease, or other provide, in whole or in part, a gambling device only to:

(1) the governing body of a federally recognized Indian tribe that is authorized to operate the gambling device under a tribal state compact under the Indian Gaming Regulatory Act, Public Law Number 100-497, and future amendments to it;

(2) a person for use in the person's dwelling for display or amusement purposes in a manner that does not afford players an opportunity to obtain anything of value.

Subd. 3. [LICENSE ISSUANCE.] The commissioner may issue a license under this section if the commissioner determines that the applicant will conduct the business in a manner that will not adversely affect the public health, welfare, and safety or be detrimental to the effective regulation and control of gambling. A license may not be issued under this section to a person, or a corporation, firm, or partnership that has an officer, director, or other person with a direct or indirect financial or management interest of five percent or more, who has ever:

(1) been convicted of a felony;

(2) been convicted of a crime involving gambling;

(3) been connected with or engaged in an-illegal business; or

(4) had a license revoked or denied by another jurisdiction for a violation of law or rule related to gambling.

Subd. 4. [APPLICATION.] An application for a manufacturer's or distributor's license must be on a form prescribed by the commissioner and must, at a minimum, contain:

(1) the name and address of the applicant and, if it is a corporation, the names of all officers, directors, and shareholders with a financial interest of five percent or more;

(2) the names and addresses of any holding corporation, subsidiary, or affiliate of the applicant, without regard to whether the holding corporation, subsidiary, or affiliate does business in Minnesota; and

(3) if the applicant does not maintain a Minnesota office, an irrevocable consent statement signed by the applicant, stating that suits and actions relating to the subject matter of the application or acts of omissions arising from it may be commenced against the applicant in a court of competent jurisdiction in this state by service on the secretary of state of any summons, process, or pleadings authorized by the laws of this state. If any summons, process, or pleading is served upon the secretary of state, it must be by duplicate copies. One copy must be retained in the office of the secretary of state and the other copy must be forwarded immediately by certified mail to the address of the applicant, as shown on the application.

5442

#### WEDNESDAY, MARCH 23, 1994

Subd. 5. [INVESTIGATION.] Before a manufacturer's or distributor's license is granted, the director may conduct a background and financial investigation of the applicant, including the applicant's sources of financing. The director may, or shall when required by law, require that fingerprints be taken and the director may forward the fingerprints to the Federal Bureau of Investigation for a national criminal history check. The director may charge an investigation fee to cover the cost of the investigation.

Subd. 6. [LICENSE FEES.] (a) A license issued under this section is valid for one year.

(b) For a person who distributes 100 or fewer used gambling devices per year, the fee is \$1,500. For a person who distributes more than 100 used gambling devices per year, the fee is \$2,000. For purposes of this subdivision, a used gambling device is a gambling device five or more years old.

(c) For a person who manufactures or distributes 100 or fewer new, or new and used gambling devices in a year, the fee is \$5,000. For a person who manufactures or distributes more than 100 new, or new and used gambling devices in a year, the fee is \$7,500.

Subd. 7. [RENEWAL.] Upon making the same determination as in subdivision 3, the commissioner may renew a license issued under this section.

Subd. 8. [LICENSE SUSPENSION AND, REVOCATION, DENIAL <u>ACTIONS</u>.] (a) The commissioner may suspend a license under this section for a violation of law or rule. The commissioner may revoke a license:

(1) for a violation of law or rule which, in the commissioner's opinion, adversely affects the integrity of gambling in Minnesota;

(2) for an intentional false statement in a license application; or

(3) if the licensee is the subject of a disciplinary proceeding in another jurisdiction which results in the revocation of a license.

A revocation or suspension is a contested case under sections 14.57 to 14.69.

(b) The commissioner may summarily suspend a license prior to a contested case hearing if the commissioner determines that a summary suspension is necessary to ensure the integrity of gambling. A contested case hearing must be held within 20 days of the summary suspension and the administrative law judge must issue a report within 20 days of the close of the hearing record. The commissioner shall issue a final decision within 30 days from receipt of the report of the administrative law judge and subsequent exceptions and argument under section 14.61. (a) The commissioner may not issue or renew a license under this chapter, and shall revoke a license under this chapter, if the applicant or licensee, or a director, officer, partner, person in a supervisory or management position of the applicant or licensee, an employee eligible to make sales on behalf of the applicant or licensee, or direct or indirect holder of more than a five percent financial interest in the applicant or licensee:

(1) has ever been convicted of a felony, or of a crime involving gambling;

(2) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(3) is or has ever connected with or engaged in an illegal business;

(4) owes \$500 or more in delinquent taxes as defined in section 270.72;

(5) had a sales and use tax permit revoked by the commissioner of revenue within the past two years;

(6) after demand, has not filed tax returns required by the commissioner of revenue; or

(7) had a license or permit revoked or denied by another jurisdiction for a violation of law or rule relating to gambling.

The commissioner may deny or refuse to renew a license under this chapter, and may revoke a license under this chapter, if any of the conditions in this subdivision is applicable to an affiliate of or a direct or indirect holder of more than a five percent financial interest in the applicant or licensee.

(b) The commissioner may by order deny, suspend, revoke, refuse to renew a license or premises permit, or censure a licensee or applicant, if it finds that the order is in the public interest and that the applicant or licensee, or a director, officer, partner, person in a supervisory or management position of the applicant of licensee, or an employee eligible to make sales on behalf of the applicant or licensee:

(1) has violated or failed to comply with any provision of chapter 297E, 299L, or 349, or any rule adopted or order issues thereunder;

(2) has filed an application for a license that is incomplete in any material respect, or contains a statement that, in light of the circumstances under which it was made, is false, misleading, fraudulent, or a misrepresentation;

(3) has made a false statement in a document or report required to be submitted to the director, the commissioner, or the commissioner of revenue, or has made a false statement in a statement made to the director or commissioner;

(4) has been convicted of a crime in another jurisdiction that would be a felony if committed in Minnesota;

(5) is permanently or temporarily enjoined by any gambling regulatory agency from engaging in or continuing any conduct or practice involving any aspect of gambling;

(6) has had a gambling-related license revoked or suspended, or has paid or been required to pay a monetary penalty of \$2,500 or more, by a gambling regulator in another state or jurisdiction, or has violated or failed to comply with an order of such a regulator that imposed those actions;

(7) has been the subject of any of the following actions by the director or commissioner: (i) had a license under chapter 299L denied, suspended or revoked, (ii) been censured, reprimanded, has paid or been required to pay a monetary penalty or fine, or (iii) has been the subject of any other discipline by the director;

(8) has engaged in conduct that is contrary to the public health, welfare, or safety, or to the integrity of gambling; or

(9) based on the licensee's past activities or criminal record, poses a threat to the public interest or to the effective regulation and control of gambling, or creates or enhances the danger of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.

Subd. 8a. [CIVIL PENALTIES.] The commissioner may impose a civil penalty not to exceed \$500 per violation on a person who has violated this chapter, or any rule adopted or order issued under this chapter, unless a different penalty is specified.

<u>Subd.</u> 8b. [SHOW CAUSE ORDERS.] (a) If the commissioner determines that one of the conditions listed in subdivision 8 exists, or that a licensee is no longer conducting business in the manner required by subdivision 2a, the commissioner may issue an order requiring a person to show cause why any or all of the following should not occur: (1) the licensee revoked or suspended, (2) the licensee censured, (3) a civil penalty imposed or (4) corrective action be taken.

(b) The order must give reasonable notice of the time and place for hearing on the matter, and must state the reasons for the entry of the order. The commissioner may by order summarily suspend a license pending final determination of any order to show cause. If a license is suspended pending final determination of an order to show cause. If a license is suspended pending final determination of an order to show cause, a hearing on the merits must be held within 30 days of the issuance of the order of suspension. All hearings must be conducted in accordance with sections 14.57 to 14.69 of the administrative procedure act.

(c) After the hearing the commissioner must enter an order disposing of the matter as the facts require. If the licensee fails to appear at a hearing after being notified of the hearing, the person is deemed in default and the proceeding may be determined against the person on consideration of the order to show cause, the allegations of which are deemed to be true.

Subd. 8c. [APPLICATIONS; RENEWALS.] (a) When it appears to the commissioner that a license application or renewal should be denied under subdivisions 3 or 8, the commissioner must promptly give to the applicant a written notice of the denial. The notice must state the grounds for the denial and give reasonable notice of the rights of the applicant to request a hearing. A hearing must be held not later than 30 days after the request for the hearing is received by the commissioner, unless the applicant and the commissioner agree that the hearing may be held at a later

5444

date. If no hearing is requested within 30 days of the service of the notice, the denial becomes final. All hearings under this subdivision must be conducted in accordance with sections 14.57 to 14.69 of the administrative procedure act.

(b) After the hearing, the commissioner shall enter an order making such disposition as the facts require. If the applicant fails to appear at a hearing after being notified of the hearing, the applicant is deemed in default and the proceeding may be determined against the applicant on consideration of the notice denying application or renewal, the allegations of which are deemed to be true. All fees accompanying the initial or renewal application are considered earned and are not refundable.

Subd. 8d. [ACTIONS AGAINST LAPSED LICENSE.] If a license lapses, is surrendered, withdrawn, terminated, or otherwise becomes ineffective, the commissioner may institute a proceeding under this subdivision within two years after the license was last effective and enter a revocation or suspension order as of the last day on which the license was in effect, or impose a civil penalty as provided in subdivision 8a.

<u>Subd. 8e.</u> [NOTIFICATION OF ACTIONS TAKEN BY OTHER STATE.] <u>A licensee under this section must notify</u> the commissioner within <u>30</u> days of the action whenever any of the actions listed in subdivision <u>8</u>, paragraph (b), clause (6) have been taken against the licensee in another state or jurisdiction.

Subd. 9. [REQUIRED INFORMATION.] A person to whom a license is issued under this section shall provide, in a manner prescribed by the commissioner, information required by the commissioner relating to the shipment and sale of gambling devices.

Subd. 10. [TRANSPORTATION OF GAMBLING DEVICES.] In addition to the requirements of this section, the transportation of gambling devices into Minnesota must be in compliance with United States Code, title 15, sections 1171 to 1177, as amended.

Subd. 11. [INSPECTION.] The commissioner, director, and employees of the division may inspect the business premises of a licensee under this section.

Sec. 10. Minnesota Statutes 1992, section 609.755, is amended to read:

609.755 [ACTS OF OR RELATING TO GAMBLING.]

Whoever does any of the following is guilty of a misdemeanor:

(1) makes a bet;

(2) sells or transfers a chance to participate in a lottery;

(3) disseminates information about a lottery, except a lottery conducted by an adjoining state, with intent to encourage participation therein;

(4) permits a structure or location owned or occupied by the actor or under the actor's control to be used as a gambling place; or

(5) <del>operates</del> except where authorized by statute, possesses a gambling device.

Clause (5) does not prohibit operation possession of a gambling device in a person's dwelling for an usement purposes in a manner that does not afford players an opportunity to obtain anything of value.

Sec. 11. [REPEALER.]

Minnesota Statutes 1992, section 299L.04 is repealed.

Sec. 12. [EFFECTIVE DATE.]

Section 10 is effective August 1, 1994, and applies to crimes committed on and after that date.

### JOURNAL OF THE HOUSE

#### ARTICLE 5

# LAWFUL GAMBLING REGULATION

Section 1. Minnesota Statutes 1992, section 349.12, subdivision 1, is amended to read:

Subdivision 1. As used in sections 349.11 to 349.22 349.23 the following terms in this section have the meanings given them.

Sec. 2. Minnesota Statutes 1992, section 349.12, subdivision 3a, is amended to read:

Subd. 3a. [ALLOWABLE EXPENSE.] "Allowable expense" means an expense directly related to the conduct of lawful gambling the percentage of the total cost incurred by the organization in the purchase of any good, service, or other item which corresponds to the proportion of the total actual use of the good, service, or other item that is directly related to conduct of lawful gambling.

Sec. 3. Minnesota Statutes 1992, section 349.12, subdivision 4, is amended to read:

Subd. 4. [BINGO.] "Bingo" means a game where each player has a <u>bingo hard</u> card or board <u>bingo paper sheet</u>, for which a consideration has been paid, and <u>played in accordance with this chapter and with rules of the board for the conduct of bingo</u>. containing five horizontal rows of spaces, with each row except the central one containing five figures. The central row has four figures with the word "free" marked in the center space thereof. Bingo also includes games which are as described in this subdivision except for the use of cards where the figures are not preprinted but are filled in by the players. A player wins a game of bingo by completing a preannounced combination of spaces or, in the absence of a preannouncement of a combination of spaces, any combination of five spaces in a row, either vertical, horizontal or diagonal.

Sec. 4. Minnesota Statutes 1992, section 349.12, subdivision 8, is amended to read:

Subd. 8. [CHECKER.] "Checker" means a person who records the number of bingo <u>hard</u> cards purchased and played during each game and records the prizes awarded to the recorded <u>hard</u> cards, but does not collect the payment for the <u>hard</u> cards.

Sec. 5. Minnesota Statutes 1992, section 349.12, subdivision 11, is amended to read:

Subd. 11. [DISTRIBUTOR.] "Distributor" is a person who sells gambling equipment <u>for use</u> within the state to licensed organizations, <u>or</u> to organizations conducting <u>excluded or</u> exempt activities under section 349.166, or to other <u>distributors</u>.

Sec. 6. Minnesota Statutes 1992, section 349.12, subdivision 16, is amended to read:

Subd. 16. [FLARE.] "Flare" is the posted display, with registration stamp affixed or <u>bar code imprinted or affixed</u>, that sets forth the rules of a particular game of pull-tabs or tipboards and that is associated with a specific deal of pull-tabs or grouping of tipboards.

Sec. 7. Minnesota Statutes 1992, section 349.12, subdivision 18, is amended to read:

Subd. 18. [GAMBLING EQUIPMENT.] "Gambling equipment" means: bingo <u>hard</u> cards or <u>paper</u> sheets, devices for selecting bingo numbers, pull-tabs, jar tickets, paddlewheels, <del>and</del> <u>paddlewheel</u> <u>tables</u>, <u>paddletickets</u>, <u>paddletickets</u>, <u>cards</u>, tipboards, <u>tipboard</u> <u>tickets</u>, <u>and</u> <u>pull-tab</u> <u>dispensing devices</u>.

Sec. 8. Minnesota Statutes 1992, section 349.12, subdivision 19, is amended to read:

Subd. 19. [GAMBLING MANAGER.] "Gambling manager" means a person who has paid all dues to an organization and has been a <u>an active</u> member of the organization for at least two years and has been designated by the organization to supervise lawful gambling conducted by it.

Sec. 9. Minnesota Statutes 1992, section 349.12, subdivision 21, is amended to read:

Subd. 21. [GROSS RECEIPTS.] "Gross receipts" means all receipts derived from lawful gambling activity including, but not limited to, the following items:

(1) gross sales of bingo <u>hard</u> cards and <u>paper</u> sheets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(2) the ideal gross of pull-tab and tipboard deals or games less the value of unsold and defective tickets and before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(3) gross sales of raffle tickets and paddletickets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(4) admission, commission, cover, or other charges imposed on participants in lawful gambling activity as a condition for or cost of participation; and

(5) interest, dividends, annuities, profit from transactions, or other income derived from the accumulation or use of gambling proceeds.

Gross receipts does not include proceeds from rental under section 349.164 or 349.18, subdivision 3, for duly licensed bingo hall lessors.

Sec. 10. Minnesota Statutes 1992, section 349.12, subdivision 23, is amended to read:

Subd. 23. [IDEAL NET.] "Ideal net" means the pull-tab or tipboard deal's ideal gross, as defined under subdivision 19 22, less the total predetermined prize amounts available to be paid out. When the prize is not entirely a monetary one, the ideal net is 50 percent of the ideal gross.

Sec. 11. Minnesota Statutes 1993 Supplement, section 349.12, subdivision 25, is amended to read:

Subd. 25. [LAWFUL PURPOSE.] (a) "Lawful purpose" means one or more of the following:

(1) any expenditure by or contribution to a 501(c)(3) organization, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section 349.154;

(2) a contribution to an individual or family suffering from poverty, homelessness, or physical or mental disability, which is used to relieve the effects of that poverty, homelessness, or disability;

(3) a contribution to an individual for treatment for delayed posttraumatic stress syndrome or a contribution to a recognized program for the treatment of compulsive gambling on behalf of an individual who is a compulsive gambler;

(4) a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;

(5) a contribution to a scholarship fund for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process;

(6) activities by an organization or a government entity which recognize humanitarian or military service to the United States, the state of Minnesota, or a community, subject to rules of the board;

(7) recreational, community, and athletic facilities and activities intended primarily for persons under age 21, provided that such facilities and activities do not discriminate on the basis of gender, as evidenced by (i) provision of equipment and supplies, (ii) scheduling of activities, including games and practice times, (iii) supply and assignment of coaches or other adult supervisors, (iv) provision and availability of support facilities, and (v) whether the opportunity to participate reflects each gender's demonstrated interest in the activity, provided that nothing in this clause prohibits a contribution to or expenditure on an educational institution or other entity that is excepted from the prohibition against discrimination based on sex contained in the Higher Education Act Amendments of 1976, United States Code, title 20, section 1681 and the organization complies with section 349.154;

(8) payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, and the tax taxes imposed by section 349.212 297E.02, subdivisions 1 and, 4, and 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;

(9) payment of real estate taxes and assessments on licensed permitted gambling premises wholly owned by the licensed organization paying the taxes, not to exceed:

(i) the amount which an organization may expend under board rule on rent for premises used for bingo; or

(ii) \$15,000 per year for premises used for other forms of lawful gambling;

(10) a contribution to the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency;

(11) a contribution to or expenditure by a nonprofit organization, which is a church, or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances; or

(12) payment of one-half of the reasonable costs of an audit required in section 349.19, subdivision 9; or

(13) a contribution to or expenditure on a wildlife management project that benefits the public at-large, provided that the state agency with authority over that wildlife management project approves the project before the contribution or expenditure is made; or

(14) expenditures, approved by the commissioner of natural resources, by an organization for grooming and maintaining snowmobile trails that are (1) grant-in-aid trails established under section 116.406, or (2) other trails on public lands and open to public use, including purchase or lease of equipment for this purpose.

(b) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) the erection, acquisition, improvement, expansion, repair, or maintenance of real property or capital assets owned or leased by an organization, except as provided in clause (6), unless the board has first specifically authorized the expenditures after finding that (i) the real property or capital assets will be used exclusively for one or more of the purposes in paragraph (a); (ii) with respect to expenditures for repair or maintenance only, that the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or service groups and that no rental fee is charged for the use; (iii) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building, a building owned by the organization and destroyed or made uninhabitable by fire or natural disaster, provided that the expenditures, including a mortgage payment, for erection or acquisition or acquisition is necessary to replace with a comparable building, a building owned by the organization is necessary to replace with a comparable building, a building owned by the organization is necessary to replace with a comparable building, a building owned by the organization is necessary to replace with a comparable building owned by the expenditures, including a mortgage payment or other debt service payment, for erection or acquisition or acquisition is necessary to replace with a comparable building owned by the organization that was acquired from the organization by eminent domain or sold by the organization to a purchaser that the organization reasonably believed would otherwise have acquired the building by eminent domain, provided that the expenditure may be only for that part of the replacement cost that exceeds the compensation received by the organization for the building being replaced;

(4) an expenditure by an organization which is a contribution to a parent organization, foundation, or affiliate of the contributing organization, if the parent organization, foundation, or affiliate has provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value;

(5) a contribution by a licensed organization to another licensed organization unless the board has specifically authorized the contribution. The board must authorize such a contribution when requested to do so by the contributing organization unless it makes an affirmative finding that the contribution will not be used by the recipient organization for one or more of the purposes in paragraph (a); <u>or</u>

(6) the erection, acquisition, improvement, or expansion of real property or capital assets which will be used for one or more of the purposes in paragraph (a), clause (7), unless the organization making the expenditures notifies the board at least 15 days before making the expenditure; or

(7) a contribution to a statutory or home rule charter city, county, or town by a licensed organization with the knowledge that the governmental unit intends to use the contribution for a pension or retirement fund.

Sec. 12. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

<u>Subd. 26a.</u> [MASTER FLARE.] "<u>Master flare</u>" is the posted display, with registration stamp affixed or bar code imprinted or affixed, that is used in conjunction with sealed groupings of 100 sequentially numbered paddleticket cards.

Sec. 13. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

<u>Subd. 28a.</u> [PADDLETICKET.] <u>"Paddleticket" means a preprinted ticket that can be used to place wagers on the spin of a paddlewheel.</u>

Sec. 14. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

<u>Subd. 28b.</u> [PADDLETICKET CARD.] <u>"Paddleticket card" means a card to which detachable paddletickets are attached.</u>

Sec. 15. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

Subd. 28c. [PADDLETICKET CARD NUMBER.] "Paddleticket card number" means the unique serial number preprinted by the manufacturer on the stub of a paddleticket card and the paddletickets attached to the card.

Sec. 16. Minnesota Statutes 1992, section 349.12, subdivision 30, is amended to read:

Subd. 30. [PERSON.] "Person" is an individual, <u>organization</u>, firm, association, partnership, <u>limited</u> <u>liability</u> <u>company</u>, corporation, trustee, or legal representative.

Sec. 17. Minnesota Statutes 1992, section 349.12, subdivision 32, is amended to read:

Subd. 32. [PULL-TAB.] "Pull-tab" means a single folded or banded ticket or a <u>multi-ply</u> card with a <u>perforated</u> <u>break-open tabs, the</u> face <u>of which is initially</u> covered to conceal one or more numbers or symbols, where one or more of each set of tickets or cards has been designated in advance as a winner. "Pull tab" also includes a ticket sold in a gambling device known as a ticket jar.

Sec. 18. Minnesota Statutes 1992, section 349.12, subdivision 34, is amended to read:

Subd. 34. "Tipboard" means a board, placard or other device marked off in a grid or columns, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances containing a seal that conceals the winning number or symbol, and that serves as the game flare for a tipboard game.

Sec. 19. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

<u>Subd. 35.</u> [TIPBOARD TICKET.] <u>"Tipboard ticket" is a single folded or banded ticket, or multi-ply card, the face of which is initially covered or otherwise hidden from view to conceal a number, symbol, or set of symbols, some of which have been designated in advance and at random as prize winners.</u>

Sec. 20. Minnesota Statutes 1992, section 349.15, is amended to read:

349.15 [USE OF GROSS PROFITS.]

<u>Subdivision 1.</u> [EXPENDITURE RESTRICTIONS.] Gross profits from lawful gambling may be expended only for lawful purposes or allowable expenses as authorized by the <u>membership of the conducting organization</u> at a <u>regular</u> <u>monthly</u> meeting of the <u>conducting organization</u> organization <u>organization's membership</u>. Provided that no more than 60 percent of the gross profit less the tax imposed under section 349.212, subdivision 1, from bingo, and no more than 50 percent of the gross profit from other forms of lawful gambling, may be expended for allowable expenses related to lawful gambling.

<u>Subd. 2.</u> [CASH SHORTAGES.] In computing gross profit to determine maximum amounts which may be expended for allowable expenses under subdivision 1, an organization may not reduce its gross receipts by any cash shortages. An organization may report cash shortages to the board only as an allowable expense. An organization may not report cash shortages in any reporting period that in total exceed three-tenths of one percent of the organization's gross receipts from lawful gambling for that period.

Sec. 21. Minnesota Statutes 1992, section 349.151, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The board has the following powers and duties:

(1) to regulate lawful gambling to ensure it is conducted in the public interest;

(2) to issue licenses to organizations, distributors, bingo halls, manufacturers, and gambling managers;

(3) to collect and deposit license, permit, and registration fees due under this chapter;

(4) to receive reports required by this chapter and inspect all premises, records, books, and other documents of organizations, distributors, manufacturers, and bingo halls to insure compliance with all applicable laws and rules;

(5) to make rules authorized by this chapter;

(6) to register gambling equipment and issue registration stamps;

(7) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;

(8) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling;

(9) to impose civil penalties of not more than \$500 per violation on organizations, distributors, manufacturers, bingo halls, and gambling managers for failure to comply with any provision of this chapter or any rule of the board;

(10) to issue premises permits to organizations licensed to conduct lawful gambling;

(11) to delegate to the director the authority to issue or <u>deny</u> licenses <u>license</u> and premises <u>permits</u> <u>permits</u> <u>applications</u> and <u>renewals</u> under criteria established by the board;

(12) to suspend or revoke licenses and premises permits of organizations, distributors, manufacturers, bingo halls, or gambling managers as provided in this chapter;

(13) to register employees of organizations licensed to conduct lawful gambling;

(14) to require fingerprints from persons determined by board rule to be subject to fingerprinting; and

(15) to delegate to a compliance review group of the board the authority to investigate alleged violations, issue consent orders, and initiate contested cases on behalf of the board;

(16) to order organizations, distributors, manufacturers, bingo halls, and gambling managers to take corrective actions; and

(15) (17) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

(b) The board may assess any organization, distributor, manufacturer, bingo hall licensee, or gambling manager a civil penalty of not more than \$500 per violation for a failure to comply with any provision of this chapter or any rule adopted or order issued by the board. A civil penalty under this paragraph may be imposed only by issuance of a citation, and no such citation may impose any other discipline. Any organization, distributor, bingo hall operator licensee, gambling manager, or manufacturer assessed a civil penalty under this paragraph may request a hearing before the board. Hearings conducted on appeals of imposition of penalties Appeals of citations imposing a civil penalty are not subject to the provisions of the administrative procedure act.

(c) All fees and penalties received by the board must be deposited in the general fund.

Sec. 22. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

<u>Subd. 7.</u> [ORDERS.] The board may order any person subject to its jurisdiction who has violated this chapter or a board rule or order to take appropriate action to correct the violation.

Sec. 23. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

Subd. 8. [DISCIPLINARY PROCEEDINGS.] The board, or the compliance review group if authorized to act on behalf of the board, may issue an order initiating a contested case against a person subject to the jurisdiction of the board, seeking any or all of the following:

(1) the person's license or premises permit be revoked or suspended;

(2) the person be censured;

(3) a civil penalty be imposed; or

(4) corrective action be taken by the person.

The order must give reasonable notice of the time and place for a hearing on the matter, and must state the reasons for the order. All hearings must be conducted in accordance with chapter 14. After the hearing the board may enter an order disposing of the matter as the facts require. If the person named in the order fails to appear at the hearing after being notified the person is considered in default and the proceeding may be determined against the person on consideration of the order, the allegations of which may be considered to be true.

Sec. 24. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

<u>Subd. 9.</u> [CRIMINAL HISTORY.] <u>The board may request the director of gambling enforcement to assist in investigating the background of an applicant for a license under this chapter, and the director of gambling enforcement may bill the license applicant for the cost thereof. The board has access to all criminal history data compiled by the division of gambling enforcement on licensees and applicants.</u>

Sec. 25. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

Subd. 10. [RESPONSE TO REQUESTS.] An applicant, licensee, or other person subject to the board's jurisdiction must:

(1) comply with requests for information or documents, or other requests, from the board or director within the time specified in the request or, if no time is specified, within 30 days of the date the board or director mails the request; and

(2) appear before the board or director when requested to do so, and must bring documents or materials requested by the board or director.

Sec. 26. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

<u>Subd. 11.</u> [PRODUCTION OF EVIDENCE.] For the purpose of any investigation, inspection, compliance review, audit, or proceeding under this chapter, the board or director may (1) administer oaths and affirmations, (2) subpoena witnesses and compel their attendance, (3) take evidence, and (4) require the production of books, papers, correspondence, memoranda, agreements, or other documents or records that the board or director determines are relevant or material to the inquiry.

Sec. 27. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

<u>Subd. 12.</u> [COURT ORDERS.] In the event of a refusal to appear by, or refusal to obey a subpoena issued to, any person under this chapter, the district court may on application of the board or director issue to the person an order directing the person to appear before the board or director, and to produce documentary evidence if so ordered or to give evidence relating to the matter under investigation or in question. Failure to obey such an order may be punished by the court as contempt of court.

Sec. 28. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

Subd. 13. [ACCESS.] The board or director has free access during normal business hours to the offices and places of businesses of licensed organizations, and organizations conducting excluded or exempt gambling, and to all books, accounts, papers, records, files, safes, and vaults maintained in the places of business or required to be maintained.

Sec. 29. Minnesota Statutes 1992, section 349.151, is amended by adding a subdivision to read:

Subd. 14. [RULEMAKING.] In addition to any authority to adopt rules specifically authorized under this chapter, the board may adopt, amend, or repeal rules, including emergency rules, under chapter 14, when necessary or proper in discharging the board's powers and duties.

Sec. 30. Minnesota Statutes 1992, section 349.152, subdivision 2, is amended to read:

Subd. 2. [DUTIES OF THE DIRECTOR.] The director has the following duties:

(1) to carry out gambling policy established by the board;

(2) to employ and supervise personnel of the board;

(3) to advise and make recommendations to the board on rules;

(4) to issue licenses and premises permits as authorized by the board;

(5) to issue cease and desist orders;

(6) to make recommendations to the board on license issuance, denial, <u>censure</u>, suspension and revocation, and civil penalties the board imposes; <del>and</del>

(7) to ensure that board rules, policy, and decisions are adequately and accurately conveyed to the board's licensees;

(8) to conduct investigations, inspections, compliance reviews, and audits under this chapter; and

(9) to issue subpoenas to compel the attendance of witnesses and the production of documents, books, records, and other evidence relating to an investigation, compliance review, or audit the director is authorized to conduct.

Sec. 31. Minnesota Statutes 1992, section 349.152, subdivision 3, is amended to read:

Subd. 3. [CEASE AND DESIST ORDERS.] Whenever it appears to the director that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any <u>board</u> rule or <u>order</u>:

(a) The director has the power to <u>may</u> issue and cause to be served upon the person an order requiring the person to cease and desist from violations of this chapter or <u>board rule or order</u>. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. <u>Unless otherwise agreed between the parties</u>, a hearing shall be held not later than seven days after the request for the hearing is received by the board after which and within 20 days of the date of the hearing <u>after the receipt of the administrative law judge's report and subsequent exceptions and argument</u> the board shall issue an order vacating the cease and desist order, <u>modifying it</u>, or making it permanent as the facts require. If no hearing is requested within 30 days of the service of the order, the order becomes final and remains in effect until modified or vacated by the board. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

(b) <u>Whenever it appears to the board that any person has engaged or is about to engage in any act or practice that violates this chapter or any board rule or order, the board may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with this chapter or any <u>board</u> rule <u>or order</u> and may refer the matter to the attorney general. Upon a proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted. The court may not require the board to post a bond.</u>

Sec. 32. Minnesota Statutes 1992, section 349.153, is amended to read:

### 349.153 [CONFLICT OF INTEREST.]

(a) A person may not serve on the board, be the director, or be an employee of the board who has an interest in any corporation, association, <u>limited liability company</u>, or partnership that is licensed by the board as a distributor, manufacturer, or a bingo hall under section 349.164.

(b) A member of the board, the director, or an employee of the board may not participate in the conducting of lawful gambling, accept employment with, receive compensation directly or indirectly from, or enter into a contractual relationship with an organization that conducts lawful gambling, a distributor, or a manufacturer while employed with or a member of the board or within one year after terminating employment with or leaving the board.

(c) A distributor, manufacturer, or organization licensed to conduct lawful gambling may not hire a former employee, director, or member of the gambling control board for one year after the employee, director, or member has terminated employment with or left the gambling control board.

Sec. 33. Minnesota Statutes 1992, section 349.154, is amended to read:

349.154 [EXPENDITURE OF NET PROFITS FROM LAWFUL GAMBLING.]

Subdivision 1. [STANDARDS FOR CERTAIN ORGANIZATIONS.] The board shall by rule prescribe standards that must be met by any licensed organization that is a 501(c)(3) organization. The standards must provide:

(1) operating standards for the organization, including a maximum percentage or percentages of the organization's total expenditures that may be expended for the organization's administration and operation; and

(2) standards for any expenditure by the organization of net profits from lawful gambling, including a requirement that the expenditure be related to the primary purpose of the organization.

Subd. 2. [NET PROFIT REPORTS.] (a) Each licensed organization must report monthly to the board on a form prescribed by the board each expenditure and contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name, address, and telephone number of the recipient of the expenditure or contribution;

(2) the date the contribution was approved by the organization;

(3) the date, amount, and check number of the expenditure or contribution; and

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 25<del>, paragraph (a); and</del>

(5) in the case of expenditures authorized under section 349.12, subdivision 25, paragraph (a), clause (7), whether the expenditure is for a facility or activity that primarily benefits male or female participants.

(b) The board shall provide make available to the commissioners of revenue and public safety copies of each report reports received under this subdivision and requested by them.

Subd. 3a. [EXPENDITURES FOR RECREATIONAL, COMMUNITY, AND ATHLETIC PROGRAMS.] An organization that makes a greater percentage of its lawful purpose expenditures under section 349.12, subdivision 25, paragraph (a), clause (7) on facilities or activities for one gender rather than another may not deny a reasonable request for funding of a facility or activity for the underrepresented gender if the request is for funding for a facility or activity for the underrepresented gender if the request is for funding for a facility or activity for an underrepresented gender who believes than an application for funding was denied in violation of this subdivision may file a complaint with the board. The board shall prescribe a form for the complaint and shall furnish a copy of the form to any requestor. The board shall investigate each complaint filed and, if the board finds that the organization against which the complaint was filed has violated this subdivision, shall issue an order directing the organization to take such corrective action as the board deems necessary to bring the organization into compliance with this subdivision.

<u>Subd. 4.</u> [RULES OF EXPENDITURES.] <u>Notwithstanding any rule of the board, an organization may make</u> expenditures for lawful purposes as authorized under section 349.12, subdivision 25, paragraph (a), clause (6), to a member of the organization of up to \$200 in any twelve-month period if the expenditures are solely for services performed by the member at funeral services.

Sec. 34. [349.155] [LICENSES; LICENSE ACTIONS.]

Subdivision 1. [FORMS.] All applications for a license must be on a form prescribed by the board. In the case of applications by an organization the board may require the organization to submit a copy of its articles of incorporation and other documents the board deems necessary.

<u>Subd. 2.</u> [INVESTIGATION FEE.] In addition to initial and renewal application fees, the board may charge license and renewal applicants a fee to cover the costs of background investigations conducted under this chapter.

Subd. 3. [MANDATORY DISQUALIFICATIONS.] (a) In the case of licenses for manufacturers, distributors, bingo halls, and gambling managers, the board may not issue or renew a license under this chapter, and shall revoke a license under this chapter, if the applicant or licensee, or a director, officer, partner, person in a supervisory or management position of the applicant or licensee, or an employee eligible to make sales on behalf of the applicant or licensee.

(1) has ever been convicted of a felony or a crime involving gambling;

(2) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;

(4) is or has ever been connected with or engaged in an illegal business;

(5) owes \$500 or more in delinquent taxes as defined in section 270.72;

(6) had a sales and use tax permit revoked by the commissioner of revenue within the past two years; or

(7) after demand, has not filed tax returns required by the commissioner of revenue. The board may deny or refuse to renew a license under this chapter, and may revoke a license under this chapter, if any of the conditions in this paragraph is applicable to an affiliate or direct or indirect holder of more than a five percent financial interest in the applicant or licensee.

(b) In the case of licenses for organizations, the board may not issue or renew a license under this chapter, and shall revoke a license under this chapter, if the organization, or an officer or member of the governing body of the organization:

(1) has been convicted of a felony or gross misdemeanor within the five years before the issuance or renewal of the license;

(2) has ever been convicted of a crime involving gambling; or

(3) has had a license issued by the board or director permanently revoked for violation of law or board rule.

<u>Subd. 4.</u> [LICENSE REVOCATION, SUSPENSION, DENIAL; CENSURE.] The board may order (1) deny, suspend, revoke, or refuse to renew a license or premises permit, or (2) censure a licensee or applicant, if it finds that the order is in the public interest and that the applicant or licensee, or a director, officer, partner, person in a supervisory or management position of the applicant or licensee, an employee eligible to make sales on behalf of the applicant or licensee, or direct or indirect holder of more than a five percent financial interest in the applicant or licensee:

(1) has violated or failed to comply with any provision of chapter 297E, 299L, or 349, or any rule adopted or order issued thereunder;

(2) has filed an application for a license that is incomplete in any material respect, or contains a statement that, in light of the circumstances under which it was made, is false, misleading, fraudulent, or a misrepresentation;

(3) has made a false statement in a document or report required to be submitted to the board or the commissioner of revenue, or has made a false statement to the board, the compliance review group, or the director;

(4) has been convicted of a crime in another jurisdiction that would be a felony if committed in Minnesota;

(5) is permanently or temporarily enjoined by any gambling regulatory agency from engaging in or continuing any conduct or practice involving any aspect of gambling;

(6) has had a gambling-related license revoked or suspended, or has paid or been required to pay a monetary penalty of \$2,500 or more, by a gambling regulator in another state of jurisdiction;

5454

(7) has been the subject of any of the following actions by the director of gambling enforcement: (i) had a license under chapter 299L denied, suspended or revoked, (ii) been censured, reprimanded, has paid or been required to pay a monetary penalty or fine, or (iii) has been the subject of any other discipline by the director; or

(8) has engaged in conduct that is contrary to the public health, welfare, or safety, or to the integrity of gambling; or

(9) based on past activities or criminal record poses a threat to the public interest or to the effective regulation and control of gambling, or creates or enhances the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to the conduct of gambling.

Subd. 5. [REVOCATION; CONTESTED CASE.] When the board, or director if the director is authorized to act on behalf of the board, determines that a license should be revoked, suspended, denied, or not renewed under subdivisions 3 or 4, the board or director shall issue an order initiating a contested case hearing against the licensee, seeking revocation of the license. A contested case hearing on the merits must be held within 30 days of the issuance of the order, unless the parties agree to a later date. The administrative law judge's report must be issued within 30 days after the close of the hearing record. The board or director must issue a final decision within 30 days after receiving the administrative law judge's report and subsequent exceptions and argument.

Subd. 6. [NOTICE OF DENIAL.] When the board determines that a license or premises permit application or renewal should be denied under subdivision 3 or 4, the board shall promptly give a written notice to the licensee or applicant to request a hearing. A hearing must be held not later than 30 days after the board receives the request for the hearing, unless the licensee or applicant and the board agree on a later date. If no hearing is requested within 30 days of the service of the notice, the denial becomes final. All hearings must be conducted under chapter 14. After the hearing the board may enter an order making such disposition as the facts require. If the applicant fails to appear at the hearing after having been notified of it under this subdivision, the applicant is considered in default and the proceeding may be determined against the person on consideration of the order to show cause, the allegations of which may be considered to be true. All fees accompanying the license or renewal application are considered earned and are not refundable.

Subd. 7. [LAPSED LICENSES.] If a license lapses, or is surrendered, withdrawn, terminated, or otherwise becomes ineffective, the board may (1) institute a proceeding under this subdivision within two years after the last date on which the license was effective, (2) enter a revocation or suspension order as of the date on which the license was effective, (3) impose a civil penalty as provided under section 349.151, subdivision 4, or (4) order corrective action as provided in section 349.151, subdivision 7.

<u>Subd. 8.</u> [ACTIONS IN ANOTHER STATE.] <u>A licensee under this chapter must notify the board within 30 days</u> of the action whenever any of the actions listed in subdivision 4, clause (6) have been taken against the licensee in another state or jurisdiction.

Sec. 35. Minnesota Statutes 1992, section 349.16, subdivision 2, is amended to read:

Subd. 2. [ISSUANCE OF GAMBLING LICENSES.] (a) Licenses authorizing organizations to conduct lawful gambling may be issued by the board to organizations meeting the qualifications in paragraphs (b) to (h) if the board determines that the license is consistent with the purpose of sections 349.11 to 349.22.

(b) The organization must have been in existence for the most recent three years preceding the license application as a registered Minnesota nonprofit corporation or as an organization designated as exempt from the payment of income taxes by the Internal Revenue Code.

(c) The organization at the time of licensing must have at least 15 active members.

(d) The organization must not be in existence solely for the purpose of conducting gambling.

(e) The organization must not have as an officer or member of the governing body any person who, within the five years before the issuance of the license, has been convicted in a federal or state court of a felony or gross misdemeanor or who has ever been convicted of a crime involving gambling or who has had a license issued by the board or director revoked for a violation of law or board rule.

5455

(f) The organization has identified in its license application the lawful purposes on which it proposes to expend net profits from lawful gambling.

(g) (f) The organization has identified on its license application a gambling manager and certifies that the manager is qualified under this chapter.

(h) (g) The organization must not, in the opinion of the board after consultation with the commissioner of revenue, be seeking licensing primarily for the purpose of evading or reducing the tax imposed by section 349.212, subdivision 6.

Sec. 36. Minnesota Statutes 1992, section 349.16, subdivision 3, is amended to read:

Subd. 3. [TERM OF LICENSE: SUSPENSION AND REVOCATION.] Licenses issued under this section are valid for two years and may be suspended by the board for a violation of law or board rule or revoked for what the board determines to be a willful violation of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

Sec. 37. Minnesota Statutes 1992, section 349.16, subdivision 6, is amended to read:

Subd. 6. [FEES LICENSE CLASSIFICATIONS.] The board may issue four classes of organization licenses: a class A license authorizing all forms of lawful gambling; a class B license authorizing all forms of lawful gambling except bingo; a class C license authorizing bingo only, or bingo and pull-tabs if the gross receipts for any combination of bingo and pull-tabs does not exceed \$50,000 per year; and a class D license authorizing raffles only. The board shall not charge a fee for an organization license.

Sec. 38. Minnesota Statutes 1992, section 349.16, subdivision 8, is amended to read:

Subd. 8. [LOCAL INVESTIGATION FEE.] A statutory or home rule charter city or county notified under section 349.213, subdivision 2, may assess an investigation fee on organizations or bingo halls applying for or renewing a license to conduct lawful gambling premises permit or operate a bingo hall license. An investigation fee may not exceed the following limits:

(1) for cities of the first class, \$500;

(2) for cities of the second class, \$250;

(3) for all other cities, \$100; and

(4) for counties, \$375.

Sec. 39. Minnesota Statutes 1992, section 349.16, is amended by adding a subdivision to read:

Subd. 9. [LICENSE RENEWALS; NOTICE.] The board may not deny or delay the renewal of a license under this section, a premises permit, or a gambling manager's license under section 349.167 because of the licensee's failure to submit a complete application by a specified date before the expiration of the license or permit, unless the board has first (1) sent the applicant by registered mail a written notice of the incomplete application, and (2) given the applicant at least five business days from the date of receipt of the notice to submit a complete application, or the information necessary to complete the application.

Sec. 40. Minnesota Statutes 1992, section 349.161, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state for gambling purposes, other than for lawful gambling exempt or excluded from licensing, except to an organization licensed for lawful gambling;

(2) sell, offer for sale, or furnish gambling equipment for lawful gambling use within the state without having obtained a distributor license under this section;

(3) sell, offer for sale, or furnish gambling equipment for use within the state that is not purchased or obtained from a manufacturer or distributor licensed under this chapter; or

(4) sell, offer for sale, or furnish gambling equipment for use within the state that has the same serial number as another item of gambling equipment of the same type sold or offered for sale or furnished for use in the state by that distributor.

Sec. 41. Minnesota Statutes 1992, section 349.161, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION.] (a) No distributor, or employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, or any representative, agent, affiliate, or employee of a distributor, may be: (1) be involved in the conduct of lawful gambling by an organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No distributor or any representative, agent, affiliate, or employee of a distributor may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor or any representative, agent, affiliate, or employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased from that distributor is being used in the conduct of lawful gambling.

(e) No distributor or any representative, agent, affiliate, or employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker.

(f) No distributor or any representative, agent, affiliate, or employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(g) No distributor may purchase gambling equipment for resale to a person for use within the state from any person not licensed as a manufacturer under section 349.163.

(h) No distributor may sell gambling equipment to any person for use in Minnesota other than (i) a licensed organization or organization excluded or exempt from licensing, or (ii) the governing body of an Indian tribe.

(i) No distributor may sell or otherwise provide a pull-tab or tipboard deal with the symbol required by section 349.163, subdivision 5, paragraph (h), visible on the flare to any person other than in Minnesota to a licensed organization or organization exempt or excluded from licensing.

Sec. 42. Minnesota Statutes 1992, section 349.162, subdivision 1, is amended to read:

Subdivision 1. [STAMP REQUIRED.] (a) A distributor may not sell, transfer, furnish, or otherwise provide to a person, organization, or distributor, and no person, organization, or distributor may purchase, borrow, accept, or acquire from a distributor gambling equipment for use within the state unless the equipment has been registered with the board and has a registration stamp affixed, except for gambling equipment not stamped by the manufacturer pursuant to section 349.163, subdivision 5 or 8. The board shall charge a fee of five cents for each stamp. Each stamp must bear a registration number assigned by the board. A distributor or manufacturer is entitled to a refund for unused registration stamps and replacement for registration stamps which are defective or canceled by the distributor or manufacturer.

(b) From January 1, 1991, to June 30, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "For Sale in Minnesota Only." A manufacturer must return all unused registration stamps in its possession to the board by February 1, 1995. No manufacturer may possess unaffixed registration stamps after February 1, 1995.

(c) On and after July 1, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "Manufactured in Minnesota For Sale in Minnesota Only."

(d) Paragraphs (b) and (c) do not apply to pull tabs sold by a distributor to the governing body of an Indian tribe. After February 1, 1996, no person may possess any unplayed pull-tab or tipboard deals with a registration stamp affixed to the flare or any unplayed paddleticket cards with a registration stamp affixed to the master flare. Gambling equipment kept in violation of this paragraph is contraband under section 349.2125. Sec. 43. Minnesota Statutes 1992, section 349.162, subdivision 2, is amended to read:

Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:

(1) the identity of the person or firm from whom the distributor purchased the equipment;

(2) the registration number of the equipment;

(3) the name, address, and license or exempt permit number of the organization to which the sale was made;

(4) the date of the sale; /

(5) the name of the person who ordered the equipment;

(6) the name of the person who received the equipment;

(7) the type of equipment;

(8) the serial number of the equipment;

(9) the name, form number, or other identifying information for each game; and

(10) in the case of bingo <u>hard</u> cards <u>or paper sheets</u> sold on and after January 1, 1991, the individual number of each card <u>or sheet</u>.

The invoice for each sale must be retained for at least 3-1/2 years after the sale is completed and a copy of each invoice is to be delivered to the board in the manner and time prescribed by the board. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.

Each distributor must report monthly to the board, in a form the board prescribes, its sales of each type of gambling equipment. Employees of the board and the division of gambling enforcement may inspect the business premises, books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.

The board may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer.

Sec. 44. Minnesota Statutes 1992, section 349.162, subdivision 4, is amended to read:

Subd. 4. [PROHIBITION.] (a) No person other than a licensed distributor <u>or licensed manufacturer</u> may possess unaffixed registration stamps.

(b) Unless otherwise provided in this chapter, no person may possess gambling equipment that has not been stamped and registered.

(c) On and after January 1, 1991, no distributor may:

(1) sell a bingo hard card or paper sheet that does not bear an individual number; or

(2) sell a package of bingo eards paper sheets that does not contain bingo eards paper sheets in numerical order.

Sec. 45. Minnesota Statutes 1992, section 349.162, subdivision 5, is amended to read:

Subd. 5. [SALES FROM FACILITIES.] (a) All gambling equipment purchased or possessed by a licensed distributor for resale to any person for use in Minnesota must, prior to the equipment's resale, be unloaded into a sales or storage facility located in Minnesota which the distributor owns or leases; and which has been registered, in advance and in writing, with the division of gambling enforcement as a sales or storage facility of the distributor's distributor. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the possession of, a licensed distributor in the state of Minnesota shall be stored at a sales or storage facility which has been registered with the

division of gambling enforcement. No gambling equipment may be moved from the facility unless the gambling equipment has been first registered with the board, except for gambling equipment not stamped by the manufacturer pursuant to section 349.163, subdivision 5 or 8.

(b) Notwithstanding section 349.163, subdivisions 5, 6, and 8, a licensed manufacturer may ship into Minnesota approved or unapproved gambling equipment if the licensed manufacturer ships the gambling equipment to a Minnesota storage facility that is: (1) owned or leased by the licensed manufacturer, and (2) registered, in advance and in writing, with the division of gambling enforcement as a manufacturer's storage facility. No gambling equipment may be shipped into Minnesota to the manufacturer's registered storage facility unless the shipment of the gambling equipment is reported to the department of revenue in a manner prescribed by the department. No gambling equipment may be moved from the storage facility unless the gambling equipment is sold to a licensed distributor and is otherwise in conformity with this chapter, is shipped to an out-of-state site and the shipment is reported to the department prescribed by the department, or is otherwise sold and shipped as permitted by board rule.

(c) All sales and storage facilities owned, leased, used, or operated by a licensed distributor or manufacturer may be entered upon and inspected by the employees of the division of gambling enforcement or, the <u>division of gambling</u> <u>enforcement</u> director's authorized representatives, <u>employees of the gambling control board or its authorized</u> <u>representatives</u>, <u>employees of the department of revenue</u>, or <u>authorized representatives</u> of the <u>director of the division</u> <u>of special taxes of the department of revenue</u> during reasonable and regular business hours. Obstruction of, or failure to permit, entry and inspection is cause for revocation or suspension of a <u>manufacturer's or</u> distributor's licenses and permits issued under this chapter.

(e) (d) Unregistered gambling equipment and unaffixed registration stamps found at any location in Minnesota other than the manufacturing plant of a licensed manufacturer or a registered sales or storage facility are contraband under section 349.2125. This paragraph does not apply:

(1) to unregistered gambling equipment being transported in interstate commerce between locations outside this state, if the interstate shipment is verified by a bill of lading or other valid shipping document; and

(2) to gambling equipment not stamped by the manufacturer pursuant to section 349.163, subdivision 5 or 8.

Sec. 46. Minnesota Statutes 1992, section 349.163, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No manufacturer of gambling equipment may sell any gambling equipment to any person <u>for use or resale within the state</u>, unless the manufacturer has a current and valid license <u>issued</u> by the board under this section and <u>has satisfied</u> other criteria prescribed by the board by rule.

A manufacturer licensed under this section may not also be directly or indirectly licensed as a distributor under section 349.161 unless the manufacturer (1) does not manufacture any gambling equipment other than paddlewheels, and (2) was licensed as both a manufacturer and distributor on May 1, 1990.

Sec. 47. Minnesota Statutes 1992, section 349.163, subdivision 3, is amended to read:

Subd. 3. [PROHIBITED SALES.] (a) A manufacturer may not:

(1) sell gambling equipment for use or resale within the state to any person not licensed as a distributor unless the manufacturer is also a licensed distributor; or

(2) sell gambling equipment to a distributor in this state that has the same serial number as another item of gambling equipment of the same type that is sold by that manufacturer for use <u>or resale</u> in this state;

(3) from January 1, 1991, to June 30, 1992, sell to any person in Minnesota, other than the governing body of an Indian tribe, a pull tab on which the manufacturer has not clearly printed the words "For Sale in Minnesota Only";

(4) on and after July 1; 1992, sell to any person in Minnesota, other than the governing body of an Indian tribe, a pull-tab-on which the manufacturer has not clearly printed the words "Manufactured in Minnesota For Sale In Minnesota Only"; or

(5) sell a pull tab marked as required in clauses (3) and (4) to any person inside or outside the state, including the governing body of an Indian tribe, who is not a licensed distributor.

(b) On and after July 1, 1992, all pull tabs sold by a licensed manufacturer to a person in Minnesota must be manufactured in Minnesota.

(e) A manufacturer, affiliate of a manufacturer, or person acting as a representative or agent of a manufacturer may not provide a lessor of gambling premises or an appointed official any compensation, gift, gratuity, premium, contribution, or other thing of value.

(c) A manufacturer may not sell or otherwise provide a pull-tab or tipboard deal with the symbol required by section 349.163, subdivision 5, paragraph (h), imprinted on the flare to any person other than a licensed distributor unless the manufacturer first renders the symbol permanently invisible.

Sec. 48. Minnesota Statutes 1992, section 349.163, subdivision 5, is amended to read:

Subd. 5. [PULL-TAB AND TIPBOARD FLARES.] (a) A manufacturer may not ship or cause to be shipped into this state or sell for use or resale in this state any deal of pull-tabs or tipboards that does not have its own individual flare as required for that deal by this subdivision and rule of the board. A person other than a manufacturer may not manufacture, alter, modify, or otherwise change a flare for a deal of pull-tabs or tipboards except as allowed by this chapter or board rules.

(b) <u>A manufacturer must comply with either paragraphs (c) to (g) or paragraphs (f) to (j) with respect to pull-tabs</u> and tipboards sold by the manufacturer before January 1, 1995, for use or resale in Minnesota or shipped into or caused to be shipped into Minnesota by the manufacturer before January 1, 1995. A manufacturer must comply with paragraphs (f) to (j) with respect to pull-tabs and tipboards sold by the manufacturer on and after January 1, 1995, for use or resale in Minnesota or shipped into or caused to be shipped into Minnesota by the manufacturer on and after January 1, 1995. Paragraphs (c) to (e) expire January 1, 1995.

(c) The flare of each deal of pull-tabs and tipboards sold by a manufacturer for use or resale in Minnesota must have the Minnesota gambling stamp affixed. The flare, with the stamp affixed, must be placed inside the wrapping of the deal which the flare describes.

(e) (d) Each pull-tab and tipboard flare must bear the following statement printed in letters large enough to be clearly legible:

"Pull-tab (or tipboard) purchasers -- This pull-tab (or tipboard) game is not legal in Minnesota unless:

- a Minnesota gambling stamp is affixed to this sheet, and

- the serial number handwritten on the gambling stamp is the same as the serial number printed on this sheet and on the pull-tab (or tipboard) ticket you have purchased."

(d) (e) The flare of each pull-tab and tipboard game must bear the serial number of the game, printed in numbers at least one-half inch high.

(e) (f) The flare of each pull-tab and tipboard game must be have affixed to or imprinted at the bottom with a bar code that provides:

(1) the name of the game;

(2) the serial number of the game;

(3) the name of the manufacturer;

(4) the number of tickets in the deal;

(5) the odds of winning each prize in the deal; and

(6) other information the board by rule requires.

The serial number included in the bar code must be the same as the serial number of the tickets included in the deal. A manufacturer who manufactures a deal of pull-tabs must affix to the outside of the box containing that game the same bar code that is <u>affixed to or</u> imprinted at the bottom of a flare for that deal.

5461

(f) (g) No person may alter the bar code that appears on the outside of a box containing a deal of pull-tabs and tipboards. Possession of a box containing a deal of pull-tabs and tipboards that has a bar code different from the bar code of the deal inside the box is prima facie evidence that the possessor has altered the bar code on the box.

(h) The flare of each deal of pull-tabs and tipboards sold by a manufacturer for use or resale in Minnesota must have imprinted on it a symbol that is at least one inch high and one inch wide consisting of an outline of the geographic boundaries of Minnesota with the letters "MN" inside the outline. The flare must be placed inside the wrapping of the deal which the flare describes.

(i) Each pull-tab and tipboard flare must bear the following statement printed in letters large enough to be clearly legible:

"Pull-tab (or tipboard) purchasers - This pull-tab (or tipboard) game is not legal in Minnesota unless:

- an outline of Minnesota with letters "MN" inside it is imprinted on this sheet, and

-- the serial number imprinted on the bar code at the bottom of this sheet is the same as the serial number on the pull-tab (or tipboard) ticket you have purchased."

(j) The flare of each pull-tab and tipboard game must have the serial number of the game imprinted on the bar code at the bottom of the flare in numerals at least one-half inch high.

Sec. 49. Minnesota Statutes 1992, section 349.163, subdivision 6, is amended to read:

Subd. 6. [SAMPLES OF GAMBLING EQUIPMENT.] The board shall require each licensed manufacturer to submit to the board one or more samples of each item of gambling equipment the manufacturer manufactures for sale use or resale in this state. The board shall inspect and test all the equipment it deems necessary to determine the equipment's compliance with law and board rules. Samples required under this subdivision must be approved by the board before the equipment being sampled is shipped into or sold for use or resale in this state. The board may request the assistance of the commissioner of public safety and the director of the state lottery board in performing the tests.

Sec. 50. Minnesota Statutes 1992, section 349.163, is amended by adding a subdivision to read:

<u>Subd. 8.</u> [PADDLETICKET CARD MASTER FLARES.] <u>Each sealed grouping of 100 paddleticket cards must have</u> its own individual master flare. The manufacturer must affix to or imprint at the bottom of the master flare a bar code that provides:

(1) the name of the manufacturer;

(2) the first paddleticket card number in the group;

(3) the number of paddletickets attached to each paddleticket card in the group; and

(4) other information the board by rule requires.

This subdivision applies to paddleticket cards sold by a manufacturer after June 30, 1995, for use or resale in Minnesota or shipped into or caused to be shipped into Minnesota by a manufacturer after June 30, 1995. Paddleticket cards which are subject to this subdivision shall not have a registration stamp affixed to the master flare.

Sec. 51. Minnesota Statutes 1992, section 349.164, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No person may lease a facility to more than one individual, corporation, partnership, or organization to conduct bingo without a current and valid bingo hall license under this section.

Sec. 52. Minnesota Statutes 1992, section 349.164, subdivision 6, is amended to read:

Subd. 6. [PROHIBITED ACTS.] No bingo hall licensee, person holding a financial or managerial interest in a bingo hall, or affiliate thereof may:

(1) be a licensed distributor or licensed manufacturer or affiliate of the distributor or manufacturer under section 349.161 or 349.163 or a wholesale distributor of alcoholic beverages;

(2) provide any staff to conduct or assist in the conduct of bingo or any other form of lawful gambling on the premises;

(3) acquire, provide storage or inventory control <u>for</u>, or report the use of any gambling equipment used by an organization that conducts lawful gambling on the premises;

(4) provide accounting services to an organization conducting lawful gambling on the premises;

(5) solicit, suggest, encourage, or make any expenditures of gross receipts of an organization from lawful gambling;

(6) charge any fee to a person without which the person could not play a bingo game or participate in another form of lawful gambling on the premises;

(7) provide assistance or participate in the conduct of lawful gambling on the premises; or

(8) permit more than 21 bingo occasions to be conducted on the premises in any week.

Sec. 53. Minnesota Statutes 1992, section 349.164, is amended by adding a subdivision to read:

Subd. 10. [RECORDS.] <u>A bingo hall licensee must maintain and preserve for at least 3-1/2 years records of all remuneration it receives from organizations conducting lawful gambling.</u>

Sec. 54. Minnesota Statutes 1992, section 349.1641, is amended to read:

## 349.1641 [LICENSES; SUMMARY SUSPENSION.]

The board may (1) summarily suspend the license of an organization that is more than three months late in filing a tax return <u>or in paying a tax</u> required under this chapter <u>297E</u> and may keep the suspension in effect until all required returns are filed <u>and required taxes are paid</u>; and (2) summarily suspend for not more than 90 days any license issued by the board or director for what the board determines are actions detrimental to the integrity of lawful gambling in Minnesota. The board must notify the licensee at least 14 days before suspending the license under this paragraph <u>section</u>. A contested case hearing must be held within 20 days of the summary suspension and If a license or premises permit is <u>summarily suspended under this section</u>, a <u>contested case hearing on the merits must be held</u> within 20 days of the issuance of the order of suspension, <u>unless the parties agree to a later hearing date</u>. The administrative law judge's report must be issued within 20 days after the close of the hearing record. In all cases involving summary suspension, the board must issue its final decision within 30 days after receipt of the report of the administrative law judge and subsequent exceptions and argument under section 14.61. When an organization's license is suspended <del>or revoked</del> under this <del>subdivision</del> <u>section</u>, the board shall within three days notify all municipalities in which the organization's gambling premises are located and all licensed distributors in the state.

Sec. 55: Minnesota Statutes 1992, section 349.166, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] (a) Bingo may be conducted without a license and without complying with sections <u>349.168</u>, <u>subdivisions 1</u> and <u>2</u>; 349.17, <del>subdivision</del> <u>subdivisions</u> 1, <u>4</u>, and <u>5</u>; 349.18, <u>subdivision 1</u>; and <u>349.19</u>, if it is conducted:

(1) <u>by an organization</u> in connection with a county fair, the state fair, or a civic celebration <del>if it</del> <u>and</u> is not conducted for more than 12 consecutive days <u>and is limited to no more than four separate applications for activities applied for</u> <u>and approved</u> in a calendar year; or

(2) by an organization that conducts four or fewer bingo occasions in a calendar year.

An organization that holds a license to conduct lawful gambling under this chapter may not conduct bingo under this subdivision.

(b) Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization without compliance with sections 349.11 to <u>349.15</u> and <u>349.153</u> to <u>349.213</u> if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, a manager is appointed to supervise the bingo, and the manager registers with the board. The gross receipts from bingo conducted under the limitations of this subdivision are exempt from taxation under chapter 297A.

5462

(c) Raffles may be conducted by an organization without <u>a license and without</u> complying with sections <del>349.11 to <u>349.151</u> and <u>349.151</u> to <u>349.155</u> and <u>349.165</u> to <u>349.167</u> to <u>349.213</u> if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750.</del>

(d) The organization must maintain all required records of excluded gambling activity for 3-1/2 years.

Sec. 56. Minnesota Statutes 1992, section 349.166, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] (a) Lawful gambling may be conducted by an organization as defined in section 349.12, subdivision 28, without a license and without complying with sections 349.151 to 349.16; 349.16; subdivisions 1 and 2; 349.17, subdivisions 4 and 5; 349.18, subdivision 1; and 349.19; and 349.212 if:

(1) the organization conducts lawful gambling on five or fewer days in a calendar year;

(2) the organization does not award more than \$50,000 in prizes for lawful gambling in a calendar year;

(3) the organization pays a fee of \$25 to the board, notifies the board in writing not less than 30 days before each lawful gambling occasion of the date and location of the occasion, or 60 days for an occasion held in the case of a city of the first class, the types of lawful gambling to be conducted, the prizes to be awarded, and receives an exemption identification number;

(4) the organization notifies the local government unit 30 days before the lawful gambling occasion, or 60 days for an occasion held in a city of the first class;

(5) the organization purchases all gambling equipment and supplies from a licensed distributor; and

(6) the organization reports to the board, on a single-page form prescribed by the board, within 30 days of each gambling occasion, the gross receipts, prizes, expenses, expenditures of net profits from the occasion, and the identification of the licensed distributor from whom all gambling equipment was purchased.

(b) If the organization fails to file a timely report as required by paragraph (a), clause (3) or (6), a \$250 penalty is imposed on the organization. Failure to file a timely report does not disqualify the organization as exempt under this paragraph subdivision if a report is later filed and the penalty paid.

(c) Merchandise prizes must be valued at their fair market value.

(d) Unused pull-tab and tipboard deals must be returned to the distributor within seven working days after the end of the lawful gambling occasion. The distributor must accept and pay a refund for all returns of unopened and undamaged deals returned under this paragraph.

(e) An organization that is exempt from taxation on purchases of pull-tabs and tipboards under section 349.212, subdivision 4, paragraph (c), must return to the distributor any tipboard or pull-tab deal no part of which is used at the lawful gambling occasion for which it was purchased by the organization.

(f) The organization must maintain all required records of exempt gambling activity for 3-1/2 years.

Sec. 57. Minnesota Statutes 1992, section 349.166, subdivision 3, is amended to read:

Subd. 3. [RAFFLES; CERTAIN ORGANIZATIONS.] Sections 349.21 349.168, subdivisions 3 and 4; and 349.211, subdivision 3, and the membership requirements of sections 349.14 and 349.20 section 349.16, subdivision 2, paragraph (c), do not apply to raffles conducted by an organization that directly or under contract to the state or a political subdivision delivers health or social services and that is a 501(c)(3) organization if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.

Sec. 58. Minnesota Statutes 1992, section 349.167, subdivision 1, is amended to read:

Subdivision 1. [GAMBLING MANAGER REQUIRED.] (a) All lawful gambling conducted by a licensed organization must be under the supervision of a gambling manager. A gambling manager designated by an organization to supervise lawful gambling is responsible for the gross receipts of the organization and for its conduct

## JOURNAL OF THE HOUSE

in compliance with all laws and rules. A person designated as a gambling manager shall maintain a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of the manager's duties. The terms of the bond must provide that notice be given to the board in writing not less than 30 days before its cancellation.

(b) A person may not act as a gambling manager for more than one organization, <u>except that a person may act as</u> gambling manager for up to three organizations if all three organizations conduct lawful gambling only in the same licensed bingo hall.

(c) An organization may not conduct lawful gambling without having a gambling manager. The board must be notified in writing of a change in gambling managers. Notification must be made within ten days of the date the gambling manager assumes the manager's dutics.

(d) An organization may not have more than one gambling manager at any time.

Sec. 59. Minnesota Statutes 1992, section 349.167, subdivision 2, is amended to read:

Subd. 2. [GAMBLING MANAGERS; LICENSES.] A person may not serve as a gambling manager for an organization unless the person possesses a valid gambling manager's license issued by the board. The board may issue a gambling manager's license to a person applying for the license who:

(1) has complied with subdivision 4, clause (1);

(2) has never been convicted of a felony;

(3) within the five years before the date of the license application, has not committed a violation of law or board rule that resulted in the revocation of a license issued by the board;

(4) has never been convicted of a criminal violation involving fraud, theft, tax evasion, misrepresentation, or gambling;

(5) has never been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats; and

(6) has not engaged in conduct the board determines is contrary to the public health, welfare, or safety or the integrity of lawful gambling.

A gambling manager's license is valid for one year two years unless suspended or revoked. The annual fee for a gambling manager's license is \$100 \$200. During the second year of an organization's license the license fee for a new gambling manager is \$100.

Sec. 60. Minnesota Statutes 1992, section 349.167, subdivision 4, is amended to read:

Subd. 4. [TRAINING OF GAMBLING MANAGERS.] The board shall by rule require all persons licensed as gambling managers to receive periodic training in laws and rules governing lawful gambling. The rules must contain the following requirements:

(1) each gambling manager must receive training before being issued a new license, except that in the case of the death, disability, or termination of a gambling manager, a replacement gambling manager must receive the training within 90 days of being issued a license;

(2) each gambling manager applying for a renewal of a license must have received <u>continuing education</u> training within the three years prior to the date of application for the renewal, as required by board rule, each year of the <u>two-year</u> license period; and

(3) the training required by this subdivision may be provided by a person, firm, association, or organization authorized by the board to provide the training. Before authorizing a person, firm, association, or organization to provide training, the board must determine that:

(i) the provider and all of the provider's personnel conducting the training are qualified to do so;

(ii) the curriculum to be used fully and accurately covers all elements of lawful gambling law and rules that the board determines are necessary for a gambling manager to know and understand;

(iii) the fee to be charged for participants in the training sessions is fair and reasonable; and

(iv) the training provider has an adequate system for documenting completion of training.

The rules may provide for differing training requirements for gambling managers based on the class of license held by the gambling manager's organization.

The board or the director may provide the training required by this subdivision using employees of the board.

Sec: 61. Minnesota Statutes 1992, section 349.167, is amended by adding a subdivision to read:

<u>Subd. 7.</u> [GAMBLING MANAGER EXAMINATION.] (a) By January 1, 1996, each gambling manager must pass an examination prepared and administered by the board that tests the gambling manager's knowledge of the responsibilities of gambling managers and of gambling procedures, laws, and rules. The board shall revoke the license of any gambling manager who has not passed the examination by January 1, 1996.

(b) On and after January 1, 1996, each applicant for a new gambling manager's license must pass the examination provided for in paragraph (a) before being issued the license. In the case of the death, disability, or termination of a gambling manager, a replacement gambling manager must pass the examination within 90 days of being issued a gambling manager's license. The board shall revoke the replacement gambling manager's license if the replacement gambling manager fails to pass the examination as required in this paragraph.

Sec. 62. Minnesota Statutes 1992, section 349.168, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that the following persons may receive compensation without being active members: (1) sellers of pull-tabs, tipboards, raffle tickets, paddlewheel tickets paddletickets, and bingo hard cards or paper sheets; (2) accountants performing auditing or bookkeeping services for the organization; and (3) attorneys providing legal services to the organization. The board may by rule allow other persons not active members of the organization to receive compensation.

Sec. 63. Minnesota Statutes 1992, section 349.168, subdivision 6, is amended to read:

Subd. 6. [COMPENSATION PAID BY CHECK.] Compensation paid by an organization in connection with lawful gambling must be in the form of a check drawn on the organization's gambling account, as specified in section 349.19, and paid directly to the employee person being compensated.

Sec. 64. Minnesota Statutes 1992, section 349.168, is amended by adding a subdivision to read:

Subd. 7. [COMPENSATION REPORT.] <u>A licensed organization must submit to the board once each year, on a form</u> the board prescribes, a compensation report that specifies for the year being reported: (1) each job category for which the organization pays compensation, (2) each compensation rate paid in each job category, and (3) the number of employees being paid each compensation rate during the year.

Sec. 65. Minnesota Statutes 1992, section 349.169, subdivision 1, is amended to read:

Subdivision 1. [FILING REQUIRED.] All manufacturers and distributors must file with the director, not later than the first day of each month, the prices at which the manufacturer or distributor will sell all gambling equipment in that month. The filing must be on a form the director prescribes. Prices filed must include all charges the manufacturer or distributor makes for each item of gambling equipment sold, including all volume discounts, exclusive of transportation costs. All filings are effective on the first day of the month for which they are filed, except that a manufacturer or distributor may amend a filed price within five days of filing it and may file a price any time during a month for gambling equipment not previously included on that month's filed pricing report, but may not later amend the price during the month.

Sec. 66. Minnesota Statutes 1992, section 349.17, subdivision 2, is amended to read:

Subd. 2. [BINGO ON LEASED PREMISES.] During any bingo occasion conducted by an organization, the organization is directly responsible for the:

(1) staffing of the bingo occasion;

(2) conducting of lawful gambling during the bingo occasion;

(3) acquiring, storage, inventory control, and reporting of all gambling equipment used by the organization;

(4) receipt, accounting, and all expenditures of gross receipts from lawful gambling; and

(5) preparation of the bingo packets.

Sec. 67. Minnesota Statutes 1992, section 349.17, subdivision 4, is amended to read:

Subd. 4. [CHECKERS.] One or more checkers must be engaged for each bingo occasion <u>when bingo is conducted</u> using bingo hard cards. The checker or checkers must record, on a form the board provides, the number of <u>hard</u> cards played in each game and the prizes awarded to recorded <u>hard</u> cards. The form must provide for the inclusion of the <del>registration</del> face number of each <u>winning hard</u> card and must include a checker's certification that the figures recorded are correct to the best of the checker's knowledge.

Sec. 68. Minnesota Statutes 1992, section 349.17, subdivision 5, is amended to read:

Subd. 5. [BINGO CARD NUMBERING CARDS AND SHEETS.] (a) The board shall by rule require that all licensed organizations: (1) conduct bingo only using liquid daubers on eards <u>bingo paper sheets</u> that bear an individual number recorded by the distributor; <u>and</u> (2) sell all bingo cards only in the order of the numbers appearing on the eards; and (3) use each bingo eard paper sheet for no more than one bingo occasion. In lieu of the requirements of elauses clause (2) and (3), a licensed organization may electronically record the sale of each bingo <u>hard card or paper sheet</u> at each bingo occasion using an electronic recording system approved by the board.

(b) The requirements of paragraph (a) do not shall only apply to a licensed organization that has never received gross receipts from bingo in excess of \$150,000 in any the organization's last fiscal year.

Sec. 69. Minnesota Statutes 1992, section 349.17, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [CONDUCT OF BINGO.] (a) Each bingo hard card and paper sheets must have five horizontal rows of spaces with each row except one having five numbers. The center row must have four numbers and the center space marked "free." Each column must have one of the letters B-I-N-G-O in order at the top. Bingo paper sheets may also have numbers that are not preprinted but are filled in by players.

(b) A game of bingo begins with the first letter and number called. Each player must cover or mark with a liquid dauber the numbers when bingo balls, similarly numbered, are randomly drawn, announced, and displayed to the players, either manually or with a flashboard or monitor. The game is won when a player has covered or marked a previously designated arrangement of numbers on the card or sheet and declared bingo. The game is completed when a winning card or sheet is verified and a prize awarded.

## Sec. 70. [349.171] [CONDUCT OF TIPBOARDS.]

Subdivision 1. [SALE OF TICKETS.] Tipboard games must be played using only tipboard tickets that are either (1) attached to a placard and arranged in columns or rows, or (2) separate from the placard and contained in a receptacle while the game is in play. The placard serves as the game flare. The placard must contain a seal that conceals the winning number or symbol. When a tipboard ticket is purchased and opened, each player having a tipboard ticket with one or more predesignated numbers or symbols must sign the placard at the line indicated by the number or symbol on the tipboard ticket.

<u>Subd. 2.</u> [DETERMINATION OF WINNERS.] <u>When the predesignated numbers or symbols have all been</u> purchased, or all of the tipboard tickets for that game have been sold, the seal must be removed to reveal a number or symbol that determines which of the predesignated numbers or symbols is the winning number or symbol. A tipboard may also contain consolation winners that need not be determined by the use of the seal. <u>Subd. 3.</u> [PRIZES.] <u>Cash or merchandise prizes may be awarded in a tipboard game.</u> <u>All prizes available in each game must be stated on the game flare.</u>

Sec. 71. Minnesota Statutes 1992, section 349.174, is amended to read:

#### 349.174 [PULL-TABS, DEADLINE FOR USE.]

A deal of pull-tabs and or tipboards received by an organization before September 1, 1989, must be put into play by that organization before September 1, 1990, unless the deal bears a serial number that allows it to be traced back to its manufacturer and to the distributor who sold it to the organization. An organization in possession on and after September 1, 1990, of a deal of pull-tabs and or tipboards the organization received before September 1, 1989, may not put such a deal in play but must remove it from the organization's inventory and return it to the manufacturer.

Sec. 72. Minnesota Statutes 1992, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be on a form prescribed by the board. Except for leases entered into before the effective date of this section, the term of the lease may not begin before the effective date of the premises permit and must expire on the same day that the premises permit expires. Copies of all leases must be made available to employees of the board and the division of gambling enforcement on request. A lease may not provide for payments determined directly or indirectly by the receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling provided that no rule of the board may prescribe a limit of less than \$1,000 per month on rent paid for premises used for lawful gambling other than bingo. Any rule adopted by the board limiting the amount of rent to be paid may only be effective for leases entered into, or renewed, after the effective date of the rule.

No person, distributor, manufacturer, lessor, or organization other than the licensed organization leasing the space may conduct any activity on the leased premises during times when lawful gambling is being conducted on the premises.

Sec. 73. Minnesota Statutes 1992, section 349.18, subdivision 1a, is amended to read:

Subd. 1a. [STORAGE OF GAMBLING EQUIPMENT.] (a) Gambling equipment owned by or in the possession of an organization must be kept at a licensed gambling permitted premises owned or operated leased by the organization, or at other storage sites within the state that the organization has notified the board are being used as gambling equipment storage sites. At each storage site or licensed permitted premises, the organization must have the invoices or true and correct copies of the invoices for the purchase of all gambling equipment at the site or premises. Gambling equipment owned by an organization may not be kept at a distributor's office, warehouse, storage unit, or other place of the distributor's business.

(b) Gambling equipment, other than devices for selecting bingo numbers, owned by an organization must be secured and kept separate from gambling equipment owned by other persons, organizations, distributors, or manufacturers, except that an organization may share a combined storage space in a licensed bingo hall with up to two other organizations.

(c) Paddlewheels must be covered or disabled when not in use by the organization in the conduct of lawful gambling.

(d) Gambling equipment kept in violation of this subdivision is contraband under section 349.2125.

(e) An organization may transport gambling equipment it owns or possesses between approved gambling equipment storage sites and to and from licensed distributors, if the invoices or true and correct copies of the invoices for the organization's acquisition of the gambling equipment accompany the gambling equipment at all times and are available for inspection.

Sec. 74. Minnesota Statutes 1992, section 349.18, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] (a) An organization may conduct raffles on a premise it does not own or lease.

(b) An organization may, with the permission of the board, conduct bingo on premises it does not own or lease for up to 12 consecutive days in a calendar year, in connection with a county fair, the state fair, or a civic celebration. (c) A licensed organization may, after compliance with section 349.213, conduct lawful gambling on premises other than the organization's licensed premise permitted premises for one day per year for not more than 12 hours that day. A lease for that time period for the exempted premises must accompany the request to the board.

Sec. 75. Minnesota Statutes 1992, section 349.19, subdivision 2, is amended to read:

Subd. 2. [ACCOUNTS.] Gross receipts from lawful gambling by each organization must be segregated from all other revenues of the conducting organization and placed in a separate account. All expenditures for expenses, taxes, and lawful purposes must be made from the separate account except in the case of expenditures previously approved by the organization's membership for emergencies as defined by board rule. The name and address of the bank, the account number for the separate account, and the names of organization members authorized as signatories on the separate account must be provided to the board when the application is submitted. Changes in the information must be submitted to the board at least ten days before the change is made. Gambling receipts must be deposited into the gambling bank account within three five business days of completion of the bingo occasion, deal, or game from which they are received. A deal of pull-tabs is considered complete when either the last pull-tab of the deal is sold or the organization will conduct pull-tabs. A tipboard game is considered complete when the seal on the game flare is uncovered. Deposit records must be sufficient to allow determination of deposits made from each bingo occasion, deal, or game at each permitted premises. The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.

Sec. 76. Minnesota Statutes 1992, section 349.19, subdivision 5, is amended to read:

Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly, or quarterly in the case of a <u>class C licensee or</u> licensed organization which does not report more than \$1,000 in gross receipts from lawful gambling in any calendar quarter, on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. The report must include a reconciliation of the organization's profit carryover with its cash balance on hand. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes. Submission of the report required by section 349.154 satisfies the requirement for reporting monthly to the board on expenditure of net profits.

Sec. 77. Minnesota Statutes 1992, section 349.19, subdivision 8, is amended to read:

Subd. 8. [TERMINATION PLAN.] Upon termination of a license for any reason, a licensed organization must notify the board in writing within 15 30 calendar days of the license termination date of its plan for disposal of registered gambling equipment and distribution of remaining gambling proceeds. Before implementation, a plan must be approved by the board <u>as provided in board rule</u>. The board may accept or reject a plan and order submission of a new plan or amend a proposed plan. The board may specify a time for submission of new or amended plans or for completion of an accepted plan.

Sec. 78. Minnesota Statutes 1992, section 349.19, subdivision 9, is amended to read:

Subd. 9. [ANNUAL AUDIT; FILING REQUIREMENT.] (a) An organization licensed under this chapter with gross receipts from lawful gambling of more than \$250,000 in any year must have an annual financial audit of its lawful gambling activities and funds for that year performed by an independent accountant licensed by the state of Minnesota. An organization licensed under this chapter with gross receipts from lawful gambling of more than \$250,000 in any year must have an annual financial review of its lawful gambling activities and funds for that year must have an annual financial review of its lawful gambling activities and funds for that year must have an annual financial review of its lawful gambling activities and funds for that year performed by an independent accountant licensed by the state of Minnesota.

(b) The commissioner of revenue shall prescribe standards for the <u>audits and financial reviews</u>. <u>The standards</u> for the <u>audits and financial reviews</u> that the commissioner prescribes may vary based on the gross receipts of the <u>organization</u>. The standards must incorporate and be consistent with standards prescribed by the American institute of certified public accountants. A complete, true, and correct copy of the audit report must be filed as prescribed by the commissioner of revenue.

Sec. 79. Minnesota Statutes 1992, section 349.19, subdivision 10, is amended to read:

Subd. 10. [PULL-TAB RECORDS.] (a) The board shall by rule require a licensed organization to require each winner of a pull-tab prize of \$50 or more to present identification in the form of a drivers license, Minnesota identification card, or other identification the board deems sufficient to allow the identification and tracing of the winner. The rule must require the organization to retain winning pull-tabs of \$50 or more, and the identification of the winner of the pull-tab, for 3-1/2 years.

(b) An organization must maintain separate cash banks for each deal of pull-tabs unless (1) two or more deals are commingled in a single receptacle, or (2) the organization uses a cash register, of a type approved by the board, which records all sales of pull-tabs by separate deals. The board shall (1) by rule adopt minimum technical standards for cash registers that may be used by organizations, and shall approve for use by organizations any cash register that meets the standards, and (2) before allowing an organization to use a cash register that commingles receipts from several different pull-tab games in play, adopt rules that define how cash registers may be used and that establish a procedure for organizations to reconcile all pull-tab games in play at the end of each month.

Sec. 80. Minnesota Statutes 1992, section 349.191, subdivision 1, is amended to read:

Subdivision 1. [CREDIT RESTRICTION.] A manufacturer may not offer or extend to a distributor, and a distributor may not <u>offer or</u> extend to an organization, credit for a period of more than 30 days for the sale of any gambling equipment. No right of action exists for the collection of any claim based on credit prohibited by this subdivision. The 30-day period allowed by this subdivision begins with the day immediately following the day of invoice and includes all successive days, including Sundays and holidays, to and including the 30th successive day.

Sec. 81. Minnesota Statutes 1992, section 349.191, subdivision 4, is amended to read:

Subd. 4. [CREDIT; POSTDATED CHECKS.] For purposes of this subdivision section, "credit" includes acceptance by a manufacturer or distributor of a postdated check in payment for gambling equipment.

Sec. 82. Minnesota Statutes 1992, section 349.211, subdivision 1, is amended to read:

Subdivision 1. [BINGO.] Except as provided in subdivision 2, prizes for a single bingo game may not exceed \$100 except prizes for a cover-all game, which may exceed \$100 if the aggregate value of all cover-all prizes in a bingo occasion does not exceed \$500 \$1,000. Total prizes awarded at a bingo occasion may not exceed \$2,500, unless a cover-all game is played in which case the limit is \$3,000 \$3,500. For purposes of this subdivision, a cover-all game is one in which a player must cover all spaces except a single free space to win.

Sec. 83. Minnesota Statutes 1992, section 349.211, subdivision 2, is amended to read:

Subd. 2. [BINGO CUMULATIVE PRICES PROGRESSIVE BINGO GAMES.] A prize of up to \$1,000 may be awarded for a single progressive bingo game if the prize is an accumulation of prizes not won in games in previous bingo occasions, including a cover-all game. The prize for a progressive bingo game may start at \$300 and be increased by up to \$100 for each occasion during which the progressive bingo game is played. A consolation prize of up to \$100 for a progressive bingo game may be awarded in each occasion during which the progressive bingo game is played. A consolation prize of up to \$100 for a progressive bingo game may be awarded in each occasion during which the progressive bingo game is played and the accumulated prize is not won. The total amount awarded in cumulative progressive bingo game prizes in any calendar year may not exceed \$12,000 \$36,000. For bingo occasions in which a cumulative prize is awarded the aggregate value of prizes which may be awarded for the occasion is increased by the amount of the cumulative prize so awarded less \$100.

Sec. 84. Minnesota Statutes 1992, section 349.211, subdivision 2a, is amended to read:

Subd. 2a. [PULL-TAB PRIZES.] The maximum prize which may be awarded for any single pull-tab is \$250 \$500. An organization may not sell any pull-tab for more than \$2.

Sec. 85. Minnesota Statutes 1992, section 349.2125, subdivision 1, is amended to read:

Subdivision 1. [CONTRABAND DEFINED.] The following are contraband:

(1) all pull-tab or tipboard deals <del>that do not have stamps affixed to them as provided in section 349.162</del> <u>or</u> <u>paddleticket cards not stamped or bar coded in accordance with this chapter;</u>

(2) all pull-tab or tipboard deals in the possession of any unlicensed person, firm, or organization, whether stamped or unstamped;

(3) any container used for the storage and display of any contraband pull-tab or tipboard deals as defined in clauses (1) and (2);

(4) all currency, checks, and other things of value used for pull-tab or tipboard transactions not expressly permitted under this chapter, and any cash drawer, cash register, or any other container used for illegal pull-tab or tipboard transactions including its contents;

(5) any device including, but not limited to, motor vehicles, trailers, snowmobiles, airplanes, and boats used, with the knowledge of the owner or of a person operating with the consent of the owner, for the storage or transportation of more than five pull-tab or tipboard deals that are contraband under this subdivision. When pull-tabs and tipboards are being transported in the course of interstate commerce, or from one distributor to another between locations outside this state, the pull-tab and tipboard deals are not contraband, notwithstanding the provisions of clause clauses (1) and (12);

(6) any unaffixed registration stamps except as provided in section 349.162, subdivision 4;

(7) any prize used or offered in a game utilizing contraband as defined in this subdivision;

(8) any altered, modified, or counterfeit pull-tab or tipboard ticket;

(9) any unregistered gambling equipment except as permitted by this chapter;

(10) any gambling equipment kept in violation of section 349.18; and

(11) any gambling equipment not in conformity with law or board rule;

(12) any pull-tab or tipboard deal in the possession of a person other than a licensed distributor or licensed manufacturer for which the person, upon demand of a licensed peace officer or authorized agent of the commissioner of revenue or director of gambling enforcement, does not immediately produce for inspection the invoice or a true and correct copy of the invoice for the acquisition of the deal from a licensed distributor; and

(13) any pull-tab or tipboard deals or portions of deals on which the tax imposed under chapter 297E has not been paid.

Sec. 86. Minnesota Statutes 1992, section 349.2125, subdivision 3, is amended to read:

Subd. 3. [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within ten days after the seizure of any alleged contraband, the person making the seizure shall make available an inventory of the property seized to the person from whom the property was seized, if known, and file a copy with the commissioner of revenue or the director of gambling enforcement. Within ten days after the date of service of the inventory, the person from whom the property was seized or any person claiming an interest in the property may file with the seizing authority a demand for judicial determination of whether the property was lawfully subject to seizure and forfeiture. Within 60 days after the date of filing of the demand, the seizing authority must bring an action in the district court of the county where seizure was made to determine the issue of forfeiture. The action must be brought in the name of the state and be prosecuted by the county attorney or by the attorney general. The court shall hear the action without a jury and determine the issues of fact and laws involved. When a judgment of forfeiture is entered, the seizing authority may, unless the judgment is stayed pending an appeal, either (1) cause the forfeited property to be destroyed; or (2) cause it to be sold at a public auction as provided by law.

If demand for judicial determination is made and no action is commenced by the seizing authority as provided in this subdivision, the property must be released by the seizing authority and delivered to the person entitled to it. If no demand is made, the property seized is considered forfeited to the seizing authority by operation of law and may be disposed of by the seizing authority as provided where there has been a judgment of forfeiture. When the seizing authority is satisfied that a person from whom property is seized was acting in good faith and without intent to evade the <u>a</u> tax imposed by section 349.2121, subdivision 4 349.212, the seizing authority shall release the property seized without further legal proceedings.

Sec. 87. Minnesota Statutes 1992, section 349.2127, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION AGAINST POSSESSION.] (a) A person, other than a licensed distributor, is guilty of a crime who sells, offers for sale, or possesses a pull-tab or tipboard deal or <u>paddleticket cards</u> not stamped or <u>bar</u> coded in accordance with the provisions of this chapter. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

(b) A person, other than <u>a licensed manufacturer</u>, a licensed distributor, or an organization licensed or exempt or excluded from licensing under this chapter, is guilty of a crime who sells, offers to sell, or possesses gambling equipment. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

(c) A person, firm, or organization is guilty of a crime who alters, modifies, or counterfeits pull-tabs, tipboards, or tipboard tickets, or possesses altered, modified, or counterfeit pull-tabs, tipboards, or tipboard tickets. A violation of this paragraph is a gross misdemeanor if the total face value for all such pull-tabs, tipboards, or tipboard tickets does not exceed \$200. A violation of this paragraph is a felony if the total face value exceeds \$200. For purposes of this paragraph, the face value of all pull-tabs, tipboards, and tipboard tickets altered, modified, or counterfeited within a six-month period may be aggregated and the defendant charged accordingly.

(d) A person, other than a licensed distributor or licensed manufacturer, is guilty of a crime who possesses a pull-tab or tipboard deal for which the person, upon demand of a licensed peace officer or authorized agent of the commissioner of revenue or director of gambling enforcement, does not immediately produce for inspection the invoice or a true and correct copy of the invoice for the acquisition of the deal from a licensed distributor. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards. This paragraph does not apply to pull-tab and tipboard deals being transported in interstate commerce between locations outside this state.

Sec. 88. Minnesota Statutes 1992, section 349.2127, subdivision 3, is amended to read:

Subd. 3. [FALSE INFORMATION.] (a) A person is guilty of a felony if the person is required by section 349.2121, subdivision 2, to keep records or to make returns and falsifies or fails to keep the records or falsifies or fails to make the returns.

(b) A person is guilty of a felony who:

(1) knowingly submits materially false information in any license application or other document or communication submitted to the board; or

(2) knowingly submits materially false information in any report, document, or other communication submitted to the commissioner of revenue in connection with lawful gambling or with any provision of this chapter <u>knowingly</u> places <u>materially false information on a pull-tab or</u> <u>tipboard deal</u> invoice or a copy of the invoice; or

(3) knowingly presents to a licensed peace officer or authorized agent of the commissioner of revenue or director of gambling enforcement a pull-tab or tipboard deal invoice, or a copy of the invoice, that contains materially false information.

Sec. 89. Minnesota Statutes 1992, section 349.2127, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTING UNSTAMPED DEALS.] A person is guilty of a gross misdemeanor who transports into, or <u>causes to be transported into</u>, receives, carries, or moves from place to place, or <u>causes to be moved from place to</u> <u>place</u> in this state, any <u>paddleticket cards or</u> deals of pull-tabs or tipboards not stamped or <u>bar coded</u> in accordance with this chapter except in the course of interstate commerce <u>between locations outside this state</u>. A person is guilty of a felony who violates this subdivision with respect to more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

Sec. 90. Minnesota Statutes 1992, section 349.2127, is amended by adding a subdivision to read:

Subd. 8. [AGE UNDER 18.] (a) For games conducted under chapter 349, a person under the age of 18 may not (1) participate in a bingo game, or (2) purchase or redeem for a prize a pull-tab, tipboard ticket, paddleticket, or ticket for entry in a raffle, unless the purchase price of the ticket for entry in the raffle is \$1 or less.

(b) For games conducted under chapter 349, no person may (1) sell, furnish, barter, or give to a person under the age of 18 a chance to participate in a bingo game, or award a prize in a bingo game to a person under the age of 18, or (2) sell, furnish, barter, or give to a person under the age of 18 or redeem from such person for a prize a pull-tab, tipboard ticket, paddleticket, or ticket for entry in a raffle, unless the purchase price of the ticket for entry in the raffle is \$1 or less.

(c) It is an affirmative defense to a charge under paragraph (b) for the person to prove by a preponderance of the evidence that the person, reasonably and in good faith, relied upon representation of proof of age described in section 340A.503, subdivision 6, in providing the person under the age of 18 the chance to participate.

Sec. 91. Minnesota Statutes 1992, section 349.213, subdivision 1, is amended to read:

Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home rule city or county has the authority to adopt more stringent regulation of lawful gambling within its jurisdiction, including the prohibition of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section 349.166. The fee for a permit issued under this subdivision may not exceed \$100. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations or sales by distributors licensed by the board. The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent from its net profits derived from lawful gambling. For the purposes of this subdivision, net profits are gross profits less amounts expended for allowable expenses and paid in taxes assessed on lawful gambling. A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except as authorized under section 349.16, subdivision 4 8, or 349.212 297E.02; provided, however, that an ordinance requirement that such organizations must contribute ten percent of their net profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction to a fund administered and regulated by the responsible local unit of government without cost to such fund, for disbursement by the responsible local unit of government of the receipts for lawful purposes, is not considered an expenditure to the city or county nor a tax under section 349.212, and is valid and lawful.

(b) A statutory or home rule city or county may by ordinance require that a licensed organization conducting lawful gambling within its jurisdiction expend all or a portion of its expenditures for lawful purposes on lawful purposes conducted or located within the city's or county's trade area. Such an ordinance <u>must be limited to lawful purpose</u> expenditures of gross profits <u>derived from lawful gambling conducted at premises within the city's or county's trade area</u>, and must specify the percentage of lawful purpose expenditures which must be expended within the trade area. A trade area defined by a city under this subdivision must include each city contiguous to the defining city.

(c) A more stringent regulation or prohibition of lawful gambling adopted by a political subdivision under this subdivision must apply equally to all forms of lawful gambling within the jurisdiction of the political subdivision, except a political subdivision may prohibit the use of paddlewheels.

Sec. 92. [REPEALER.]

Minnesota Statutes 1992, sections 349.16, subdivisions 4 and 5; 349.161, subdivisions 3, 6, and 7; 349.163, subdivisions 1a and 2a; 349.164, subdivisions 3, 5, and 8; and 349.167, subdivisions 3 and 5; are repealed.

Sec. 93. [EFFECTIVE DATE.]

The requirement that a paddleticket must have a bar code is effective January 1, 1995. The rulemaking authority granted in this act is effective the day following final enactment.

#### ARTICLE 6

### LAWFUL GAMBLING TRANSFER

Section 1. [LEGISLATIVE INTENT]

The intent of sections 2 to 8 is to insure regulation of lawful gambling in Minnesota to carry out the purposes of lawful gambling regulation provided by law while resolving any ambiguity about the constitutional status of lawful gambling.

Sec. 2. Minnesota Statutes 1992, section 349.12, subdivision 10, is amended to read:

Subd. 10. [DIRECTOR.] "Director" is the director of the gambling control board division of the state lottery.

Sec. 3. Minnesota Statutes 1992, section 349.12, is amended by adding a subdivision to read:

Subd. 11a. [DIVISION.] "Division" is the lawful gambling control division in the state lottery.

### Sec. 4. [349.1511] [LAWFUL GAMBLING CONTROL DIVISION.]

<u>Subdivision 1.</u> [DIVISION ESTABLISHED.] <u>A lawful gambling control division is established within the state</u> lottery, consisting of the director of lawful gambling control and all employees of the division. The director and division are the successor to the gambling control board for the purpose of continuing all actions, proceedings, and rules of the gambling control board undertaken or in effect on the effective date of this section.

Subd. 2. [ATTORNEY GENERAL.] Notwithstanding section 349A.02, subdivision 4, the attorney general is the attorney for the division and director.

Sec. 5. Minnesota Statutes 1992, section 349.152, is amended to read:

349.152 [DIRECTOR.]

Subdivision 1. [APPOINTED.] The governor shall appoint, with the advice and consent of the senate, a <u>the</u> director from a list of one or more persons submitted by the board of lawful gambling <u>control</u>. The director serves in the unclassified service at the pleasure of the governor.

Subd. 2. [DUTIES OF THE DIRECTOR.] The director has the following duties:

(1) to regulate lawful gambling to ensure it is conducted in the public interest;

(2) to issue, suspend, and revoke licenses and premises permits for organizations, and licenses for distributors, bingo halls, manufacturers, and gambling managers;

(3) to collect and deposit license, permit, and registration fees due under this chapter;

(4) to receive reports required by this chapter and inspect all premises, records, books and other documents of organizations, distributors, manufacturers, and bingo halls to insure compliance with all applicable laws and rules,

(5) to make rules authorized by this chapter, including rules for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;

(6) to register gambling equipment and issue registration stamps;

(7) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling;

(8) to impose civil penalties of not more than \$500 per violation on organizations, distributors, manufacturers, bingo halls, and gambling managers for failure to comply with any provision of this chapter or any rule of the director;

(9) to register employees of organizations licensed to conduct lawful gambling;

(10) to require fingerprints from persons determined by rule to be subject to fingerprinting;

(1) to carry out gambling policy established by the board;

(2) (11) to employ and supervise personnel of the board;

(3) to advise and make recommendations to the board on rules;

(4) to issue licenses and premises permits as authorized by the board;

(5) (12) to issue cease and desist orders;

(6) to make recommendations to the board on license issuance, denial, suspension and revocation, and civil. penaltics the board imposes; and

(7) (13) to ensure that board the director's rules, policy, and decisions are adequately and accurately conveyed to the board's director's licensees; and

## (14) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

<u>Subd. 2a.</u> [HEARINGS; FINES.] <u>Any organization, distributor, bingo hall operator, or manufacturer assessed a civil penalty may request a hearing before the director. Hearings conducted on appeals of imposition of penalties are not subject to the provisions of the administrative procedure act. All fees and penalties received by the director must be deposited in the general fund.</u>

Subd. 3. [CEASE AND DESIST ORDERS.] Whenever it appears to the director that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule:

(a) The director has the power to issue and cause to be served upon the person an order requiring the person to cease and desist from violations of this chapter. The order must give reasonable notice of the rights of the person to request a hearing and must state the reason for the entry of the order. A hearing shall be held not later than seven days after the request for the hearing is received by the **board** <u>director</u> after which and within 20 days of the date of the hearing the <u>board</u> <u>director</u> shall issue an order vacating the cease and desist order or making it permanent as the facts require. All hearings shall be conducted in accordance with the provisions of chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against the person upon consideration of the cease and desist order, the allegations of which may be deemed to be true.

(b) The **board** <u>director</u> may bring an action in the district court in the appropriate county to enjoin the acts or practices and to enforce compliance with this chapter or any rule and may refer the matter to the attorney general. Upon a proper showing, a permanent or temporary injunction, restraining order, or writ of mandamus shall be granted. The court may not require the <u>board</u> <u>director</u> to post a bond.

Subd. 4. [EXECUTIVE ASSISTANT.] The director may appoint an executive assistant to the director, who is in the unclassified service.

Sec. 6. Minnesota Statutes 1992, section 349.153, is amended to read:

### 349.153 [CONFLICT OF INTEREST.]

(a) A person may not serve on the board, be the director, or be an employee of the board <u>division</u> who has an interest in any corporation, association, or partnership that is licensed by the <u>board director</u> as a distributor, manufacturer, or a bingo hall under section 349.164.

(b) A member of the board, The director, or an employee of the board <u>division</u> may not participate in the conducting of lawful gambling.

Sec. 7. Minnesota Statutes 1992, section 349.169, subdivision 2, is amended to read:

Subd. 2. [COPIES.] The director shall provide copies of price filings to any person requesting them and may charge a reasonable fee for the copies. Any person may examine price filings in the **board** <u>division</u> office at no cost, and the director shall make the filings available for that purpose.

Sec. 8. [GAMBLING CONTROL TRANSFER.]

<u>Subdivision 1.</u> [BOARD ABOLISHED.] <u>The gambling control board is abolished</u>. <u>All powers, duties, rules, actions,</u> and other proceedings of the gambling control board in effect or undertaken by the board on or before the effective date of this section are transferred to the director of lawful gambling control. All money appropriated to the gambling control board is transferred to the lawful gambling control division in the state lottery.

Subd. 2. [INSTRUCTION TO REVISOR.] The revisor of statutes, in the next and subsequent editions of Minnesota Statutes, shall:

(1) substitute "director" for "board," and make such other stylistic changes as are necessary in the following sections as amended by this act: 349.12; 349.154; 349.161; 349.162; 349.163; 349.164; 349.164; 349.165; 349.165; 349.166; 349.167; 349.168; 349.17; 349.172; 349.18; 349.19; 349.191; 349.211; 349.213; and any new section, or new subdivision of an existing section, enacted in 1994 that refers to the gambling control board;

· .

(2) make the same changes in chapters 7861 to 7865 of Minnesota Rules; and

(3) recodify sections 349.11 to 349.23, as amended by clause (1), other provisions of this act, and any other law enacted in 1994, as part of chapter 349A, beginning with section 349A.17.

Sec. 9. [TRANSITION.]

The person who is serving as director of the gambling control board on June 30, 1994, shall serve as the director of lawful gambling control until June 30, 1995, and until that date may be removed only for cause. On and after July 1, 1995, the appointment of the director of lawful gambling control is governed by section 5.

Sec. 10. [REPEALER.]

Minnesota Statutes 1992, sections 349.12, subdivision 6; and 349.151, as amended by Laws 1993, chapter 13, article 1, section 3, are repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective July 1, 1994.

#### ARTICLE 7

#### STATE LOTTERY

Section 1. Minnesota Statutes 1993 Supplement, 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 director from a list of at least three persons recommended to the governor by the 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 Laws 1993, chapter 146.

Sec. 2. Minnesota Statutes 1992, section 349A.04, is amended to read:

349A.04 [LOTTERY GAME PROCEDURES.]

The director may adopt game procedures governing the following elements of the lottery:

(1) lottery games;

(2) ticket prices;

(3) number and size of prizes;

(4) methods of selecting winning tickets; and

(5) frequency and method of drawings.

The adoption of lottery game procedures is not subject to chapter 14. Before adopting a lottery game procedure, the director shall submit the procedure to the board for its review and comment.

Sec. 3. Minnesota Statutes 1992, section 349A.05, is amended to read:

349A.05 [RULES.]

The director may adopt rules, including emergency rules, under chapter 14 governing the following elements of the lottery:

(1) the number and types of lottery retailers' locations;

(2) qualifications of lottery retailers and application procedures for lottery retailer contracts;

(3) investigation of lottery retailer applicants;

(4) appeal procedures for denial, suspension, or cancellation of lottery retailer contracts;

(5) compensation of lottery retailers;

(6) accounting for and deposit of lottery revenues by lottery retailers;

(7) procedures for issuing lottery procurement contracts and for the investigation of bidders on those contracts;

(8) payment of prizes;

(9) procedures needed to ensure the integrity and security of the lottery; and

(10) other rules the director considers necessary for the efficient operation and administration of the lottery.

Before adopting a rule the director shall submit the rule to the board for its review and comment.

Sec. 4. Minnesota Statutes 1993 Supplement, section 349A.06, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS.] (a) The director may not contract with a retailer who:

(1) is under the age of 18;

(2) is in business solely as a seller of lottery tickets;

(3) owes \$500 or more in delinquent taxes as defined in section 270.72;

(4) has been convicted within the previous five years of a felony or gross misdemeanor, any crime involving fraud or misrepresentation, or a gambling-related offense;

(5) is a member of the immediate family, residing in the same household, as the director<del>, board member,</del> or any employee of the lottery;

(6) in the director's judgment does not have the financial stability or responsibility to act as a lottery retailer, or whose contracting as a lottery retailer would adversely affect the public health, welfare, and safety, or endanger the security and integrity of the lottery; or

(7) is a currency exchange, as defined in section 53A.01.

A contract entered into before August 1, 1990, which violates clause (7) may continue in effect until its expiration but may not be renewed.

(b) An organization, firm, partnership, or corporation that has a stockholder who owns more than five percent of the business or the stock of the corporation, an officer, or director, that does not meet the requirements of paragraph (a), clause (4), is not eligible to be a lottery retailer under this section.

(c) The restrictions under paragraph (a), clause (4), do not apply to an organization, partnership, or corporation if the director determines that the organization, partnership, or firm has terminated its relationship with the individual whose actions directly contributed to the disqualification under this subdivision.

Sec. 5. Minnesota Statutes 1993 Supplement, section 349A.08, subdivision 7, is amended to read:

Subd. 7. [PAYMENTS PROHIBITED.] (a) No prize may be paid to a member of the board, the director or an employee of the lottery, or a member of their families residing in the same household of the member, director, or employee. No prize may be paid to an officer or employee of a vendor which at the time the game or drawing was being conducted was involved with providing goods or services to the lottery under a lottery procurement contract.

(b) No prize may be paid for a stolen, altered, or fraudulent ticket.

Sec. 6. Minnesota Statutes 1992, section 349A.10, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [BUDGET APPEARANCE.] The director shall appear at least once each fiscal year before the senate and house of representatives committees having jurisdiction over gambling policy to present and explain the lottery's budget and spending plans for the next fiscal year.

Sec. 7. Minnesota Statutes 1993 Supplement, section 349A.11, is amended to read:

349A.11 [CONFLICT OF INTEREST.]

(a) The director, a board member, an employee of the lottery, a member of the immediate family of the director, board member, or employee residing in the same household may not:

purchase a lottery ticket;

(2) have any personal pecuniary interest in any vendor holding a lottery procurement contract, or in any lottery retailer; or

(3) receive any gift, gratuity, or other thing of value, excluding food or beverage, from any lottery vendor or lottery retailer, or person applying to be a retailer or vendor, in excess of \$100 in any calendar year.

(b) A violation of paragraph (a), clause (1), is a misdemeanor. A violation of paragraph (a), clause (2), is a gross misdemeanor. A violation of paragraph (a), clause (3), is a misdemeanor unless the gift, gratuity, or other item of value received has a value in excess of \$500, in which case a violation is a gross misdemeanor.

(c) The director or an unclassified employee of the lottery may not, within one year of terminating employment with the lottery, accept employment with, act as an agent or attorney for, or otherwise represent any person, corporation, or entity that had any lottery procurement contract or bid for a lottery procurement contract with the lottery within a period of two years prior to the termination of their employment. A violation of this paragraph is a misdemeanor.

Sec. 8. Minnesota Statutes 1993 Supplement, section 349A.12, subdivision 4, is amended to read:

Subd. 4. [LOTTERY RETAILERS AND VENDORS.] A person who is a lottery retailer, or is applying to be a lottery retailer, a person applying for a contract with the director, or a person under contract with the director to supply goods or services to lottery may not pay, give, or make any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality, or service, excluding food or beverage, having an aggregate value of over \$100 in any calendar year to the director, board member, or an employee of the lottery, or to a member of the immediate family residing in the same household as that person.

Sec. 9. [LOTTERY BOARD ABOLISHED.]

The state lottery board is abolished. The terms of all persons serving on the board on the effective date of this section expire on that date.

Sec. 10. [REPEALER.]

<u>Minnesota Statutes 1992, sections 349A.01, subdivision 2; 349A.02, subdivision 8; 349A.03, subdivision 1; and</u> <u>Minnesota Statutes 1993 Supplement, section 349A.03, subdivision 2, are repealed.</u>

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to to 10 are effective July 1, 1994.

#### ARTICLE 8

#### INDIAN GAMING

Section 1. Minnesota Statutes 1992, section 3.9221, subdivision 2, is amended to read:

Subd. 2. [NEGOTIATIONS AUTHORIZED.] The governor or the governor's designated representatives shall, pursuant to section 11 of the act, negotiate in good faith a tribal-state compact regulating the conduct of class III gambling, as defined in section 4 of the act, on Indian lands of a tribe requesting negotiations. The agreement may

5477

include any provision authorized under section 11(d)(3)(C) of the act. The attorney general is the legal counsel for the governor or the governor's representatives in regard to negotiating a compact under this section. If the governor appoints designees to negotiate under this subdivision, the designees must include at least two members of the senate and two members of the house of representatives, two of whom must be the chairs of the senate and house of representatives standing committees with jurisdiction over gambling policy.

Sec. 2. Minnesota Statutes 1992, section 3.9221, subdivision 5, is amended to read:

Subd. 5. [REPORT.] The governor, the attorney general, and the governor's designated representatives shall report to the house and senate committees having jurisdiction over gambling regulation semiannually <u>annually</u>. This report shall contain information on compacts negotiated, and an outline of prospective negotiations.

Sec. 3. Minnesota Statutes 1992, section 299L.02, subdivision 5, is amended to read:

Subd. 5. [BACKGROUND CHECKS.] In any background check required to be conducted by the division of gambling enforcement under this chapter, chapter 240, 349, or 349A, or section 3.9221, the director may, or shall when required by law, require that fingerprints be taken and the director may forward the fingerprints to the Federal Bureau of Investigation for the conducting of a national criminal history check. The director may charge a fee for fingerprint recording and investigation under section 3.9221.

Sec. 4. Minnesota Statutes 1992, section 299L.02, is amended by adding a subdivision to read:

<u>Subd. 7.</u> [REVOLVING ACCOUNT.] The director shall deposit in a separate account in the state treasury all money received from Indian tribal governments for services provided by the state, including legal services, related to tribal-state gaming compacts. Money in the account is appropriated to the director for the purpose of carrying out the state's powers and duties under those compacts. The director may transfer money in the account to the attorney general to defray the attorney general's costs in providing legal services with respect to Indian gaming.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 and 2 are effective June 1, 1994. Sections 3 and 4 are effective July 1, 1994.

### ARTICLE 9

### MISCELLANEOUS

Section 1. [4.47] [REPORT ON COMPULSIVE GAMBLING.]

The governor shall report to the legislature by February 1 of each odd-numbered year on the state's progress in addressing the problem of compulsive gambling. The report must include:

(1) a summary of available data describing the extent of the problem in Minnesota;

(2) a summary of programs, both governmental and private, that

(i) provide diagnosis and treatment for compulsive gambling,

(ii) enhance public awareness of the problem and the availability of compulsive gambling services,

(iii) are designed to prevent compulsive gambling and other problem gambling by elementary and secondary school students and vulnerable adults;

(iv) offer professional training in the identification, referral, and treatment of compulsive gamblers;

(3) the likely impact on compulsive gambling of each form of gambling; and

(4) budget recommendations for state-level compulsive gambling programs and activities.

Sec. 2. Minnesota Statutes 1992, section 245.98, subdivision 2, is amended to read:

Subd. 2. [PROGRAM.] The commissioner of human services shall establish a program for the treatment of compulsive gamblers. The commissioner may contract with a nonprofit entity with expertise regarding the treatment of compulsive gambling to operate the program. The program may include the establishment of a statewide toll-free

number, resource library, public education programs; regional in-service training programs and conferences for health care professionals, educators, treatment providers, employee assistance programs, and criminal justice representatives; and the establishment of certification standards for programs and service providers. The commissioner may enter into agreements with other governmental or nonprofit entities and may employ or contract with consultants to facilitate the provision of these services or the training of individuals to qualify them to provide these services. The program may also include inpatient and outpatient treatment and rehabilitation services and research studies. The research studies must include baseline and prevalence studies for adolescents and adults to identify those at the highest risk. The program must be approved by the commissioner before it is established.

Sec. 3. [LEGISLATIVE FINDINGS.]

The legislature finds that:

(1) The professional and amateur sports protection act of 1992 has been signed into law as Public Law Number 102-559.

(2) Public Law Number 102-559 prohibits any state from operating or permitting any organized wagering on sports events, but excludes those states which had as of October 2, 1992, enacted legislation or had a referendum pending that would legalize organized wagering on sports events, either by the state or by private entities.

(3) By passage of Public Law Number 102-559 Congress has infringed on the traditional rights of states to make their own determinations as to appropriate methods of controlling or combatting illegal gambling or raising state revenue, and raises serious questions as to possible violations of the tenth amendment to the United States Constitution.

(4) The exemptions granted in Public Law Number 102-559 to a handful of states are unreasonable, arbitrary, and discriminatory.

Sec. 4. [ATTORNEY GENERAL TO BRING ACTION.]

The attorney general shall examine and analyze the legal issues involved and the propriety of bringing an action in the appropriate federal court to determine the constitutionality of Public Law Number 102-559 to the extent that it infringes on the authority of the legislature to enact legislation relating to organized wagering on sports events. After this examination and analysis the attorney general may, at the attorney general's discretion, bring such an action to determine the constitutionality of Public Law Number 102-559. By March 1, 1995, the attorney general shall report to the legislature on the attorney general's activities under this section.

Sec. 5. [ADVISORY COUNCIL.]

<u>Subdivision 1.</u> [COUNCIL ESTABLISHED.] <u>A governor's advisory council on gambling is created to advise the governor on all aspects of state policy on gambling.</u>

Subd. 2. [MEMBERSHIP.] The council consists of 12 members, as follows:

(1) one member, appointed by the governor, who shall be the person on the governor's staff who is the primary responsible person on the governor's staff for gambling policy, who shall act as chair of the council;

(2) Eight members appointed by the governor, each of whom must reside in a different congressional district;

(3) one member appointed by the attorney general who must be an attorney in the attorney generals' office;

(4) the chairs of the senate and house of representatives standing committees with jurisdiction over gambling policy. Members of the council shall serve without compensation.

Subd. 3. [DUTIES.] The council has the following duties:

(1) to consult with state agencies responsible for gambling operation, policy, regulation, or enforcement, either on its own initiative or on the initiative of the agency;

(2) to assist the governor in making recommendations contained in the compulsive gambling report required by section 1;

(3) to advise the governor on the development of a socio-economic model to support decision-making on gambling issues;

(4) to consider any gambling-related questions, and respond to requests for information or recommendations, from the governor or legislature;

(5) to make recommendations on the desirability and practicability of implementing video lottery and video gaming systems in the state; and

(6) to consider and make recommendations on the appropriate level of regulation for the nonprofit gambling industry.

Subd. 4. [EXPIRATION DATE.] The provisions of section 15.059, subdivision 5, do not apply to the council.

Sec. 6. [SOCIO-ECONOMIC MODEL.]

The governor shall include in the governor's budget proposals for the 1996-97 biennium a proposal to create and maintain a socio-economic model that will allow executive agencies and the legislature to estimate the social, economic, and public revenue effects of different forms of gambling and changes in Minnesota gambling laws.

Sec. 7. [INSTRUCTION TO REVISOR; NONPROFIT GAMBLING.]

The revisor of statutes, in the next and subsequent editions of Minnesota Statutes and Minnesota Rules, shall change the term "lawful gambling" to "nonprofit gambling" wherever it appears.

Sec. 8. [EFFECTIVE DATE.]

Sections 3 and 4 are effective the day following final enactment. Section 5 is effective July 1, 1994."

Delete the title and insert:

"A bill for an act to gambling; abolishing the Minnesota racing commission and transferring its powers and duties to the director of pari-mutuel racing; repealing references in law to off-track betting on horse racing; proposing a constitutional amendment to authorize off-track betting; recodifying gambling tax laws; extending gambling taxes to gambling other than licensed lawful gambling; setting out qualifications for licensing by the division of gambling enforcement as a manufacturer or distributor of gambling devices; prohibiting unauthorized possession of gambling devices and prescribing a penalty; providing for the regulation of lawful gambling; providing additional lawful purposes for which lawful gambling net profits may be spent; repealing requirements for gambling stamps and substituting requirements for bar coding of gambling equipment; authorizing pull-tab dispensing devices; creating a division of lawful gambling control in the state lottery; abolishing the gambling control board and transferring its powers and duties to the director of the division of lawful gambling control; providing qualifications for lawful gambling licenses; abolishing the state lottery board; authorizing the sale of state lottery tickets at the Minneapolis-St. Paul international airport; specifying who must be a designee of the governor in negotiations with Indian tribes for tribal-state compacts on class III gaming; establishing revolving funds and appropriating money received from Indian tribes under compacts; prescribing penalties; providing appointments; amending Minnesota Statutes 1992, sections 3.9221, subdivisions 2 and 5; 240.01, subdivision 4; 240.04; 240.05; 240.06; 240.09; 240.10; 240.12; 240.13; 240.15; 240.155; 240.16; 240.25, subdivision 2; 240.27, subdivision 1; 240.28; 245.98, subdivision 2; 270.101, subdivision 1; 299L.01, subdivision 1, and by adding a subdivision; 299L.02, subdivisions 2, 5, and by adding subdivisions; 299L.03, subdivisions 1, 2, 6, and by adding a subdivision; 299L.07; 349.12, subdivisions 1, 3a, 4, 8, 10, 11, 16, 18, 19, 21, 23, 30, 32, 34, and by adding subdivisions; 349.15; 349.151, subdivision 4, and by adding subdivisions; 349.152; 349.153; 349.154; 349.16, subdivisions 2, 3, 6, 8, and by adding a subdivision; 349.161, subdivisions 1 and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 3, 5, 6, and by adding a subdivision; 349.164, subdivisions 1, 6, and by adding a subdivision; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1, 2, 4, and by adding a subdivision; 349.168, subdivisions 3, 6, and by adding a subdivision; 349.169, subdivisions 1 and 2; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 5, 8, 9, and 10; 349.191, subdivisions 1 and 4; 349.211, subdivisions 1, 2, and 2a; 349.2123; 349.2125, subdivisions 1 and 3; 349.2127,

#### WEDNESDAY, MARCH 23, 1994

subdivisions 2, 3, 4, and by adding a subdivision; 349.213, subdivision 1; 349.22, subdivision 1; 349A.04; 349A.05; 349A.10; by adding a subdivision; 609.755; Minnesota Statutes 1993 Supplement, sections 240.011; 349.12, subdivision 25; 349A.02, subdivision 1; 349A.06, subdivision 2; 349A.08, subdivision 7; 349A.11; and 349A.12, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 4; 240; and 349; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1992, sections 240.01, subdivisions 4, 17, 18, 20, 21, and 23; 240.02; 240.03; 240.091; 299L.04; 349.12, subdivision 6; 349.151; 349.16, subdivisions 4 and 5; 349.161, subdivisions 3, 6, and 7; 349.163, subdivisions 1a and 2a; 349.164, subdivisions 3, 5, and 8; 349.166, subdivision 4; 349.167, subdivisions 3 and 5; 349.212, subdivisions 1, 2, 3, 5, 6, and 7; 349.2121; 349.212; 349.215; 349.2151; 349.2152; 349.216; 349.217, subdivisions 3, 4, 5, 6, 7, 8, and 9; 349.2171; 349.219; 349A.01, subdivision 2; 349A.02, subdivision 8; 349A.03, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.217, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.207, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.207, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.217, subdivision 1; Minnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.217, subdivision 1; Ainnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.217, subdivision 1; Ainnesota Statutes 1993 Supplement, sections 349.2115; 349.212, subdivision 4; 349.217, subdivision 1; 2, and 5a; and 349A.03, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 2095, A bill for an act relating to employment; modifying provisions relating to the public employee vacation donation program; amending Minnesota Statutes 1992, section 43A.181, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 14, delete "in the" and insert "donated to an individual employee's"

Page 1, line 16, delete the first "and insert "the"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 2274, A bill for an act relating to Freeborn county; permitting the appointment of the recorder and auditor/treasurer; authorizing the reorganization of county offices.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 377, 1155, 1778, 1829, 1881, 1913, 1915, 2045, 2064, 2178, 2187, 2278, 2292, 2321, 2567, 2622, 2675, 2680, 2692, 2710, 2821 and 2892 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 2040, 2095 and 2274 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jacobs, for the Committee on Regulated Industries and Energy, introduced:

H. F. No. 3100, A resolution memorializing the President and Congress to maintain funding for the low-income home energy assistance program and to continue its operation in Minnesota.

The bill was read for the first time and referred to the Committee on Regulated Industries and Energy.

Lourey and Jennings introduced:

H. F. No. 3101, A bill for an act relating to Pine county; permitting the county board to further extend certain temporary land use controls; amending Laws 1993, chapter 55, section 1.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Milbert and Pugh introduced:

H. F. No. 3102, A bill for an act relating to capital improvements; appropriating money for a public water access site on the Mississippi river; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Steensma; Olson, K.; Girard and Winter introduced:

H. F. No. 3103, A bill for an act relating to education; establishing a joint program between the University of Minnesota and Southwest State University to offer graduate nursing education in southwestern Minnesota; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136.

The bill was read for the first time and referred to the Committee on Education.

Rukavina, Wejcman, Dawkins, Kahn and Lieder introduced:

H. F. No. 3104, A bill for an act relating to taxation; imposing income limitations on the property tax targeting refund; amending Minnesota Statutes 1993 Supplement, section 290A.04, subdivision 2h.

The bill was read for the first time and referred to the Committee on Taxes.

Smith, Garcia, Mariani and Dawkins introduced:

H. F. No. 3105, A bill for an act relating to employment; requiring large employers to survey employees regarding cultural diversity awareness; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 363.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bertram and Krueger introduced:

H. F. No. 3106, A bill for an act relating to retirement; directing a study and comparison of teacher's retirement annuities.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Farrell introduced:

H. F. No. 3107, A bill for an act relating to retirement; public employees retirement association; authorizing certain trades personnel employed by independent school district No. 625 to elect an exclusion from retirement plan coverage; amending Minnesota Statutes 1993 Supplement, section 353.01, subdivision 2b; Laws 1965, chapter 705, section 1, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Farrell, Winter, Ostrom, Lieder and Mosel introduced:

H. F. No. 3108, A bill for an act relating to insurance; workers' compensation self-insurance; creating a mutual self-insurers' security fund; providing for its oversight and operation; amending Minnesota Statutes 1992, section 79A.02, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 79A.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### Osthoff introduced:

H. F. No. 3109, A bill for an act relating to transportation; modifying distribution of money in transit assistance fund; establishing annual gasoline excise tax rate adjustment; modifying amounts of motor vehicle excise tax money transferred to transit assistance fund; appropriating money; amending Minnesota Statutes 1992, sections 296.02, by adding a subdivision; and 297B.09, subdivision 1; Minnesota Statutes 1993 Supplement, section 174.32, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Solberg; Rukavina; Munger; Johnson, V., and Pauly introduced:

H. F. No. 3110, A bill for an act relating to waters; requiring marking or illumination of motor vehicles on ice at night and marking of shelters on ice; amending Minnesota Statutes 1992, section 97C.355, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark, Jefferson, Sarna and Carlson introduced:

H. F. No. 3111, A bill for an act relating to education; expanding Minneapolis health insurance subsidy to include eligible Minneapolis teachers who retire before May 1, 1984; amending Minnesota Statutes 1992, section 124.916, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Clark introduced:

H. F. No. 3112, A bill for an act relating to capital improvements; appropriating money to the commissioner of jobs and training to construct facilities for head start or other early intervention education programs; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Education.

#### Smith introduced:

H. F. No. 3113, A bill for an act relating to retirement; authorizing purchase of service credit for previously exempt service by certain members of the teachers retirement association.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Pugh introduced:

H. F. No. 3114, A bill for an act relating to health; exempting certain municipally operated ambulance services from specific licensing requirements; amending Minnesota Statutes 1992, section 144.802, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E., introduced:

H. F. No. 3115, A bill for an act relating to Mahnomen county; authorizing the county to issue certain general obligation bonds.

The bill was read for the first time and referred to the Committee on Taxes.

Macklin and Pugh introduced:

H. F. No. 3116, A bill for an act relating to family law; changing certain service and notice provisions in marriage dissolution actions; providing for a committee to study restructuring of family and juvenile courts; requiring a report; amending Minnesota Statutes 1992, sections 518.11; and 518B.01, subdivision 8; Minnesota Statutes 1993 Supplement, section 518.68, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Morrison, Simoneau, Pauly, McGuire and Bishop introduced:

H. F. No. 3117, A bill for an act relating to family law; requiring consent for a parent to remove a child from this state for the purpose of leaving the country; imposing penalties; amending Minnesota Statutes 1992, section 609.26, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Judiciary.

Bertram introduced:

H. F. No. 3118, A bill for an act relating to taxation; increasing the funding for firefighters state aid; amending Minnesota Statutes 1992, section 69.021, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

## **MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2130, A bill for an act relating to counties; St. Louis; assigned the former town of Payne to the 7th commissioner district.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Tomassoni moved that the House concur in the Senate amendments to H. F. No. 2130 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 2130, A bill for an act relating to counties; St. Louis; assigned the former town of Payne to the 7th commissioner district.

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 1 nay as follows:

Those who voted in the affirmative were:

· .						
Abrams	Delmont	Huntley	Lieder	Olson, K.	Rodosovich	Van Engen
Anderson, R.	Dempsey	Jacobs	Limmer	Olson, M.	Rukavina	Vellenga
Asch	Dorn	Jaros	Lindner	Onnen	Sama	Vickerman
Battaglia	Erhardt	Jefferson	Long	Opatz	Seagren	Wagenius
Bauerly	Evans	Jennings	Luther	Orenstein	Sekhon	Waltman
Bergson	Farrell	Johnson, A.	Lynch	Orfield	Simoneau	Weaver
Bertram	Finseth	Johnson, V.	Macklin	Osthoff	Skoglund	Wejcman
Bishop	Frerichs	Kahn	Mahon	Ostrom	Smith	Winter
Brown, C.	Garcia	Kalis	McCollum	Ozment	Solberg	Wolf
Brown, K.	Girard	Kelley	McGuire	Pauly	Stanius	Worke
Carlson	Goodno	Kelso	Molnau	Pelowski	Steensma	Workman
Carruthers	Greiling	Kinkel	Morrison	Perlt	Sviggum	Spk. Anderson, I.
Clark	Gruenes	Klinzing	Mosel	Peterson	Swenson	•
Commers	Gutknecht	Knight	Munger	Pugh	Tomassoni	
Cooper	Hasskamp	Koppendrayer	Murphy	Reding	Tompkins	
Dauner	Haukoos	Krinkie	Neary	Rest	Trimble	
Davids	Hausman	Krueger	Nelson	Rhodes	Tunheim	
Dehler	Holsten	Lasley	Ness	Rice	Van Dellen	
		-				

Those who voted in the negative were:

Johnson, R.

The bill was repassed, as amended by the Senate, and its title agreed to.

### CONSENT CALENDAR

The Speaker called Bauerly to the Chair.

S. F. No. 1750, A bill for an act relating to commerce; expanding the scope of department enforcement authority to include additional areas over which it has responsibility; amending Minnesota Statutes 1992, section 45.027, subdivision 7; and Minnesota Statutes 1993 Supplement, section 45.011, subdivisions 1 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Bettermann	Carlson	Cooper	Dehler	Erhardt
Anderson, R.	Beard	Bishop	Carruthers	Dauner	Delmont	Evans
Asch	Bergson	Brown, C.	Clark	Davids	Dempsey	Farrell
Battaglia	Bertram	Brown, K.	Commers	Dawkins	Dorn	Finseth

### JOURNAL OF THE HOUSE

#### [76TH DAY

Frerichs Jefferson Lasley Murphy Pelowski Smith Waltman Garcia Jennings Lieder Neary Perlt Solberg Weaver Nelson Girard Johnson, A. Limmer Peterson Stanius Wejcman Goodno Johnson, R. Lindner Ness Pugh Steensma Wenzel Greiling Johnson, V. Olson, K. Reding Sviggum Winter Long Kahn Gruenes Luther Olson, M. Rest Swenson Wolf Gutknecht Kalis Rhodes Lynch Onnen Tomassoni Worke Opatz. Hasskamp Kelley Macklin Rice Tompkins Workman Haukoos Kelso Mahon Orenstein Rodosovich Trimble Spk. Anderson, I. Hausman Kinkel McCollum Tunheim Orfield Rukavina Holsten Klinzing McGuire Osthoff Sama Van Dellen Van Engen Molnau Ostrom Hugoson Knight Seagren Koppendraver Huntley Morrison Ozment Sekhon Vellenga Jacobs Krinkie Mosel Pauly Simoneau Vickerman Krueger laros Munger Pawlenty Skoglund Wagenius

The bill was passed and its title agreed to.

H. F. No. 2212, A bill for an act relating to the environment; genetically engineered organisms; authorizing the department of agriculture to exempt certain federally monitored releases; authorizing the environmental quality board to adopt rules relating to certain releases; providing for certain exemptions; amending Minnesota Statutes 1992, sections 18F.01; 18F.02, subdivisions 1, 5, and by adding a subdivision; 18F.04; 18F.07; 18F.12; 116C.91, subdivision 1; 116C.94; and 116C.96; proposing coding for new law in Minnesota Statutes, chapters 18F; and 116C; repealing Minnesota Statutes 1992, section 18F.02, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Nelson	Rhodes	Van Dellen
Anderson, R.	Dehler	Hugoson	Lasley	Ness	Rice	Van Engen
Asch	Delmont	Huntley	Lieder	Olson, K.	Rodosovich	Vellenga
Battaglia	Dempsey	Jacobs	Limmer	Olson, M.	Rukavina	Vickerman
Bauerly	Dom	Jaros	Lindner	Onnen	Sarna	Wagenius
Beard	Erhardt	Jefferson	Long	Opatz	Seagren	Waltman
Bergson	Evans	Jennings	Luther	Orenstein	Sekhon	Weaver
Bertram	Farrell	Johnson, A.	Lynch	Orfield	Simoneau	Wejcman
Bettermann	Finseth	Johnson, R.	Macklin	Osthoff	Skoglund	Wenzel
Bishop	Frerichs	Johnson, V.	Mahon	Ostrom	Smith	Winter
Brown, C.	Garcia	Kahn	McCollum	Ozment	Solberg	Wolf
Brown, K.	Girard	Kalis	McGuire	Pauly	Stanius	Worke
Carlson	Goodno	Kelley	Milbert	Pawlenty	Steensma	Workman
Carruthers	Greiling	Kelso	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Clark	Gruenes	Kinkel	Morrison	Perlt	Swenson	
Commers	Gutknecht	Klinzing	Mosel	Peterson	Tomassoni	
Cooper	Hasskamp	Knight	Munger	Pugh	Tompkins	
Dauner	Haukoos	Koppendrayer	Murphy	Reding	Trimble	

The bill was passed and its title agreed to.

Hausman

Davids

S. F. No. 2383, A bill for an act relating to Koochiching county; permitting the appointment of the recorder; authorizing the reorganization of the office.

Neary

The bill was read for the third time and placed upon its final passage.

Krinkie

5486

Rest

Tunheim

## WEDNESDAY, MARCH 23, 1994

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	Dawkins	Hausman	Krinkie	Munger	Peterson	Tomassoni
Anderson, R.	Dehler	Holsten	Krueger	Murphy	Pugh	Tompkins
Asch	Delmont	Hugoson	Lasley	Neary	Reding	Trimble
Battaglia	Dempsey	Huntley	Lieder	Nelson	Rest	Tunheim
Bauerly	Dorn	Jacobs	Limmer	Ness	Rhodes	Van Dellen
Beard	Erhardt	Jaros	Lindner	Olson, K.	Rice	Van Engen
Bergson	Evans	lefferson	Long	Olson, M.	Rodosovich	Vellenga
Bertram	Farrell	Jennings	Luther	Onnen	Rukavina	Vickerman
Bettermann	Finseth	Johnson, A.	Lynch	Opatz	Sama	Wagenius
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Seagren	Waltman
Brown, K.	Garcia	Johnson, V.	Mahon	Orfield	Sekhon	Weaver
Carlson	Girard	Kahn	Mariani	Osthoff	Simoneau	Wejcman
Carruthers	Goodno	Kalis	McCollum	Ostrom	Skoglund	Wenzel
Clark	Greiling	Kelley	McGuire	Ozment	Smith	Winter
Commers	Gruenes	Kelso	Milbert	Pauly	Solberg	Wolf
Cooper	Gutknecht	Klinzing	Molnau	Pawlenty	Stanius	Worke
Dauner	Hasskamp	Knight	Morrison	Pelowski	Steensma	Workman
Davids	Haukoos	Koppendrayer	Mosel	Perlt	Sviggum	Spk. Anderson, I.

The bill was passed and its title agreed to.

H. F. No. 2487, A bill for an act relating to local government; authorizing towns in Olmsted county to adopt and enforce the state building code.

The bill was read for the third time 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	Dawkins	Hausman	Krinkie	Munger	Peterson	Tomassoni
Anderson, R.	Dehler	Holsten	Krueger	Murphy	Pugh	Tompkins
Asch	Delmont	Hugoson	Laslev	Neary	Reding	Trimble
Battaglia	Dempsey	Huntley	Lieder	Nelson	Rest	Tunheim
Bauerly	Dorn	Jacobs	Limmer	Ness	Rhodes	Van Dellen
Beard	Erhardt	Jaros	Lindner	Olson, K.	Rice	Van Engen
Bergson	Evans	Jefferson	Long	Olson, M.	Rodosovich	Vellenga
Bertram	Farrell	Jennings	Luther	Onnen	Rukavina	Vickerman
Bettermann	Finseth	Johnson, A.	Lynch	Opatz	Sarna	Wagenius
Bishop	Frerichs	Johnson, R.	Macklin	Orenstein	Seagren	Waltman
Brown, K.	Garcia	Johnson, V.	Mahon	Orfield	Sekhon	Weaver
Carlson	Girard	Kalis	Mariani	Osthoff	Simoneau	Wejcman
Carruthers	Goodno	Kellev	McCollum	Ostrom	Skoglund	Wenzel
Clark	Greiling	Kelso	McGuire	Ozment	Smith	Winter
Commers	Gruenes	Kinkel	Milbert	Pauly	Solberg	Wolf
Cooper	Gutknecht	Klinzing	Molnau	Pawlenty	Stanius	Worke
Dauner	Hasskamp	Knight	Morrison	Pelowski	Steensma	Workman
Davids	Haukoos	Koppendrayer	Mosel	Perlt	Sviggum	Spk. Anderson, I.

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 2010, A bill for an act relating to the environment; requiring a person who arranges for management of solid waste in an environmentally inferior manner to indemnify generators of the waste and, for a landfill, set aside a fund to pay for contamination from the landfill; proposing coding for new law in Minnesota Statutes, chapter 115A.

The bill was read for the third time and placed upon its final passage.

Taros

Kahn

Kalis

Kelso

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:

Dawkins Abrams Anderson, R. Dehler Delmont Asch Battaglia Dempsey Bauerly Dorn Beard Erhardt Bergson Evans Bertram Farrell Bettermann Finseth Frerichs Bishop Brown, C. Garcia Brown, K. Girard Goodno Carlson Carruthers Greiling Clark Gruenes Commers Gutknecht Cooper Hasskamp Dauner Haukoos Davids Hausman

Holsten Lasley Lieder Hugoson Huntley Limmer Lindner Jacobs Long Tefferson Luther Jennings Lynch Johnson, A. Macklin Johnson, R. Mahon Johnson, V. Mariani McCollum McGuire Kelley Milbert Molnau Klinzing Morrison Knight Mosel Koppendrayer Munger Krinkie Murphy Krueger Neary

Nelson Ness Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding Rest

Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble Tunheim

Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

H. F. No. 2043, A bill for an act relating to recreation green space; requiring a certain public utility to relocate overhead power lines in Indian Mounds Park in Saint Paul.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 115 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dawkins	Jacobs	Lindner	Olson, K.	Rodosovich	Van Engen
Asch	Dehler	Jaros	Long	Onnen	Rukavina	Vellenga
Battaglia	Delmont	Jefferson	Luther	Opatz	Sarna	Vickerman
Bauerly	Dempsey	Jennings	Lynch	Orenstein	Seagren	Wagenius
Beard	Dorn	Johnson, R.	Macklin	Orfield	Sekhon	Waltman
Bergson	Evans	Johnson, V.	Mahon	Osthoff	Simoneau	Weaver
Bertram	Farrell	Kahn	McCollum	Ostrom	Skoglund	Wejcman
Bettermann	Frerichs	Kalis	McGuire	Ozment	Solberg	Wenzel
Bishop	Garcia	Kelley	Milbert	Pauly	Stanius	Winter
Brown, C.	Greiling	Kelso	Molnau	Pelowski	Steensma	Wolf
Brown, K.	Gruenes	Kinkel	Morrison	Perlt	Sviggum	Worke
Carlson	Gutknecht	Klinzing	Mosel	Peterson	Swenson	Workman
Carruthers	Hasskamp	Knight	Munger	Pugh	Tomassoni	Spk. Anderson, I.
Clark	Hausman	Krueger	Murphy	Reding	Tompkins	•
Cooper	Holsten	Lasley	Neary	Rest	Trimble	
Dauner	Hugoson	Lieder	Nelson	Rhodes	Tunheim	
Davids	Huntley	Limmer	Ness	Rice	Van Dellen	

76TH DAY]

Those who voted in the negative were:

Abrams	Erhardt	Girard	Haukoos	Krinkie	Pawlenty
Commers	Finseth	Goodno	Koppendrayer	Olson, M.	Smith
•					•

The bill was passed and its title agreed to.

H. F. No. 2143, A bill for an act relating to telecommunications; regulating competitive telephone services and incentive plans; extending expiration dates and making technical changes for certain regulatory provisions; amending Minnesota Statutes 1992, sections 237.161, by adding a subdivision; 237.57, subdivision 4; 237.58, subdivision 1; 237.59, subdivisions 1, 2, 3, 5, and by adding a subdivision; 237.60, subdivision 2; 237.62, subdivision 1; and 237.625, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Rules, parts 7815.0700; 7815.0800; 7815.0900; 7815.1000; 7815.1100; 7815.1200; 7815.1300; 7815.1400; and 7815.1500; Laws 1987, chapter 340, section 26; Laws 1989, chapter 74, sections 25 and 27; Laws 1990, chapter 513, section 3; and Laws 1993, chapter 41, section 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hugoson	Lasley	Nelson	Rhodes	Van Dellen
Anderson, R.	Delmont	Huntley	Lieder	Ness	Rice	Van Engen
Asch	Dempsey	Jacobs	Limmer	Olson, K.	Rodosovich	Vellenga
Battaglia	Dorn	Jaros	Lindner	Olson, M.	Rukavina	Vickerman
Bauerly	Erhardt	Jefferson	Long	Onnen	Sama	Wagenius
Beard	Evans	Jennings	Luther	Opatz	Seagren	Waltman
Bergson	Farrell	Johnson, A.	Lynch	Orenstein	Sekhon	Weaver
Bertram	Finseth	Johnson, R.	Macklin	Orfield	Simoneau	Wejcman
Bettermann	Frerichs	Johnson, V.	Mahon	Osthoff	Skoglund	Wenzel
Bishop	Garcia	Kahn	Mariani	Ostrom	Smith	Winter
Brown, C.	Girard	Kalis	McCollum	Ozment	Solberg	Wolf
Brown, K.	Goodno	Kelley	McGuire	Pauly	Stanius	Worke
Carlson	Greiling	Kelso	Milbert	Pawlenty	Steensma	Workman
Carruthers	Gruenes	Kinkel	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Clark	Gutknecht	Klinzing	Morrison	Perlt	Swenson	•
Commers	Hasskamp	Knight	Mosel	Peterson	Tomassoni	
Cooper	Haukoos	Koppendrayer	Munger	Pugh	Tompkins	
Dauner	Hausman	Krinkie	Murphy	Reding	Trimble	
Davids	Holsten	Krueger	Neary	Rest	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 2210, A bill for an act relating to data practices; regulating the classification and release of certain department of commerce data; amending Minnesota Statutes 1992, section 13.71, by adding subdivisions.

The bill was read for the third 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 Anderson, R.	Beard	Brown, C.	Commers	Dehler Delmont	Evans Finseth	Goodno Greiling
,	Bergson	Brown, K.	Cooper		Frerichs	Gruenes
Asch	Bertram	Carlson	Dauner	Dempsey		+
Battaglia	Bettermann	Carruthers	Davids	Dom	Garcia	Gutknecht
Bauerly	Bishop	Clark	Dawkins	Erhardt	Girard	Hasskamp

## JOURNAL OF THE HOUSE

### [76TH DAY

Haukoos	Kelso	Macklin	Olson, K.	Pugh	Stanius	Weaver
Hausman	Kinkel	Mahon	Olson, M.	Reding	Steensma	Wejcman
Hugoson	Klinzing	Mariani	Onnen	Rest	Sviggum	Wenzel
Huntley	Knight	McCollum	Opatz	Rhodes	Swenson	Winter
Jacobs	Koppendrayer	McGuire	Orenstein	Rice	Tomassoni	Wolf
Jaros	Krinkie	Milbert	Orfield	Rodosovich	Tompkins	Worke
Jefferson	Krueger	Molnau	Osthoff	Rukavina	Trimble	Workman
Jennings	Lasley	Morrison	Ostrom	Sarna	Tunheim	Spk. Anderson, I.
Johnson, A.	Lieder	Mosel	Ozment	Seagren	Van Dellen	•
Johnson, R.	Limmer	Munger	Pauly	Sekhon	Van Engen	
Johnson, V.	Lindner	Murphy	Pawlenty	Simoneau	Vellenga	
Kahn	Long	Neary	Pelowski	Skoglund	Vickerman	
Kalis	Luther	Nelson	Perlt	Smith	Wagenius	· .
Kelley	Lynch	Ness	Peterson	Solberg	Waltman	

The bill was passed and its title agreed to.

H. F. No. 2222, A bill for an act relating to elections; allowing a single polling place for two precincts in certain cases; amending Minnesota Statutes 1992, section 204B.16, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Neary	Rest	Van Dellen
Anderson, R.	Dehler	Hugoson	Lasley	Nelson	Rhodes	Van Engen
Asch	Delmont	Huntley	Lieder	Ness	Rice	Vellenga
Battaglia	Dempsey	Iacobs	Limmer	Olson, K.	Rodosovich	Vickerman
Bauerly	Dorn	Jaros	Lindner	Olson, M.	Rukavina	Wagenius
Beard	Erhardt	Jefferson	Long	Onnen	Sarna	Waltman
Bergson	Evans	Jennings	Luther	Opatz	Sekhon	Weaver
Bertram	Farrell	Johnson, A.	Lynch	Orenstein	Simoneau	Wejcman
Bettermann	Finseth	Johnson, R.	Macklin	Orfield	Skoglund	Wenzel
Bishop	Frerichs	Johnson, V.	Mahon	Osthoff	Smith	Winter
Brown, C.	Garcia	Kahn	Mariani	Ostrom	Solberg	Wolf
Brown, K.	Girard	Kalis	McCollum	Ozment	Stanius	Worke
Carlson	Goodno	Kelley	McGuire	Pauly	Steensma	Workman
Carruthers	Greiling	Kelso	Milbert	Pawlenty	Sviggum	Spk. Anderson, I.
Clark	Gruenes	Kinkel	Molnau	Pelowski	Swenson	- · ·
Commers	Gutknecht	Klinzing	Morrison	Perlt	Tomassoni	
Cooper	Hasskamp	Knight	Mosel	Peterson	Tompkins	
Dauner	Haukoos	Koppendrayer	Munger	Pugh	Trimble	
Davids	Hausman	Krinkie	Murphy	Reding	Tunheim	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 2306, A bill for an act relating to the city of Minneapolis; providing that a levy for a contribution to the Minneapolis teachers retirement fund association is a special taxing district levy for property tax purposes; amending Minnesota Statutes 1993 Supplement, section 354A.12, subdivision 3b.

The bill was read for the third 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	Bergson	Bishop	Carlson	Commers	Davids
Anderson, R.	Bauerly	Bertram	Brown, C.	Carruthers	Cooper	Dawkins
Asch	Beard	Bettermann	Brown, K.	Clark	Dauner	Dehler

### 76TH DAY]

Haukoos

WEDNESDAY, MARCH 23, 1994

Knight Delmont Hausman Holsten Dempsey Dom Hugoson Krinkie Erhardt Huntley Krueger Evans Laslev Jacobs Farrell Jaros Lieder Finseth Jefferson Limmer Frerichs Lindner Jennings Garcia Johnson, A. Long Girard Johnson, R. Luther Goodno Johnson, V. Lynch · Greiling Kahn Macklin Kelley Gruenes Mahon Gutknecht Kelso Mariani Hasskamp Kinkel McCollum

Milbert Koppendrayer Molnau Morrison Mosel Munger Murphy Neary Nelson Ness Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff

Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding Rest Rhodes Rice Rukavina Sarna Seagren Sekhon

Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Weicman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

McGuire

Klinzing

## GENERAL ORDERS

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Brown, C., moved that the name of Winter be shown as chief author on H. F. No. 568. The motion prevailed.

Hausman moved that the name of Steensma be added as an author on H. F. No. 2077. The motion prevailed.

Bettermann moved that the name of Krueger be added as an author on H. F. No. 2820. The motion prevailed.

Mariani moved that the name of Trimble be added as an author on H. F. No. 2926. The motion prevailed.

Kahn moved that the name of Evans be added as an author on H. F. No. 3073. The motion prevailed.

Wagenius moved that the name of Sekhon be added as an author on H. F. No. 3086. The motion prevailed.

Carruthers moved that H. F. No. 2045, now on Technical General Orders, be re-referred to the Committee on Rules and Legislative Administration. The motion prevailed.

Solberg moved that H. F. No. 3110 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Transportation and Transit. The motion prevailed.

Girard moved that H. F. No. 1307 be returned to its author. The motion prevailed.

Johnson, A., moved that H. F. No. 1988 be returned to its author. The motion prevailed.

### ADIOURNMENT

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 24, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION — 1994

### SEVENTY-SEVENTH DAY

## SAINT PAUL, MINNESOTA, THURSDAY, MARCH 24, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House.

Prayer was offered by Monsignor James Lavin, Office of Alumni Relations, University of St. Thomas, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids

Dawkins Holsten Hugoson Dempsey Huntley Iacobs Iaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Greenfield Kelso Kinkel Klinzing Gutknecht Hasskamp Knight Haukoos Koppendrayer Hausman Krinkie

Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lvnch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison Mosel

Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt

Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson

Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

Dehler

Dom

**Evans** 

Farrell

Finseth

Frerichs

Garcia

Girard

Goodno

Greiling

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Delmont and Knickerbocker were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Mosel 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:

## JOURNAL OF THE HOUSE

### STATE OF MINNESOTA OFFICE OF THE GOVERNOR SAINT PAUL 55155

March 22, 1994

The Honorable Irv Anderson Speaker of the House of Representatives The State of Minnesota

Dear Speaker Anderson:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2213, relating to the city of St. Cloud; exempting a tax increment financing district from certain restrictions; providing expanded eminent domain authority.

Warmest regards,

ARNE H. CARLSON Governor

### STATE OF MINNESOTA OFFICE OF THE GOVERNOR SAINT PAUL 55155

March 22, 1994

The Honorable Irv Anderson Speaker of the House of Representatives The State of Minnesota

#### Dear Speaker Anderson:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1863, relating to ethics in government; requiring lobbyists to report gifts of \$5 or more; prohibiting gifts by lobbyists and interested persons to certain officials under certain conditions; regulating certain solicitations by political party units; revising procedure for advisory opinions.

#### Warmest regards,

ARNE H. CARLSON Governor

### STATE OF MINNESOTA OFFICE OF THE SECRETARY OF STATE ST. PAUL 55155

### The Honorable Irv Anderson Speaker of the House of Representatives

### The Honorable Allan H. Spear President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1994 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F.	Time and			
	H.F.	Session Laws	Date Approved	Date Filed
No.	No.	Chapter No.	1994	1994
۰.	2213	376	11:43 a.m. March 22	March 22
	1863	377	11:41 a.m. March 22	March 22
	,			

Sincerely,

JOAN ANDERSON GROWE Secretary of State

### **REPORTS OF STANDING COMMITTEES**

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 662, A bill for an act relating to retirement; the Minneapolis teachers retirement fund association; providing for purchase of allowable service credit for public school employment outside the state of Minnesota; proposing coding for new law in Minnesota Statutes, chapter 354A.

Reported the same back with the following amendments:

Page 1, line 8, delete "[354A.42]" and insert "[354A.105]" and delete "PUBLIC EMPLOYMENT" and insert "MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION; PURCHASE OF ALLOWABLE SERVICE CREDIT FOR TEACHING SERVICE"

Page 1, line 10, delete "Subdivision 1. [ELIGIBILITY.]"

Page 1, line 13, delete "or retired" and after "other" insert "elementary or secondary" and after "school" insert "teaching"

Page 1, line 14, after "Minnesota" insert ", but rendered in the United States," and delete "in" and insert "for"

Page 1, line 18, after "qualified" insert "prior"

Page 1, line 19, delete "another" and insert "other elementary or secondary" and after "school" insert "teaching"

Page 1, line 23, after "other" insert "elementary or secondary," and after "school" insert "teaching"

Page 1, line 24, after "years" insert "of"

Page 2, line 1, after "leaving" insert "the person's" and after "accumulated" insert "member"

Page 2, line 2, before "retirement" insert "applicable"

Page 2, line 4, after "<u>other</u>" insert "<u>elementary or secondary</u>" after "<u>school</u>" insert "<u>teaching</u>" and after "<u>employment</u>" insert "<u>rendered in the United States</u>" and delete "<u>shall qualify</u>" and insert "<u>qualifies</u>"

Page 2, line 16, after "system" insert ", as certified by the chief administrative officer of the applicable retirement system"

Page 2, line 17, after "not" insert "available"

Page 2, line 32, before "rate" insert "applicable"

Page 2, line 33, after the period, insert "The present value computation must be made either by the actuary retained by the legislative commission on pensions and retirement or by the association executive director using a calculation procedure specified by the commission-retained actuary. The payment must be made in a lump sum. The prospective purchaser must pay the administrative expense of performing the present value calculation. The purchase payment must be made by the member, but special school district No. 1, at its discretion and if done according to a policy that treats all comparably situated teachers equitably, may pay all or any portion of the purchase payment amount that exceeds an amount equal to the member contribution rates in effect during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest at the rate of 8.5 percent a year compounded annually from the date on which the member contributions would otherwise have been made to the date on which the payment is made."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 892, A bill for an act relating to pollution; regulating toxic air emissions; appropriating money; amending Minnesota Statutes 1992, sections 115D.07, subdivisions 1 and 2; 115D.08, subdivision 1; 115D.10; 115D.12, subdivision 2; 299K.08, by adding subdivisions; and 438.08; proposing coding for new law in Minnesota Statutes, chapter 115D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 115D.07, as amended by Laws 1993, chapter 172, section 72, is amended to read:

## 115D.07 [TOXIC POLLUTION PREVENTION PLAN.]

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 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) <u>Before a plan is finalized by a facility, the planning process must include an opportunity for participation by</u> workers in the facility.

(g) Each plan must be updated every two years and must be maintained at the facility to which it pertains.

Subd. 2. [CONTENTS OF PLAN.] (a) Each toxic pollution prevention plan must establish a program identifying the specific technically and economically practicable steps that could be taken during at least the three years following the date the plan is due, to eliminate or reduce the generation or release of toxic pollutants reported by the facility. Toxic pollutants resulting solely from research and development activities need not be included in the plan.

(b) At a minimum, each plan must include:

(1) the total quantity of each toxic pollutant brought into the facility during the preceding year in an amount subject to reporting under United States Code, title 42, section 11023;

(2) a policy statement articulating upper management support for eliminating or reducing the generation or release of toxic pollutants at the facility;

(2) (3) a description of the current processes generating or releasing toxic pollutants that specifically describes the types, sources, and quantities of toxic pollutants currently being generated or released by the facility;

(3) (4) a description of the current and past practices used to eliminate or reduce the generation or release of toxic pollutants at the facility and an evaluation of the effectiveness of these practices;

(4) (5) an assessment of technically and economically practicable options available to eliminate or reduce the generation or release of toxic pollutants at the facility, including options such as changing the raw materials, operating techniques, equipment and technology, personnel training, and other practices used at the facility. The assessment may include a cost benefit analysis of the available options;

(5) (6) a statement of objectives based on the assessment in clause (4) (5) and a schedule for achieving those objectives. Wherever technically and economically practicable, the objectives for eliminating or reducing the generation or release of each toxic pollutant at the facility must be expressed in numeric terms. Otherwise, the objectives must include a clearly stated list of actions designed to lead to the establishment of numeric objectives as soon as practicable;

(6) (7) an explanation of the rationale for each objective established for the facility;

(7) (8) a listing of options that were considered not to be economically and technically practicable; and

(8) (9) a certification, signed and dated by the facility manager and an officer of the company under penalty of section 609.63, attesting to the accuracy of the information in the plan.

## Sec. 2. [115D.075] [NOTICE OF PLAN COMPLETION.]

<u>Subdivision 1.</u> [REQUIREMENT TO SUBMIT NOTICE OF PLAN COMPLETION.] (a) <u>All persons required to</u> prepare a toxic pollution prevention plan under section <u>115D.07</u> shall submit to the commissioner a notice of plan completion.

(b) The notice is due within 30 days of completion of the toxic pollution prevention plan as required under section 115D.07, subdivision 1.

(c) The notice must be made on a form provided by the commissioner and must include:

(1) certification, signed and dated by the facility manager and an officer of the company under penalty of section 609.63, attesting that a plan meeting the requirements of section 115D.07 has been completed;

(2) the facility's standard industrial classification (SIC) code;

(3) the facility's EPA toxic release inventory (TRI) identification number; and

(4) the time period covered by the plan.

<u>Subd. 2.</u> [REVIEW OF NOTICE OF PLAN COMPLETION.] (a) The commissioner shall review all notices within 60 days of their required submittal dates to determine if they meet the requirements of subdivision 1. If the commissioner determines that a notice does not meet the requirements, the commissioner shall notify the facility in writing, identifying specific deficiencies and specifying a time period of not more than 30 days for the facility to submit a complete notice.

(b) The commissioner shall publish a list in a newspaper of general circulation in the county of all facilities not filing complete notice at the end of this time period.

<u>Subd. 3.</u> [RANDOM REVIEW OF PLAN COMPLETION.] (a) For each calendar year, starting January 1, 1995, the commissioner shall randomly review no fewer than ten percent of the pollution prevention plans to determine whether they meet the requirements of section 115D.07, subdivision 2. The commissioner shall develop procedures for randomly generating a list of the plans to be reviewed and for assessing plan completion by October 1, 1994. As of January 1, 1995, and for each calendar year thereafter, the assessment must be concluded and its results reported to the pollution prevention task force by July 1.

(b) If the commissioner determines that a plan is incomplete, the commissioner shall notify the facility in writing, identifying specific deficiencies and specifying a reasonable time period within 90 days for the facility to modify the plan.

(c) The commissioner shall publish a list in a newspaper of general circulation in the county of all of the facilities determined by the random review to have incomplete plans.

(d) The commissioner shall make available to the public a list of all facilities reviewed, including any deficiencies found.

<u>Subd. 4.</u> [FINE FOR INCOMPLETE NOTICE OR INCOMPLETE PLAN.] (a) Facilities not filing a complete notice within 30 days of notification by the commissioner must be fined no more than \$500 per day and no less than \$50 per day.

(b) If the commissioner determines that a plan does not meet the requirements of section 115D.07, subdivision 2, after the time specified in subdivision 3, paragraph (b), the facility must be fined no more than \$1,000 per day and no less than \$100 per day.

Sec. 3. Minnesota Statutes 1992, section 115D.08, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT TO SUBMIT PROGRESS REPORT.] (a) All persons required to prepare a toxic pollution prevention plan under section 115D.07 shall submit an annual progress report to the commissioner that may be drafted in a manner that does not disclose proprietary information. Progress reports are due on October 1 of each year. The first progress reports are due in 1992.

(b) At a minimum, each progress report must include:

(1) the total quantity of each toxic pollutant brought into the facility during the reporting period in an amount subject to reporting under United States Code, title 42, section 11023;

(2) a summary of each objective established in the plan including the schedule for meeting the objective;

(2) (3) a summary of progress made during the past year, if any, toward meeting each objective established in the plan including the quantity of each toxic pollutant eliminated or reduced;

(3) (4) a statement of the methods through which elimination or reduction has been achieved;

(4) (5) if necessary, an explanation of the reasons objectives were not achieved during the previous year, including identification of any technological, economic, or other impediments the facility faced in its efforts to achieve its objectives; and

(5) (6) a certification, signed and dated by the facility manager and an officer of the company under penalty of section 609.63, attesting that a plan meeting the requirements of section 115D.07 has been prepared and also attesting to the accuracy of the information in the progress report.

(c) The commissioner shall provide the information in paragraph (b), clause (1), to the emergency response commission, which shall include the information in the annual toxic release inventory report.

Sec. 4. [115D.16] [TOXIC AIR CONTAMINANT PROGRAM.]

<u>Subdivision 1.</u> [EVALUATION AND REPORT.] By November 1, 1994, the commissioner of the pollution control agency shall report to the legislature on the agency's strategy for the most appropriate method and procedures for conducting health and environmental impact analysis for sources and source categories emitting toxic air contaminants. The agency shall conduct this evaluation and prepare this strategy in consultation with the department of health.

Subd. 2. [HEALTH AND ENVIRONMENTAL IMPACT ANALYSIS FOR SOURCES AND SOURCE CATEGORIES EMITTING TOXIC AIR CONTAMINANTS.] (a) The pollution control agency shall ensure that maximum achievable control technology (MACT) standards as required by Title III of the 1990 Clean Air Act Amendments, United States Code, title 42, section 7411, are adequately protective of public health and the environment. This shall include standards promulgated by the Environmental Protection Agency under section 112(d) of the Clean Air Act and case-by-case standards required under sections 112(g) and 112(j). In ensuring health protectiveness of technology-based standards, the agency shall use reliable and current scientific data including, but not limited to, data required in subdivision 1 and according to the schedule in paragraphs (b) to (f).

(b) For all sources subject to federal MACT standards pursuant to regulations promulgated in accordance with the federal Clean Air Act Amendments, the agency shall, within six months of a final promulgation of a source category. MACT standard, complete a health and environmental impact analysis to determine whether the application of the MACT standard is protective of public health and the environment. If, upon completion of the analysis, the agency determines that the application of a MACT standard to a source category will not provide an adequate level of health and environmental protection, the agency shall establish by rule an alternative standard for that source category.

(c) For new sources and existing sources seeking modifications for which a federal MACT standard has not yet been promulgated, the agency shall determine MACT standards on a case-by-case basis and must complete a health and environmental impact analysis to ensure the MACT standard established by the agency is protective of public health and the environment. The agency must complete its health and environmental analysis to determine a MACT standard within six months of the date of receipt of a completed air emission permit application. The agency must include conditions within permits issued to sources under this category to protect public health and the environment.

(d) For all sources for which the Environmental Protection Agency has failed to promulgate a federal MACT standard, the agency shall, pursuant to section 112(j) of the Clean Air Act, determine MACT standards on a case-by-case basis and must complete a health and environmental impact analysis within six months of determining a MACT standard to ensure the MACT standard established by the agency is protective of public health and the environment.

(e) For new sources and existing sources seeking modifications not subject to the application of the federal MACT standards, but required to obtain an air emissions permit under Minnesota Rules or subject to review under section 116D.04, the agency must conduct a health and environmental impact analysis. The agency shall, based on its analysis, include conditions within permits issued to sources in the category when necessary to protect the public health and the environment.

(f) For existing sources not subject to the application of the federal MACT standards, but required to obtain an air emissions permit under Minnesota Rules, the agency shall conduct a health and environmental analysis for those sources the agency determines are a priority based on the rate of toxic emissions and a screening analysis of potential impacts to public health and the environment.

<u>Subd. 3.</u> [REPORT ON SOURCES NOT SUBJECT TO FEDERAL MACT STANDARDS.] <u>By January 1, 1997, the</u> agency shall report, as part of the report required under subdivision 2, to the legislature a list identifying potential sources not subject to the federal MACT standards nor required to obtain a state air emissions permit, but that emit toxic air contaminants and thereby may contribute to adverse impacts to the public health and environment.

Subd. 4. [REPORT ON ENVIRONMENTAL IMPACTS.] By January 1, 1995, the agency shall report, as part of the report required under subdivision 1, to the legislature on the possibility of controlling emissions of toxic air contaminants that may endanger animals, fish, or plants or otherwise pose a significant threat to the integrity of the aquatic or terrestrial ecosystem in the state. The report also must include an identification of the cost to control toxic air emissions that have a significant environmental impact.

Sec. 5. Minnesota Statutes 1992, section 438.08, is amended to read:

438.08 [MUNICIPALITIES TO FIGHT FIRES OUTSIDE OF LIMITS.]

The council or any other body of any municipality having control of its fire department may by resolution adopted by a five-sevenths vote authorize its fire department, or any portion thereof, to attend and serve at fires <u>or hazardous</u> <u>substance or petroleum releases</u> outside of the limits of the municipality either within or without the state. In case the fire department is controlled by an individual this authorization shall be by written notice posted at the headquarters of the fire department. For <u>purposes of this section</u>, <u>"hazardous substance" and "release" have the</u> <u>meanings given in section 115B.02</u>, <u>subdivisions 8 and 15</u>.

Sec. 6. [RAILROAD TRACK EVALUATION.]

<u>Subdivision 1.</u> [LIST OF POTENTIAL HAZARDS.] <u>The commissioner of public safety, in conjunction with the</u> <u>commissioner of transportation, shall establish a list of railroad track segments that constitute potential safety hazards,</u> <u>based on a derailment frequency analysis, site-specific operational and environmental characteristics, and any other</u> <u>concerns of the commissioners.</u>

<u>Subd.</u> 2. [REPORT REQUIRED.] By February 1, 1995, the commissioners in subdivision 1 shall submit to the appropriate legislative committees a report that contains the list prepared under subdivision 1 and describes appropriate actions for the state to take to mitigate or eliminate the potential hazards and a schedule for taking these actions.

Sec. 7. [PROGRESS REPORT ON HEALTH-BASED STANDARDS.]

By January 1, 1995, the commissioner of the pollution control agency shall report to the legislative committees on environment and natural resources on the progress of rulemaking under Minnesota Statutes, section 115D.16, subdivision 2.

Sec. 8. [APPROPRIATION.]

\$..... is appropriated to the commissioner of the pollution control agency for the purposes of this act."

Delete the title and insert:

"A bill for an act relating to pollution; regulating toxic air emissions; appropriating money; amending Minnesota Statutes 1992, sections 115D.07, as amended; 115D.08, subdivision 1; and 438.08; proposing coding for new law in Minnesota Statutes, chapter 115D."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 985, A bill for an act relating to retirement; public employees police and fire fund; modifying the disability benefit limitation for reemployed disabilitants; amending Minnesota Statutes 1992, section 353.656, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 17, strike "less" and insert "greater"

Page 2, line 2, delete "original" and insert "current"

Page 2, line 12, after "enactment" insert a period

Page 2, delete lines 13 and 14

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 1363, A bill for an act relating to 911 emergency telephone service; requiring automatic location identification and two dedicated circuits in each 911 emergency telephone service system; authorizing fee to fund enhanced 911 service; establishing 911 trust fund; amending Minnesota Statutes 1992, sections 403.01, by adding a subdivision; and 403.11; proposing coding for new law in Minnesota Statutes, chapter 403.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 403.02, is amended by adding a subdivision to read:

Subd. 9. [ENHANCED 911 SERVICE.] "Enhanced 911 Service" means the use of selective routing, automatic location identification, or local location identification as part of local 911 service.

Sec. 2. Minnesota Statutes 1992, section 403.11, subdivision 1, is amended to read:

Subdivision 1. [EMERGENCY TELEPHONE SERVICE FEE.] (a) Each customer of a local-exchange telephone company or communications carrier that provides service capable of originating a 911 emergency telephone call is assessed a fee to cover the costs of ongoing maintenance and related improvements for trunking and central office switching equipment for minimum 911 emergency telephone service, plus administrative and staffing costs of the department of administration related to managing the 911 emergency telephone service program. Recurring charges by a public utility providing telephone service for updating the information required by section 403.07, subdivision 3, must be paid by the commissioner for information if the utility is included in an approved 911 plan and the charges have been certified and approved under subdivision 3.

(b) The fee may not be less than eight cents nor more than 30 cents a month for each customer access line <u>or other</u> <u>basic access service</u>, including trunk equivalents as designated by the public utilities commission for access charge purposes <u>and including cellular and other nonwire access services</u>. The fee must be the same for all customers.

(c) The fee must be collected by each utility providing local exchange telephone service company or carrier providing service subject to the fee. Fees are payable to and must be submitted to the commissioner of administration monthly before the 25th of each month following the month of collection, except that fees may be submitted quarterly if less than \$250 a month is due, or annually if less than \$25 a month is due. Receipts must be deposited in the state treasury and credited to a 911 emergency telephone service account in the special revenue fund. The money in the account may only be used for 911 telephone services as provided in paragraph (a).

(d) The commissioner of administration, with the approval of the commissioner of finance, shall establish the amount of the fee within the limits specified and inform the <u>utilities companies and carriers</u> of the amount to be collected. Utilities <u>Companies and carriers</u> must be given a minimum of 45 days notice of fee changes.

Sec. 3. Minnesota Statutes 1992, section 403.11, subdivision 4, is amended to read:

Subd. 4. [LOCAL RECURRING COSTS.] Recurring costs of telephone communications equipment and services at public safety answering points shall be borne by the local governmental unit operating the public safety answering point or allocated pursuant to section 403.10, subdivision 3. Costs attributable to local government electives for services beyond minimum 911 service not otherwise addressed under section 403.113 shall be borne by the governmental unit requesting the elective service.

## Sec. 4. [403.113] [ENHANCED 911 SERVICE COSTS.]

<u>Subdivision 1.</u> [ENHANCED 911 SERVICE FEE.] (a) In addition to the actual fee assessed under section 403.11, each customer receiving local telephone service, excluding cellular or other nonwire service, is assessed a fee to fund implementation and maintenance of enhanced 911 service, including acquisition of necessary equipment and the costs of the department of administration to administer the program. The actual fee assessed under section 403.11 and the enhanced 911 service fee must be collected as one amount and may not exceed the amount specified in section 403.11, subdivision 1, paragraph (b).

(b) The enhanced 911 service fee must be collected and deposited in the same manner as the fee in section 403.11 and used solely for the purposes of paragraph (a) and subdivision 3.

(c) The commissioner of the department of administration, in consultation with counties and 911 system users, shall determine the amount of the enhanced 911 service fee and inform telephone companies of the total amount of the 911 service fees in the same manner as provided in section 403.11.

<u>Subd.</u> 2. [ENHANCED 911 SERVICE; DISTRIBUTION OF MONEY.] (a) <u>After payment of the costs of the</u> <u>department of administration to administer the program, the commissioner shall distribute the money collected under</u> <u>this section as follows:</u>

(1) one-half of the amount equally to all qualified counties; and

(2) the remaining one-half to qualified counties and cities with existing 911 systems based on each county's or city's percentage of the total population of qualified counties and cities. The population of a qualified city with an existing system must be deducted from its county's population when calculating the county's share under this clause if the city seeks direct distribution of its share.

(b) A county's share under subdivision 1 must be shared pro rata between the county and existing city systems in the county. A county or city shall deposit money received under this subdivision in an interest-bearing fund or account separate from the county's or city's general fund and may use money in the fund or account only for the purposes specified in subdivision 3.

(c) For the purposes of this subdivision, a county or city is qualified to share in the distribution of money for enhanced 911 service if the county auditor certifies to the commissioner of administration the amount of the county's or city's levy for the cost of providing enhanced 911 service for taxes payable in the year in which money for enhanced 911 service will be distributed. The commissioner may not distribute money to a county or city in an amount greater than twice the amount of the county's or city's certified levy. After December 31, 1998, a county or city is qualified to share in the distribution of money for enhanced 911 service if, in addition to the levy required under this paragraph, it has implemented enhanced 911 service.

(d) For the purposes of this subdivision, "existing city system" means a city 911 system that provides at least basic 911 service and that was implemented on or before April 1, 1993.

<u>Subd. 3.</u> [LOCAL EXPENDITURES.] (a) <u>Money distributed to counties or an existing city system for enhanced 911</u> service may be spent on enhanced 911 system costs for the purposes stated in subdivision 1, paragraph (a). In addition, money may be spent to lease, purchase, lease-purchase, or maintain enhanced 911 equipment, including telephone equipment; recording equipment; computer hardware; computer software for data base provisioning, addressing, mapping, and any other software necessary for automatic location identification or local location

identification; trunk lines; selective routing equipment; the master street address guide; dispatcher public safety answering point equipment proficiency and operational skills; and the equipment necessary within the public safety answering point to notify and communicate with the emergency services requested by the 911 caller.

(b) Money distributed for enhanced 911 service may not be spent on:

(1) purchasing or leasing of real estate or cosmetic additions to or remodeling of communications centers;

(2) mobile communications vehicles, fire engines, ambulances, law enforcement vehicles, or other emergency vehicles;

(3) signs, posts, or other markers related to addressing or any costs associated with the installation or maintenance of signs, posts, or markers.

<u>Subd. 4.</u> [AUDITS.] <u>Each county and city shall conduct an annual audit on the use of funds distributed to it for</u> <u>enhanced 911 service.</u> A copy of each audit report must be submitted to the commissioner of administration.

Subd. 5. [FEE REVIEW.] By January 1, 1999, the commissioner of administration, in consultation with counties and 911 service users, shall review funding requirements for enhanced 911 system costs.

Sec. 5. [INTERIM FEE AND DISTRIBUTION.]

Until July 1, 1995, the enhanced 911 service fee is ten cents per month in addition to the fee actually collected under Minnesota Statutes 1992, section 403.11, subdivision 1. The additional fee is imposed effective July 1, 1994. Distribution of the revenue from the fee under section 4, subdivision 2, must begin September 1, 1994. The commissioner of the department of administration shall determine the amount of the additional enhanced 911 service fee to be in effect beginning July 1, 1995, under section 4."

Delete the title and insert:

"A bill for an act relating to 911 emergency telephone service; authorizing a fee to fund enhanced 911 service; amending Minnesota Statutes 1992, sections 403.02, by adding a subdivision; and 403.11, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 403."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1416, A bill for an act relating to retirement; Austin fire department relief association; modifying health insurance coverage for spouses of certain retired firefighters; excluding Austin part-time on-call firefighters from the application of certain laws; permitting the reinstatement of certain survivor benefits; amending Laws 1992, chapter 455, section 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Laws 1992, chapter 455, section 2, is amended to read:

Sec. 2. [AUSTIN FIRE DEPARTMENT RELIEF ASSOCIATION; HEALTH OR MEDICAL INSURANCE PREMIUM BENEFIT.]

(a) Notwithstanding any provision of general law, special law, articles of incorporation, or bylaws to the contrary, if its articles of incorporation or bylaws so permit, the Austin fire department relief association may pay a health or medical insurance premium benefit to eligible pension recipients and their spouses, if the spouse would be eligible for a surviving spouse benefit upon the death of the pension recipient.

(b) The health or medical insurance premium benefit is an amount equal to the amount that the city of Austin would pay under the applicable collective bargaining agreement for medical or health insurance coverage for a firefighter who is employed by the city, who has a spouse, and who has no other dependents,

(c) An eligible pension recipient is a person who receives a service pension or a disability pension from the relief association and who is under age 65 or who is not yet eligible for the receipt of federal Medicare benefits, whichever occurs first.

(d) The health or medical insurance premium benefit is payable monthly, is in addition to any other pension amount received by the eligible pension recipient, and is not subject to any postretirement adjustments applicable to service pensions or disability pensions.

Sec. 2. [AUSTIN FIRE DEPARTMENT RELIEF ASSOCIATION; SURVIVOR COVERAGE FOR SPOUSES OF CERTAIN RETIRED FIREFIGHTERS.]

(a) Notwithstanding any provision to the contrary of the general or special laws governing the Austin fire department relief association, the articles of incorporation of the relief association, or the bylaws of the relief association, a person described in paragraph (b) is entitled to a surviving spouse benefit as provided in paragraph (c).

(b) A person entitled under paragraph (a) is a person who:

(1) was the legally married spouse of a deceased retired or disabled member of the Austin fire department relief association at the time of the deceased member's death;

(2) married the retired or disabled member after the date on which the member terminated active employment as a firefighter by the Austin fire department and was married for at least three years before the date of the death of the member; and

(3) was married to a retired or disabled member whose prior spouse, if any, predeceased the member.

(c) The surviving spouse benefit is an amount equal to the amount of a surviving spouse benefit payable by the Austin fire department relief association to the surviving spouse of a deceased active member of the relief association under Laws 1949, chapter 87, section 26, subdivision 4, as amended by Laws 1965, chapter 418, section 5, reduced by any amount awarded or payable to a former spouse of the deceased active member by virtue of the legal dissolution of the member's marriage to the former spouse.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective on the day following compliance with Minnesota Statutes, section 69.77, subdivision 2i, approval by majority vote of the city council of the city of Austin, and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to retirement; Austin fire department relief association; modifying health insurance benefit coverage for the spouses of certain retired firefighters; providing survivor benefit coverage for the spouses of certain retired firefighters; amending Laws 1992, chapter 455, section 2."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1899, A bill for an act relating to state government; revising procedures used for adoption and review of administrative rules; making various technical changes; amending Minnesota Statutes 1992, sections 14.05, subdivision 1; 14.12; 14.38, subdivisions 7, 8, and 9; 14.46, subdivisions 1 and 3; 14.47, subdivisions 1, 2, and 6; 14.50;

#### THURSDAY, MARCH 24, 1994

14.51; 17.84; 84.027, by adding a subdivision; and 128C.02, subdivision 4; Minnesota Statutes 1993 Supplement, sections 3.841; and 3.984, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3; and 14; repealing Minnesota Statutes 1992, sections 3.842; 3.843; 3.844; 3.845; 3.846; 14.03, subdivision 3; 14.05, subdivisions 2 and 3; 14.06; 14.08; 14.09; 14.11; 14.115; 14.131; 14.1311; 14.14; 14.15; 14.16; 14.18; 14.19; 14.20; 14.22; 14.225; 14.23; 14.235; 14.24; 14.25; 14.26; 14.27; 14.28; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; 14.365; 14.38, subdivisions 4, 5, and 6; and 17.83; Minnesota Statutes 1993 Supplement, section 14.10.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

### "ARTICLE 1

#### ADMINISTRATIVE RULES ADOPTION AND REVIEW

Section 1. Minnesota Statutes 1993 Supplement, section 3.841, is amended to read:

### 3.841 [LEGISLATIVE COMMISSION TO REVIEW ADMINISTRATIVE RULES; COMPOSITION; MEETINGS.]

A legislative commission to review administrative rules, consisting of five senators appointed by the committee on committees of the senate and five representatives appointed by the speaker of the house of representatives shall be appointed. Its members must include the chair or vice chair the chair's designee of the committees in each body having jurisdiction over administrative rules. The commission shall meet at the call of its chair or upon a call signed by two of its members or signed by five members of the legislature. The office of chair of the legislative commission shall alternate between the two houses of the legislature every two years.

Sec. 2. [3.8415] [POWERS AND DUTIES OF THE COMMISSION.]

<u>Subdivision 1.</u> [RULES REVIEW.] The legislative commission to review administrative rules shall selectively review possible, proposed, or adopted rules and prescribe appropriate commission procedures for that purpose. The commission may receive and investigate complaints from members of the public with respect to possible, proposed, or adopted rules and hold public proceedings on those complaints.

<u>Subd. 2.</u> [CONDUCT OF MEETINGS.] <u>Commission meetings must be open to the public.</u> <u>Subject to procedures</u> established by the commission, persons may present oral argument, data, or views at those meetings. The commission may require a representative of an agency whose possible, proposed, or adopted rule is under examination to attend a commission meeting and answer relevant questions. The commission may also communicate to the agency its comments on any possible, proposed, or adopted rule and require the agency to respond to them in writing.

<u>Subd. 3.</u> [COMMISSION POWERS.] (a) The commission may recommend enactment of a statute to improve the operation of an agency. The commission may also recommend that a particular rule be superseded in whole or in part by statute. The speaker of the house and the president of the senate shall refer those recommendations to the appropriate standing committees. This paragraph does not preclude any committee of the legislature from reviewing a rule on its own motion or recommending that it be superseded in whole or in part by statute.

(b) The commission may object to all or some portion of a rule under section 14.224, or request the governor to suspend a rule or terminate a proceeding to adopt a rule under section 14.223.

(c) By a vote of a majority of its members, the commission may request any agency to adopt, amend, or repeal rules pursuant to recommendations made by the commission, including recommendations to promote adequate and proper rules by that agency. Upon this request, the agency shall give notice of the proposed rule adoption under section 14.206. The notice of proposed rule adoption must be published within 60 days of receipt of the request, unless the request from the commission specifies a longer time. This paragraph applies only if the agency has authority to adopt, amend, or repeal these rules.

Subd. 4. [ANNUAL REPORT.] The commission shall file an annual report with the legislature and the governor.

<u>Subd.</u> 5. [REPORTS ON RULEMAKING GRANTS.] <u>Beginning with a report submitted to the legislature on</u> <u>February 1, 2000, and every five years after that date, the commission shall compile a list of all general and specific grants of rulemaking of all agencies. The report should include a brief description of each grant and a citation to the authorizing statute.</u> Subd. 6. [PUBLICATION OF RULES BULLETIN.] The commission shall periodically publish a bulletin highlighting controversial proposed rules and other developments of interest in rulemaking. The bulletin shall be available to legislators and to the general public.

<u>Subd. 7.</u> [EXEMPT RULES.] By January 15 of each odd-numbered year, the commission shall report to the legislature on rules that are specifically exempted from chapter 14 by other law. The commission shall recommend repealing any exemption that it believes is no longer justified.

Sec. 3. [3.985] [RULE NOTES.]

The administrative rules advisor or the chair of a standing committee to which a bill delegating rulemaking authority has been referred may require an agency to which the rulemaking authority is granted under a bill to prepare a rulemaking note on the proposed delegation of authority. The rulemaking note shall contain any of the following information requested by the administrative rules advisor or the chair of the standing committee: the reasons for the grant of authority; the person or groups the rules would impact; estimated cost of the rule for affected persons; estimated cost to the agency of adopting the rules; and any areas of controversy anticipated by the agency. The rulemaking note must be delivered to the administrative rules advisor and to the chair of the standing committee to which the bill delegating the rulemaking authority has been referred.

Sec. 4. Minnesota Statutes 1992, section 10A.02, is amended by adding a subdivision to read:

Subd. 12a. [RULES.] If the board intends to apply principles of law or policy announced in an advisory opinion issued under subdivision 12 more broadly than to the individual or association to whom the opinion was issued, the board must adopt these principles or policies as rules under chapter 14.

Sec. 5. Minnesota Statutes 1992, section 14.05, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO ADOPT ORIGINAL RULES RESTRICTED.] Each agency shall adopt, amend, suspend, or repeal its rules in accordance with the procedures specified in sections 14.001 to 14.69 this chapter, and only pursuant to authority delegated by law and in full compliance with its duties and obligations. If a law authorizing rules is repealed, the rules adopted pursuant to that law are automatically repealed on the effective date of the law's repeal unless there is another law authorizing the rules. Except as provided in section 14.06, sections 14.001 to 14.69 shall not be authority for an agency to adopt, amend, suspend, or repeal rules.

Sec. 6. Minnesota Statutes 1992, section 14.12, is amended to read:

14.12 [DEADLINE TO PUBLISH NOTICE REPORT ON DELAY IN ADOPTION.]

The agency shall, within 180 days after the effective date of a law requiring rules to be promulgated, unless otherwise specified by law, publish an appropriate notice of intent to adopt a rule in accordance with sections 14.05 to 14.36. If an agency has not given this notice, it shall report to the legislative commission to review administrative rules, other appropriate committees of the legislature, and the governor its failure to do so, and the reasons for that failure. If an agency has not finally adopted a rule within 12 months of the effective date of a law requiring rules to be adopted, the agency must report to the legislative commission to review administrative rules, the appropriate policy committees of the legislature, and the governor. The report must include:

(1) the current status of the proposed rules;

(2) a summary of procedural requirements that have prevented the agency from finally adopting the rules;

(3) a discussion of unresolved policy issues in dispute between the agency and persons interested in the rules,

(4) the text of proposed legislation, if any is needed, that would give the agency further policy guidance needed to complete rulemaking or that would make changes in statute necessary to implement the affected law in accordance with legislative intent without rulemaking.

Sec. 7. [14.201] [SUSPENSION OF ACT'S PROVISIONS WHEN NECESSARY TO AVOID LOSS OF FEDERAL FUNDS OR SERVICES.]

(a) To the extent necessary to avoid a denial of funds or services from the United States which would otherwise be available to the state, the governor by executive order may suspend, in whole or in part, one or more provisions of sections 14.202 to 14.218. The governor by executive order shall declare the termination of a suspension as soon as it is no longer necessary to prevent the loss of funds or services from the United States.

(b) If any provision of sections 14.202 to 14.218 is suspended pursuant to this section, the governor shall promptly report the suspension to the legislature. The report must include recommendations concerning any desirable legislation that may be necessary to conform to federal law.

Sec. 8. [14.202] [REQUIRED RULEMAKING; DOCUMENTS.]

<u>Subdivision 1.</u> [RULES OF PRACTICE.] <u>Each agency shall make available to the public a brochure, guidebook, or</u> other document setting forth the nature and requirements of all formal and informal procedures.

<u>Subd.</u> 2. [ADMINISTRATIVE STANDARDS AND SAFEGUARDS.] <u>As soon as feasible and to the extent</u> practicable, each agency shall adopt rules, in addition to those otherwise required by this chapter, embodying appropriate standards, principles, and procedural safeguards that the agency will apply to the law it administers.

<u>Subd. 3.</u> [RULES TO SUPERSEDE PRINCIPLES ESTABLISHED IN PARTICULAR CASES.] <u>Upon request of any</u> <u>person, as soon as feasible and to the extent practicable, each agency shall adopt rules to supersede principles of law</u> <u>or policy lawfully declared by the agency as the basis for its decisions in particular cases. This subdivision does not apply to an agency defined expressly by law as having quasi-judicial powers or functions.</u>

Sec. 9. [14.203] [ADVICE ON POSSIBLE RULES BEFORE NOTICE OF PROPOSED RULE ADOPTION.]

<u>Subdivision 1.</u> [PUBLISHED NOTICE OF SOLICITATION OF COMMENTS.] In addition to seeking information by other methods, an agency, before publication of a notice of proposed rule adoption under section 14.206, may solicit comments from the public on a subject matter of possible rulemaking under active consideration within the agency by causing notice to be published in the State Register of the subject matter and indicating where, when, and how persons may comment.

<u>Subd. 2.</u> [APPOINTMENT OF COMMITTEES.] <u>Each agency may also appoint committees to comment, before</u> <u>publication of a notice of proposed rule adoption under section 14.206, on the subject matter of a possible rulemaking</u> <u>under active consideration within the agency.</u> <u>Upon request of any person, the agency must send the person a</u> <u>membership list for its committees.</u>

Sec. 10. [14.204] [PUBLIC RULEMAKING DOCKET.]

Subdivision 1. [REQUIREMENT.] Each agency shall maintain a current, public rulemaking docket.

<u>Subd. 2.</u> [GENERAL RULEMAKING INFORMATION.] <u>The rulemaking docket must contain a listing of the precise</u> <u>subject matter of each possible rule currently under active consideration within the agency for proposal under</u> <u>section 14.206, the name and address of agency personnel with whom persons may communicate with respect to the</u> <u>matter, and an indication of the present status within the agency of that possible rule.</u>

<u>Subd.</u> 3. [SPECIFIC INFORMATION ON PENDING PROCEEDINGS.] <u>The rulemaking docket must list each</u> pending rulemaking proceeding. A rulemaking proceeding is pending from the time it is commenced, by publication of a notice of proposed rule adoption, to the time it is terminated, by publication of a notice of termination or the rule becoming effective. For each rulemaking proceeding, the docket must indicate:

(1) the subject matter of the proposed rule;

(2) a citation to all published notices relating to the proceeding;

(3) where written submissions on the proposed rule may be inspected;

(4) the time during which written submissions may be made;

(5) whether a written request for the issuance of a regulatory analysis of the proposed rule has been filed, whether that analysis has been issued, and where the written request and analysis may be inspected;

(6) the current status of the proposed rule and any agency determinations with respect to it;

(7) the date of any report made under section 14.12;

(8) any known timetable for agency decisions or other action in the proceeding;

### (9) the date of the rule's adoption;

(10) when the rule will become effective.

<u>Subd. 4.</u> [ADMINISTRATIVE RULES ADVISOR'S SUBJECT MATTER INDEX.] <u>The administrative rules advisor</u> <u>shall maintain a subject matter index of rules that are under active consideration or are pending and that are</u> <u>referenced in agency rulemaking dockets</u>. The purpose of this subject matter index is to allow the administrative rules <u>advisor to direct persons interested in regulatory activity to the proper agency for more detailed information</u>.

Sec. 11. [14.205] [MODEL RULES.]

Upon request of the administrative rules advisor, the legislative commission to review administrative rules, or more than one agency, the attorney general, in consultation with the administrative rules advisor and the revisor of statutes, shall adopt model rules relating to rulemaking topics specified in the request appropriate for use by as many agencies as possible. The model rules must include forms for required rulemaking notices. The model rules apply to each agency, unless the agency adopts a different rule. Any agency adopting a different rule must state, in the statement required by section 14.214, why it differed from the model rules.

Sec. 12. [14.206] [NOTICE OF PROPOSED RULE ADOPTION.]

<u>Subdivision 1.</u> [LIST OF PERSONS REGISTERED TO RECEIVE NOTICE.] Each agency shall maintain a list of all persons who have registered with the agency for the purpose of receiving notice of proposed rule adoptions.

<u>Subd. 2.</u> [TIMING AND CONTENT.] (a) <u>At least 30 days before the adoption of a rule an agency shall publish</u> notice of its contemplated action in the State Register. The notice of proposed rule adoption must include:

(1) a short explanation of the purpose of the proposed rule and a notice that the explanatory statement prepared under paragraph (b) is available from the agency;

(2) the specific legal authority authorizing the proposed rule;

(3) subject to subdivision 8, the text of the proposed rule;

(4) where, when, and how persons may present their views on the proposed rule;

(5) where, when, and how persons may demand an oral proceeding on the proposed rule if the notice does not already provide for one; and

(6) an explanation of how a regulatory analysis may be requested under section 14.208.

(b) At the time an agency publishes notice of proposed rule adoption it must make available a concise explanatory statement containing the reasons for the proposed rule. The statement must include a citation to the statutory authority to adopt the rule. The agency must make this statement available for review at the agency's office and shall provide a copy of the statement on request. The insufficiency or inaccuracy of this explanation is not grounds for invalidating the rule if the agency has made a good faith effort to comply with this paragraph.

Subd. 3. [FORM APPROVAL OF RULE.] Before publishing notice of proposed rule adoption in the State Register, the agency shall submit the proposed rule to the revisor of statutes for approval of form.

Subd. 4. [DUAL NOTICE.] The notice of proposed rule adoption may give notice of an oral proceeding, and of the agency's intention to cancel the oral proceeding if an oral proceeding is not required. The agency may not schedule the oral proceeding earlier than ten days after the end of the comment period under section 14.207, subdivision 1.

<u>Subd. 5.</u> [EXTENSION OF ORAL PROCEEDING DEADLINE.] <u>The notice of proposed rule adoption must state</u> that if a regulatory analysis has not been done and is later required, another notice may be published extending the deadline for requesting an oral proceeding, rescheduling any previously scheduled oral hearing, or extending the deadline for presenting views to the agency.

<u>Subd. 6.</u> [REQUIRED MAILING.] <u>Within three days after its publication in the State Register, the agency shall mail</u> <u>a copy of the notice of proposed rule adoption to each person on the list established under subdivision 1, and to any</u> <u>other person who has made a timely request to the agency for a mailed copy of the notice.</u> An agency may not charge <u>persons for the mailed copies.</u>

<u>Subd.</u> 7. [NOTICE TO LCRAR.] <u>At the time the agency sends the notice of proposed rule adoption to the State</u> <u>Register for publication, it must send the same notice and the concise explanatory statement prepared under</u> <u>subdivision 2, paragraph (b), to the legislative commission to review administrative rules.</u>

<u>Subd. 8.</u> [OMISSION OF RULE TEXT.] (a) The administrative rules advisor may authorize an agency to omit from the notice of proposed rule adoption the text of any proposed rule, the publication of which would be unduly cumbersome, expensive, or otherwise inexpedient if:

(1) knowledge of the rule is likely to be important to only a small class of persons;

(2) the notice of proposed rule adoption states that a free copy of the entire rule is available upon request to the agency; and

(3) the notice of proposed rule adoption states in detail the specific subject matter of the omitted rule.

(b) An agency may incorporate text by reference as permitted by section 14.07.

Sec. 13. [14.207] [PUBLIC PARTICIPATION.]

Subdivision 1. [COMMENT PERIOD.] For at least 30 days after publication of the notice of proposed rule adoption, an agency shall afford persons the opportunity to submit in writing, argument, data, and views on the proposed rule.

<u>Subd. 2.</u> [ORAL PROCEEDINGS.] (a) An agency shall schedule an oral proceeding on a proposed rule if, within 30 days after the published notice of proposed rule adoption, a written request for an oral proceeding is submitted to the agency by the legislative commission to review administrative rules, the administrative rules advisor, a political subdivision, or 25 persons. At that proceeding, persons may present oral argument, data, and views on the proposed rule. To be counted as one of 25 persons requesting an oral proceeding, a written request must include the requester's name and address.

(b) An oral proceeding on a proposed rule, if required, may not be held earlier than 30 days after notice of its location and time is published in the State Register.

(c) If requested by the agency, the governor, the administrative rules advisor, 300 persons submitting a written request to the agency, or the legislative commission to review administrative rules, an administrative law judge assigned by the chief administrative law judge shall preside at the oral proceeding. Otherwise, the agency, a member of the agency, or another presiding officer designated by the agency, shall preside at a required oral proceeding on a proposed rule. If the agency does not preside, upon request of the agency the presiding official shall prepare a memorandum for consideration by the agency summarizing the contents of the presentations made at the oral proceeding. Upon request of the agency, an administrative law judge or other presiding officer shall prepare a report that includes findings, conclusions, and recommendations. Oral proceedings must be open to the public and be recorded by stenographic or other means.

(d) Upon request, the agency shall provide the names of persons who have made written requests for an opportunity to make oral presentations on the proposed rule, where those requests may be inspected, and where and when oral presentations may be made.

Sec. 14. [14.2075] [SMALL BUSINESS ECONOMIC IMPACT STATEMENT.]

Before publishing notice of a proposed rule, the agency shall make a written determination as to whether or not the rule will have an economic impact on small businesses. The agency must send a copy of this written determination to the legislative commission to review administrative rules, and must make it available to the public. If the agency or the legislative commission to review administrative rules determines that the proposed rule will have an economic impact on small businesses, the agency shall complete a small business economic impact statement. The agency must make the small business economic impact statement available to the public and must file the statement with the legislative commission to review administrative rules before publishing notice of a proposed rule. The statement must contain the following: (1) a description of the nature of any reports and the estimated cost of their preparation by small businesses that would be required to comply with the proposed rules;

(2) an analysis of the costs of compliance for all small businesses affected by the proposed rules, including costs of equipment, supplies, labor, and increased administrative costs;

(3) a description of the nature and estimated cost of any legal, consulting, and accounting services that small businesses would incur in complying with the proposed rules;

(4) a statement regarding whether the proposed rules will have a disproportionate impact on small businesses because of the size of those businesses;

(5) an analysis of the ability of small businesses to absorb the costs estimated under clauses (1) to (3) without suffering economic harm and without adversely affecting competition in the marketplace;

(6) the cost, if any, to the agency of administering or enforcing a rule that exempts or sets lesser standards for compliance by small business;

(7) the impact on the public interest of exempting or setting lesser standards of compliance for small business; and

(8) a statement regarding whether and how the agency has involved small businesses in the development of the rule.

Sec. 15. [14.208] [REGULATORY ANALYSIS.]

<u>Subdivision 1.</u> [GENERAL REQUIREMENT.] <u>An agency shall issue a regulatory analysis of a proposed rule if,</u> within 30 days after the published notice of proposed rule adoption, a written request for the analysis is filed with the agency by the legislative commission to review administrative rules, the governor, a political subdivision, or 300 persons signing the request. To be counted as one of 300 persons requesting a regulatory analysis, a written request must include the requester's name and address.

Subd. 2. [CONTENTS.] Except to the extent that the written request expressly waives one or more of the following, the regulatory analysis must contain:

(1) a description of the classes of persons who probably will be affected by the proposed rule, including classes that will bear the costs of the proposed rule and classes that will benefit from the proposed rule;

(2) the probable costs to the agency and to any other agency of the implementation and enforcement of the proposed rule and any anticipated effect on state revenues;

(3) a determination of whether there are less costly methods or less intrusive methods for achieving the purpose of the proposed rule; and

(4) a description of any alternative methods for achieving the purpose of the proposed rule that were seriously considered by the agency and the reasons why they were rejected in favor of the proposed rule.

Subd. 3. [AVAILABILITY OF SUMMARY.] A concise summary of the regulatory analysis must be available to the public at least ten days before the earliest of:

(1) the end of the period during which persons may make written submissions on the proposed rule;

(2) the end of the period during which an oral proceeding may be requested; or

(3) the date of any required oral proceeding on the proposed rule.

Subd. 4. [NOTICE OF RESCHEDULING.] If the period for written submissions, the period for requesting an oral proceeding, or the date of the oral proceeding must be rescheduled in order to make the regulatory analysis available at the times requested by subdivision 3, the agency must publish notice to that effect in the State Register and mail notice as required under section 14.206, subdivision 6. This notice is subject to all the public participation requirements contained in section 14.207.

<u>Subd. 5.</u> [EFFECT OF GOOD FAITH COMPLIANCE.] If the agency has made a good faith effort to comply with the requirements of this section, the rule may not be invalidated on the grounds that the contents of the regulatory analysis are insufficient or inaccurate.

Sec. 16. [14.209] [TIME AND MANNER OF RULE ADOPTION.]

<u>Subdivision 1.</u> [GENERAL REQUIREMENT.] (a) An agency may not adopt a rule until the period for making written submissions and oral presentations has expired.

(b) Before the adoption of a rule, an agency shall consider the written submissions, presentations made at oral proceedings, any memorandum summarizing oral proceedings, and any regulatory analysis, provided for by sections 14.202 to 14.218.

(c) Within the scope of its delegated authority, an agency may use its own experience, technical competence, specialized knowledge, and judgment in the adoption of a rule.

(d) Before adoption of a rule, an agency shall submit the rule to the revisor of statutes for approval of form.

Subd. 2. [MANNER OF RULE ADOPTION.] (a) An agency shall adopt a rule by publishing notice of adoption in the State Register and by filing a copy of the adopted rule with the secretary of state.

(b) If the adopted rule is the same as the proposed rule, the notice of adoption shall state that the rule has been adopted as proposed, and cite the prior State Register publication of the proposed rule.

(c) If the adopted rule differs from the proposed rule, the portions of the adopted rule which differ from the proposed rule shall be included in the notice of adoption, together with a citation to the prior State Register publication of the remainder of the proposed rule. The nature of the modifications must be clear to a reasonable person when the notice of adoption is considered together with the State Register publication of the proposed rule. Modifications made solely to comply with form requirements imposed by the revisor of statutes need not be published in the State Register.

(d) If the agency omitted from the notice of proposed rule adoption the text of the proposed rule, as permitted by section 14.206, subdivision 8, paragraph (a), the administrative rules advisor may provide that the notice of the adopted rule need not include the text of any changes from the proposed rule. However, the notice of adoption must state in detail the substance of the changes made from the proposed rule, and must state that a free copy of that portion of the adopted rule that was the subject of the rulemaking proceeding, not including any material adopted by reference as permitted by section 14.07, is available upon request to the agency.

Sec. 17. [14.211] [VARIANCE BETWEEN ADOPTED RULE AND PUBLISHED NOTICE OF PROPOSED RULE ADOPTION.]

(a) An agency may not adopt a rule that is substantially different from the proposed rule contained in the published notice of proposed rule adoption. A modification does not make a proposed rule substantially different if:

(1) the differences are within the scope of the matter announced in the notice of proposed rule adoption and are in character with the issues raised in that notice;

(2) the differences are a logical outgrowth of the contents of that notice of intent to adopt and the comments submitted in response to the notice; and

(3) the notice of intent to adopt provided fair warning that the outcome of that rulemaking proceeding could be the rule in guestion.

(b) In determining whether the notice of intent to adopt provided fair warning that the outcome of that rulemaking proceeding could be the rule in guestion, the following factors must be considered:

(1) the extent to which persons who will be affected by the rule should have understood that the rulemaking proceeding on which it is based could affect their interests;

(2) the extent to which the subject matter of the rule or issues determined by the rule are different from the subject matter or issues contained in the notice of intent to adopt; and

(3) the extent to which the effects of the rule differ from the effects of the proposed rule contained in the notice of intent to adopt.

Sec. 18. [14.212] [GENERAL EXEMPTION FROM PUBLIC RULEMAKING PROCEDURES.]

Subdivision 1. [AUTHORITY.] To the extent an agency for good cause, and with approval of the governor, finds that any requirements of sections 14.206 to 14.211 are unnecessary, impracticable, or contrary to the public interest in the process of adopting a particular rule, those requirements do not apply. The agency shall incorporate the required finding and a brief statement of its supporting reasons in each rule adopted in reliance upon this subdivision. A rule adopted under this authority must be submitted to the revisor of statutes for approval of form and must be filed with the secretary of state under section 14.217.

<u>Subd. 2.</u> [AGENCY EVIDENTIARY BURDEN.] In an action contesting a rule adopted under subdivision 1, the burden is upon the agency to demonstrate that any omitted requirements of sections 14.206 to 14.211 were impracticable, unnecessary, or contrary to the public interest in the particular circumstances involved.

<u>Subd.</u> 3. [SUBSEQUENT RULEMAKING PROCEEDING.] Within two years after the effective date of a rule adopted under subdivision 1, the legislative commission to review administrative rules or the governor may request the agency to hold a rulemaking proceeding on the rule according to the requirements of sections 14.206 to 14.211. The request must be in writing and filed in the office of the secretary of state. The secretary of state shall immediately forward a certified copy of the request to the agency and to the revisor of statutes. The entity making the request must publish the notice as soon as possible in the State Register. The rule in question ceases to be effective 180 days after the request is filed. However, an agency, after the filing of the request, may subsequently adopt an identical rule in a rulemaking proceeding conducted pursuant to the requirements of sections 14.206 to 14.211.

Sec. 19. [14.213] [EXEMPTION FOR CERTAIN RULES.]

<u>Subdivision 1.</u> [SCOPE AND PROCEDURE.] An agency need not follow sections 14.206 to 14.211 in the adoption of a rule that only defines the meaning of a statute or other provision of law or precedent. A rule adopted under this section is not binding on a court. A rule adopted under this section must include a statement that it was adopted under this section when it is published in the State Register, and there must be an indication to that effect adjacent to the rule when it is published in Minnesota Rules. A rule adopted under this section must be submitted to the revisor of statutes for approval of form and must be filed with the secretary of state under section 14.217.

<u>Subd. 2.</u> [SCOPE OF JUDICIAL REVIEW.] <u>A reviewing court is not bound by a rule adopted under subdivision 1</u> that is adopted without complying with sections 14.206 to 14.210, but may give appropriate consideration to the interpretation of the agency.

<u>Subd.</u> 3. [VALIDITY OF INTERPRETATIONS.] <u>An agency interpretation of a statute or rule it is responsible for</u> enforcing or administering is not invalid solely because the interpretation was not adopted as a rule. This subdivision does not authorize an agency to impose requirements that are not contained in a statute or rule, either on its face or determined by accepted means of construction, without following statutory rulemaking procedures.

Sec. 20. [14.214] [CONCISE EXPLANATORY STATEMENT.]

Subdivision 1. [TIMING AND CONTENT.] At the time it adopts a rule, an agency shall issue a concise explanatory statement containing:

(1) an indication of any change between the text of the proposed rule contained in the published notice of proposed rule adoption and the text of the rule as finally adopted, with the reasons for any change; and

(2) a statement of how the agency has responded to major areas of comments on the proposed rule, provided that the insufficiency or inaccuracy of this explanation is not grounds for invalidating the rule if the agency has made a good faith effort to comply with this clause.

<u>Subd. 2.</u> [RULE CHALLENGES.] If, in a judicial challenge to the validity of a rule, an agency or other person asserts a reason in support of the rule which is not contained in the agency's explanatory statements issued in the rulemaking proceeding, the court shall remand the matter to the agency to consider whether the agency's explanatory statement should be supplemented. After the agency completes its consideration and issues any supplement to the explanatory statement, the court shall consider only the reasons contained in the agency's explanatory statements.

### Sec. 21. [14.215] [AGENCY RULEMAKING RECORD.]

<u>Subdivision 1.</u> [GENERAL REQUIREMENT.] <u>An agency shall maintain an official rulemaking record for each rule</u> it: (1) proposes by publication in the State Register of a notice of proposed rule adoption; or (2) adopts. The record and materials incorporated by reference must be available for public inspection.

Subd. 2. [CONTENTS.] The agency rulemaking record must contain:

(1) copies of all publications in the State Register with respect to the rule or the proceeding upon which the rule is based;

(2) copies of any portions of the agency's public rulemaking docket containing entries relating to the rule or the proceeding upon which the rule is based;

(3) all written petitions, requests, submissions, and comments received by the agency and all other written materials considered by the agency in connection with the formulation, proposal, or adoption of the rule or the proceeding upon which the rule is based;

(4) any official transcript of oral presentations made in the proceeding upon which the rule is based or, if not transcribed, any tape recording or stenographic record of those presentations, and any memorandum prepared by a presiding official summarizing the contents of those presentations;

(5) a copy of any regulatory analysis prepared for the proceeding upon which the rule is based;

(6) a copy of the rule and explanatory statement filed in the office of the secretary of state;

(7) all petitions for exceptions to, amendments of, or repeal or suspension of, the rule;

(8) a copy of any request filed pursuant to section 14.212, subdivision 3;

(9) a copy of any objection to the rule filed by the legislative commission to review administrative rules pursuant to section 14.224 and the agency's response; and

(10) a copy of any filed executive order with respect to the rule.

<u>Subd. 3.</u> [USE IN JUDICIAL REVIEW OF RULE.] <u>Upon judicial review, the record required by this section</u> <u>constitutes the official agency rulemaking record with respect to a rule. Except as provided in section 14.214,</u> <u>subdivision 2, or otherwise required by a provision of law, the agency rulemaking record need not constitute the</u> <u>exclusive basis for agency action on that rule or for judicial review of it.</u>

Sec. 22. [14.216] [RULES NOT ADOPTED ACCORDING TO ACT.]

<u>Subdivision 1.</u> [INVALIDITY OF CERTAIN RULES.] <u>A rule adopted after a rulemaking proceeding commenced after June 30, 1995, is invalid unless adopted in substantial compliance with sections 14.206 to 14.211 and 14.214 and 14.215. However, inadvertent failure to mail a notice of proposed rule adoption to any person as required by section 14.206, subdivision 6, does not invalidate a rule.</u>

<u>Subd.</u> 2. [LIMITATIONS ON ACTIONS.] <u>An action to contest the validity of a rule on the grounds of its</u> noncompliance with any provision of sections 14.206 to 14.211 or 14.214 and 14.215 must be commenced within two years after the effective date of the rule.

Sec. 23. [14.217] [FILING OF RULES WITH SECRETARY OF STATE.]

An agency shall file in the office of the secretary of state each rule it adopts. The filing must be done as soon after adoption of the rule as is practicable. At the time of filing, each rule adopted must have attached to it the explanatory statement required by section 14.214. The secretary of state shall affix to each rule and statement a certification of the time and date of filing and keep a permanent register open to public inspection of all filed rules and attached explanatory statements. In filing a rule, each agency shall use a standard form prescribed by the secretary of state.

The secretary of state shall transmit to the revisor of statutes, the administrative rules counsel, and to the legislative commission to review administrative rules a certified copy of each filed rule as soon after its filing as is practicable.

## Sec. 24. [14.218] [EFFECTIVE DATE OF RULES.]

<u>Subdivision 1.</u> [GENERALLY.] Except to the extent subdivision 2 or 3 provides otherwise, each rule adopted after the effective date of this chapter becomes effective five working days after the later of:

(1) its filing in the office of the secretary of state; or

(2) its publication in the State Register.

<u>Subd. 2.</u> [EXCEPTIONS.] <u>A rule becomes effective on a date later than that established by subdivision 1 if a later date is required by another statute or specified in the rule.</u>

Subd. 3. [EFFECT ON OTHER LAWS.] This section does not relieve an agency from compliance with any provision of law requiring that some or all of its rules be approved by other designated officials or bodies before they become effective.

Sec. 25. [14.219] [SPECIAL PROVISION FOR CERTAIN CLASSES OF RULES.]

Except to the extent otherwise provided by law, sections 14.202 to 14.218 are inapplicable to:

(1) a rule concerning only the internal management of an agency which does not directly and substantially affect the procedural or substantive rights or duties of any segment of the public;

(2) a rule that establishes criteria or guidelines to be used by the staff of an agency in performing audits, investigations, or inspections, settling commercial disputes, negotiating commercial arrangements, or in the defense, prosecution, or settlement of cases;

(3) a rule that only establishes specific prices to be charged for particular goods or services sold by an agency;

(4) a rule concerning only the physical servicing, maintenance, or care of agency owned or operated facilities or property;

(5) a rule relating only to the use of a particular facility or property owned, operated, or maintained by the state or any of its subdivisions, if the substance of the rule is adequately indicated by means of signs or signals to persons who use the facility or property;

(6) a rule concerning only inmates of a correctional or detention facility, students enrolled in a state educational institution, or patients admitted to a hospital, if adopted by that facility, institution, or hospital;

(7) an agency budget;

(8) an opinion of the attorney general;

(9) the terms of a collective bargaining agreement;

(10) rules relating to weight limitations on the use of highways when the substance of the rules is indicated to the public by means of signs;

(11) the systems architecture plan and long-range plan of the state education management information system provided by section 121.931;

(12) the data element dictionary and the annual data acquisition calendar of the department of education to the extent provided by section 121.932;

(13) the occupational safety and health standards provided by section 182.655;

(14) revenue notices and tax information bulletins of the commissioner of revenue;

(15) agencies in the legislative or judicial branches;

(16) emergency powers in sections 12.31 to 12.37;

(17) the department of military affairs;

(18) the comprehensive health association in section 62E.10;

(19) the tax court in section 271.06; and

(20) the regents of the University of Minnesota.

Sec. 26. [14.221] [PETITION FOR ADOPTION OF RULE.]

Any person may petition an agency requesting the adoption of a rule. The attorney general shall prescribe by rule the form of the petition and the procedure for its submission, consideration, and disposition. Within 60 days after submission of a petition, the agency shall either:

(1) deny the petition in writing, stating its reasons;

(2) initiate rulemaking proceedings in accordance with sections 14.203 to 14.218; or

(3) if otherwise lawful, adopt a rule.

## **REVIEW OF AGENCY RULES**

Sec. 27. [14.222] [REVIEW BY AGENCY.]

<u>At least every four years, each agency shall review all of its rules to determine whether any rule should be adopted</u> or repealed. In conducting that review, each agency shall prepare a written report summarizing its findings, its supporting reasons, and any proposed course of action. For each rule, the report must include, at least once every ten years, a concise statement of:

(1) the rule's effectiveness in achieving its objectives, including a summary of any available data supporting the conclusions reached;

(2) criticisms of the rule received during the previous ten years, including a summary of any petitions for waiver of the rule tendered to the agency or granted by it, and

(3) alternative solutions to the criticisms and the reasons they were rejected or the changes made in the rule in response to those criticisms and the reasons for the changes. A copy of the report must be sent to the legislative commission to review administrative rules and the administrative rules advisor and be available for public inspection.

Sec. 28. [14.223] [REVIEW BY GOVERNOR; ADMINISTRATIVE RULES ADVISOR.]

<u>Subdivision 1.</u> [SUSPENSION OF ADOPTED RULES.] <u>Upon request of the legislative commission to review</u> <u>administrative rules, the governor may suspend all or a severable portion of a rule of an agency by publishing notice</u> <u>of the suspension in the State Register.</u> This authority applies only to the extent that the agency itself would have <u>authority, through rulemaking, to take such action.</u> If the governor suspends a rule or portion of a rule under this <u>section, the governor shall place before the next regular session of the legislature a bill to repeal the suspended rule</u> <u>or portion of the rule.</u> If the bill is not enacted in that year's regular session, the rule or portion of the rule is effective again upon adjournment of the session, unless the agency has repealed it.

<u>Subd. 2.</u> [TERMINATION OF RULE PROCEEDINGS.] <u>Upon request of the legislative commission to review</u> administrative rules, the governor may summarily terminate any pending rulemaking proceeding by an executive order to that effect, stating in the order the reasons for the action. The executive order must be filed in the office of the secretary of state, which shall promptly forward a certified copy to the agency and the revisor of statutes. An executive order terminating a rulemaking proceeding becomes effective on the date it is filed and must be published in the next issue of the State Register.

<u>Subd.</u> 3. [ADMINISTRATIVE RULES ADVISOR.] There is created, within the office of the governor, an administrative rules advisor to advise the governor in the execution of the authority vested under this section. The governor shall appoint the administrative rules advisor who shall serve at the pleasure of the governor. The administrative rules advisor, in cooperation with the department of employee relations and the revisor of statutes, shall provide or arrange training for agency staff in rulemaking procedures.

# Sec. 29. [14.224] [LEGISLATIVE OBJECTION.]

<u>Subdivision 1.</u> [GROUNDS.] The legislative commission to review administrative rules or a standing committee of the house of representatives or the senate with jurisdiction over the subject matter of the rule may object to all or some portion of a rule because the commission or committee considers it to be beyond the procedural or substantive authority delegated to the adopting agency.

<u>Subd. 2.</u> [FILING OF OBJECTION.] <u>The commission or committee must file an objection in the office of the</u> secretary of state. <u>The filed objection must contain a concise statement of the commission's or committee's reasons</u> for its action.

<u>Subd. 3.</u> [DUTIES OF SECRETARY OF STATE.] <u>The secretary of state shall affix to each objection a certification</u> of the date and time of its filing and as soon as practicable shall transmit a certified copy of it to the agency issuing the rule in question, the revisor of statutes, and the administrative rules counsel. The secretary of state shall also maintain a permanent register open to public inspection of all objections by the commission.

<u>Subd.</u> 4. [PUBLICATION OF OBJECTION.] <u>The legislative commission to review administrative rules or the</u> <u>standing committee objecting to the rule shall publish an objection filed pursuant to this section in the next issue of</u> <u>the State Register.</u> The revisor of statutes shall indicate its existence adjacent to the rule in question when that rule <u>is published in Minnesota Rules.</u>

<u>Subd. 5.</u> [AGENCY RESPONSE.] <u>Within 14 days after receiving a copy of the filed objection, the issuing agency</u> <u>shall respond in writing to the commission or objecting committee.</u> <u>After receipt of the response, the commission or</u> <u>objecting committee may withdraw or modify its objection.</u>

<u>Subd. 6.</u> [EFFECT OF OBJECTION UPON JUDICIAL REVIEW OF RULE.] <u>After the filing of an objection by the</u> <u>commission or committee that is not subsequently withdrawn, the burden is upon the agency in any proceeding for</u> <u>judicial review or for enforcement of the rule to establish that the whole or portion of the rule objected to is within</u> <u>the procedural and substantive authority delegated to the agency.</u>

Subd. 7. [EFFECT OF FAILURE TO OBJECT.] The failure of the commission or a committee to object to a rule is not an implied legislative authorization of its procedural or substantive validity.

Sec. 30. Minnesota Statutes 1992, section 14.38, subdivision 1, is amended to read:

Subdivision 1. [ORIGINAL RULES.] Every rule, regardless of whether it might be known as a substantive, procedural, or interpretive rule, which is filed in the office of the secretary of state as provided in sections 14.05 to 14.36, or which is adopted under sections 14.206 to 14.211 after the effective date of this section, shall have the force and effect of law five working days after its notice of adoption is published in the State Register unless a different date is required by statute or a later date is specified in the rule. The secretary of state shall keep a permanent record of rules filed with that office open to public inspection. <u>A rule adopted under authority of section 14.213 does not have the force and effect of law.</u>

Sec. 31. Minnesota Statutes 1992, section 14.38, subdivision 7, is amended to read:

Subd. 7. [PROCEDURE FOR EXEMPT AGENCIES AND EXEMPT RULES.] The subdivision 5 and 6 rules have Subdivisions 7 to 9 apply to agency rules that are specifically exempted from chapter 14 by other law. Subdivisions 7 and 8 apply to rules adopted under section 14.212. Subdivisions 7 to 9 do not apply to rules listed in section 14.219. A rule has the force and effect of law if:

(1) the revisor of statutes approves the form of the rules by certificate;

(2) two copies of the rules with the revisor's certificate are filed in the office of the secretary of state; and,

(3) a copy is published in the State Register.

Sec. 32. Minnesota Statutes 1992, section 14.38, subdivision 8, is amended to read:

Subd. 8. [EFFECTIVE DATE OF EXEMPT AGENCY RULES AND EXEMPT RULES.] The rules become <u>A</u> rule <u>subject to subdivisions 7 to 9 becomes</u> effective five working days after publication in the State Register. The secretary of state shall forward one copy of each rule to the revisor of statutes. Rules filed in accordance with subdivisions  $\frac{5}{7}$  to  $\frac{9}{7}$  as they were in effect on the date the rules were filed, shall be included in Minnesota Rules.

Sec. 33. Minnesota Statutes 1992, section 14.38, subdivision 9, is amended to read:

Subd. 9. [STATUS OF FUTURE EXEMPTIONS.] Any law exempting an agency or rule from sections 14.001 to 14.69 chapter 14 shall not be construed as preventing an agency from complying with subdivisions 5 7 to 9, unless the law specifically provides to the contrary.

## Sec. 34. [14.435] [LEGISLATIVE COMMITTEE STANDING.]

A standing committee of the legislature that has oversight responsibility for an agency may petition for judicial review of a rule of that agency or intervene in litigation arising from rulemaking action of that agency.

Sec. 35. Minnesota Statutes 1992, section 14.46, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS.] The commissioner of administration shall publish a State Register containing all notices for hearings concerning proposed adoption of rules, giving time, place and purpose of the hearing and, except as provided in section 14.206, subdivision 8, the full text of the action being proposed. Further, the register shall contain all rules, amendments, suspensions, or repeals thereof, pursuant to the provisions of this chapter. The commissioner shall further publish any executive order issued by the governor which shall become effective 15 days after publication except as provided in section 4.035, subdivision 2. The commissioner shall further publish any official notices in the register which a state agency requests to be published. Such notices shall include, but shall not be limited to, the date on which a new agency becomes operational, the assumption of a new function by an existing state agency, or the appointment of commissioners. The commissioner may prescribe the form, excluding the form of the rules, and manner in which agencies submit any material for publication in the State Register and may withhold publication of any material not submitted according to the form or procedures prescribed.

The commissioner of administration may organize and distribute the contents of the register according to such categories as will provide economic publication and distribution and will offer easy access to information by any interested party.

Sec. 36. Minnesota Statutes 1992, section 14.46, subdivision 3, is amended to read:

Subd. 3. [SUBMISSION OF ITEMS FOR PUBLICATION.] Any state agency which desires to publish a notice of hearing, rule or change thereof proposed rule adoption or of an adopted rule shall submit a copy of the entire document material to be published, including dates when adopted, and filed with the secretary of state, to the commissioner of administration in addition to any other copies which may be required to be filed with the commissioner by other law.

The revisor of statutes shall provide assistance to the commissioner if requested. Alternatively, the commissioner may designate a contract compositor to whom the assistance is to be supplied. The assistance, in either case, shall consist of furnishing a machine readable computer tape, or similar services, for rules which are available in the revisor's computer data base and for which a written copy has been submitted by an agency to the commissioner for publication in the State Register.

Sec. 37. Minnesota Statutes 1992, section 14.47, subdivision 1, is amended to read:

Subdivision 1. [PLAN OF PUBLICATION AND SUPPLEMENTATION.] The revisor of statutes shall:

(1) formulate a plan for the compilation of all permanent agency rules and, to the extent practicable, emergency agency rules, adopted pursuant to the administrative procedure act or filed pursuant to the provisions of section 14.38, subdivisions 5 to 9 which were in effect at the time the rules were filed or subdivision 11, including their order, classification, arrangement, form, and indexing, and any appropriate tables, annotations, cross references, citations to applicable statutes, explanatory notes, and other appropriate material to facilitate use of the rules by the public, and for the compilation's composition, printing, binding and distribution;

(2) publish the compilation of permanent agency rules and, if practicable, emergency rules, adopted pursuant to the administrative procedure act or filed pursuant to the provisions of section 14.38, subdivisions 5 to 9 which were in effect at the time the rules were filed or subdivision 11, which shall be called "Minnesota Rules";

(3) periodically either publish a supplement or a new compilation, which includes all rules adopted since the last supplement or compilation was published and removes rules incorporated in prior compilations or supplements which are no longer effective;

(4) include in Minnesota Rules a consolidated list of publications and other documents incorporated by reference into the rules after June 30, 1981, and found conveniently available by the revisor under section 14.07, subdivision 4, indicating where the publications or documents are conveniently available to the public; and

(5) copyright any compilations and or supplements in the name of the state of Minnesota.

Sec. 38. Minnesota Statutes 1992, section 14.47, subdivision 2, is amended to read:

Subd. 2. [RESTRICTIONS ON COMPILATION.] The revisor of statutes shall not:

(1) alter the sense, meaning, or effect of any rule in the course of compiling or publishing it; and

(2) aid an agency in the preparation of any statement concerning the need for or reasonableness of a rule except as provided by section 14.07, subdivision 6;

(3) act as legal counsel for an agency before an administrative law judge a presiding officer except as provided by section 14.07, subdivision 6.

Sec. 39. Minnesota Statutes 1992, section 14.47, subdivision 6, is amended to read:

Subd. 6. [OMISSION OF TEXT.] (a) For purposes of any compilation or publication of the rules, the revisor, unless the attorney general objects, may omit any extraneous descriptive or informative text which is not an operative portion of the rule. The revisor may also omit effective date provisions, statements that a rule is repealed, prefaces, appendices, guidelines, organizational descriptions, explanations of federal or state law, and similar material. The revisor shall consult with the agency, the attorney general, <u>and</u> the legislative commission to review administrative rules, and with the chief administrative law judge before omitting any text from publication.

(b) For the purposes of any compilation or publication of the rules, the revisor, unless the attorney general objects, may omit any rules that, by their own terms, are no longer effective or have been repealed directly by the agency, repealed by the legislature, or declared unconstitutional or otherwise void by a court of last resort. The revisor shall not remove a rule which is suspended and not fully repealed, but shall, if practicable, note the fact of suspension in Minnesota Rules. The revisor shall consult the agency involved, the attorney general, the chief administrative law judge, and the legislative commission to review administrative rules before omitting a rule from publication.

Sec. 40. Minnesota Statutes 1992, section 14.50, is amended to read:

### 14.50 [HEARINGS BEFORE ADMINISTRATIVE LAW JUDGE.]

All hearings of state agencies required to be conducted under this chapter other than rulemaking oral proceedings conducted by an agency or an officer designated by the agency, shall be conducted by an administrative law judge assigned by the chief administrative law judge. All hearings required to be conducted under chapter 176 shall be conducted by a compensation judge assigned by the chief administrative law judge. In assigning administrative law judges or compensation judges to conduct such hearings, the chief administrative law judge shall attempt to utilize personnel having expertise in the subject to be dealt with in the hearing. Only administrative law judges learned in the law shall be assigned to contested case hearings. Only compensation judges shall be assigned to workers' compensation matters. It shall be the duty of the administrative law judge to: (1) advise an agency as to the location at which and time during which a hearing should be held so as to allow for participation by all affected interests, provided that this authority does not apply to rulemaking oral proceedings; (2) conduct only hearings for which proper notice has been given; (3) see to it that all hearings are conducted in a fair and impartial manner. Except in the case of <u>rulemaking oral proceedings and</u> workers' compensation hearings involving claims for compensation it shall also be the duty of the administrative law judge to make a report on each proposed agency action in which the administrative law judge functioned in an official capacity, stating findings of fact and conclusions and recommendations, taking notice of the degree to which the agency has (i) documented its statutory authority to take the proposed action, and (ii) fulfilled all relevant substantive and procedural requirements of law or rule, and (iii) in rulemaking proceedings, demonstrated the need for and reasonableness of its proposed action with an affirmative presentation of facts.

Sec. 41. Minnesota Statutes 1992, section 14.51, is amended to read:

## 14.51 [PROCEDURAL RULES FOR HEARINGS.]

The chief administrative law judge shall adopt rules to govern the procedural conduct of all hearings, relating to both rule adoption, amendment, suspension or repeal hearings, contested case hearings, and workers' compensation hearings, and to govern the conduct of voluntary mediation sessions for rulemaking and contested cases other than those within the jurisdiction of the bureau of mediation services. Temporary rulemaking authority is granted to the chief administrative law judge for the purpose of implementing Laws 1981, chapter 346, sections 2 to 6, 103 to 122, 127 to 135, and 141. The procedural rules for hearings shall be binding upon all agencies and shall supersede any other agency procedural rules with which they may be in conflict. The procedural rules for hearings shall include in addition to normal procedural matters provisions relating to recessing and reconvening new hearings when the proposed final rule of an agency is substantially different from that which was proposed at the public hearing. The procedural rules shall establish a procedure whereby the proposed final rule of an agency shall be reviewed by the chief administrative law judge to determine whether or not a new hearing is required because of substantial changes or failure of the agency to meet the requirements of sections 14.131 to 14.18. Upon the chief administrative law judge's own initiative or upon written request of an interested party, the chief administrative law judge may issue a subpoena for the attendance of a witness or the production of books, papers, records or other documents as are material to the matter being heard. The subpoenas shall be enforceable through the district court in the district in which the subpoena is issued.

Sec. 42. Minnesota Statutes 1992, section 17.84, is amended to read:

17.84 [DUTIES OF THE COMMISSIONER.]

Within 30 days of the receipt of the notices <u>notice</u> provided in section 17.82 or 17.83, the commissioner shall review the agency's proposed action, shall negotiate with the agency, and shall recommend to the agency in writing the implementation either of the action as proposed or an alternative. In making recommendations, the commissioner shall follow the statement of policy contained in section 17.80. If the proposed agency action is the adoption of a rule, the recommendation of the commissioner shall be made a part of the record in the rule hearing. If the agency receives no response from the commissioner within 30 days, it shall be deemed a recommendation that the agency take the action as proposed.

Sec. 43. Minnesota Statutes 1992, section 84.027, is amended by adding a subdivision to read:

<u>Subd. 12.</u> [GAME AND FISH RULES.] (a) The commissioner of natural resources may adopt rules under this subdivision that are authorized under:

(1) chapters 97A, 97B, and 97C to set open seasons and areas, to close seasons and areas, to select hunters for areas, to provide for tagging and registration of game, to prohibit or allow taking of wild animals to protect a species, and to prohibit or allow importation, transportation, or possession of a wild animal; and

(2) sections 84.093, 84.14, 84.15, and 84.152 to set seasons for harvesting wild ginseng roots and wild rice and to restrict or prohibit harvesting in designated areas.

<u>Clause (2) does not limit or supersede the commissioner's authority to establish opening dates, days, and hours of the wild rice harvesting season under section 84.14, subdivision 3.</u>

(b) If conditions exist that do not allow the commissioner to comply with sections 14.206 to 14.211, the commissioner may adopt a rule under this subdivision by publishing notice in the State Register and filing a copy of the rules with the secretary of state and with the legislative commission to review administrative rules.

(c) Notwithstanding any contrary provision of section 14.218, rules adopted under paragraph (b) are effective upon publishing in the State Register and may be effective up to seven days before publishing and filing under paragraph (b) if:

(1) the commissioner of natural resources determines that an emergency exists; and

(2) for a rule that affects more than three counties the commissioner publishes the rule once in a legal newspaper published in Minneapolis, St. Paul, and Duluth, or for a rule that affects three or fewer counties the commissioner publishes the rule once in a legal newspaper in each of the affected counties.

(d) Except as provided in paragraph (e), a rule published under paragraph (c), clause (2), may not be effective earlier than seven days after publication.

(e) A rule published under paragraph (c), clause (2), may be effective the day the rule is published if the commissioner gives notice and holds a public hearing on the rule within 15 days before publication.

(f) The commissioner shall attempt to notify persons or groups of persons affected by rules adopted under paragraphs (b) and (c) by public announcements, posting, and other appropriate means as determined by the commissioner.

Sec. 44. Minnesota Statutes 1992, section 128C.02, is amended by adding a subdivision to read:

<u>Subd. 4a.</u> [RULES.] This subdivision applies to rules of the league adopted or amended after July 1, 1994. At least 30 days before a rule takes effect, the league must mail a free copy of the proposed rule to each person on a list maintained by the league of persons interested in receiving copies of proposed league rules and to any other person who requests a copy of the proposed rule. The league must maintain a rulemaking docket, as required by section 14.204, and must send information in the docket to the governor's administrative rules advisor.

## Sec. 45. [RECODIFICATION OF MSHSL RULES.]

By January 1, 1996, the Minnesota state high school league, in consultation with the revisor of statutes, shall review and attempt to improve the form of rules in effect before that time. Contest rules of the league are not subject to this section.

Sec. 46. [REVISOR INSTRUCTION.]

The revisor of statutes shall place a bill before the legislature during the 1995 regular session which changes statutory references to chapter 14 or any sections of that chapter to the appropriate references to this act.

Sec. 47. [REPEALER.]

Minnesota Statutes 1992, sections 3.842; 3.843; 3.844; 3.845; 3.846; 14.03, subdivision 3; 14.05, subdivisions 2 and 3; 14.06; 14.08; 14.09; 14.11; 14.115; 14.131; 14.131; 14.14; 14.15; 14.16; 14.18, subdivision 1; 14.19; 14.20; 14.22; 14.225; 14.23; 14.235; 14.24; 14.25; 14.26; 14.27; 14.28; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; 14.365; 14.38, subdivisions 4, 5, and 6; and 17.83; Minnesota Statutes 1993 Supplement, sections 3.984 and 14.10, are repealed.

Sec. 48. [EFFECTIVE DATE.]

Sections 1 to 10 and 12 to 47 are effective July 1, 1995. Notwithstanding Minnesota Statutes, section 14.216, rules for which a notice of intent to adopt rules was published before July 1, 1995, are valid if adopted in compliance with laws in effect at the times of publication of the notice of intent to adopt rules. However, the authority of the legislative commission to review administrative rules to request the governor to suspend rules, and the power of the governor to suspend rules, applies to rules adopted before and after the effective date of sections 1 to 10 and 12 to 47. Section 11 is effective the day following final enactment. In adopting rules under section 11, the attorney general shall use procedures specified in Minnesota Statutes, sections 14.206 to 14.218, even though those procedures are not otherwise effective until July 1, 1995.

## ARTICLE 2

### **RULES CORRECTIONS**

### Section 1. Minnesota Rules, part 1200.0300, is corrected to read:

### 1200.0300 INSURANCE CLAIM PROCEDURES.

Subpart 1. Accident report. When a Central Motor Pool vehicle is involved in an accident, the driver of the state vehicle shall complete an accident report on form DPS 32001. This report is to be completed within three days of the accident and sent to: Central Motor Pool Division, 610 N. Robert Street, Saint Paul, Minnesota 55101. The Central Motor Pool Division shall complete the portion of the form entitled "Insurance." For accidents involving personal injury, death, or total property damage of \$300 \$500 or more, the Central Motor Pool Division shall forward the accident report to the Department of Public Safety within ten days of the accident, as required by law. A copy of the accident report shall be retained by the Central Motor Pool Division.

### (For text of subps 2 and 3, see M.R.)

7

Sec. 2. Minnesota Rules, part 1400.0500, is corrected to read:

# 1400.0500 STATEMENT OF NEED AND REASONABLENESS.

Subpart 1. Contents. Each agency desiring to adopt rules shall prepare a statement of need and reasonableness which shall be prefiled pursuant to part 1400.0300, subpart 1a. The statement of need and reasonableness must contain a summary of all of the evidence and argument which is anticipated to be presented by the agency at the

5520

hearing justifying both the need for and the reasonableness of the proposed rules, including citations to any statutes or case law anticipated to be relied upon, citations to any economic, scientific, or other manuals or treatises anticipated to be utilized at the hearing or included in the record, and a list of any witnesses to be called by the agency to testify on its behalf, together with a summary of the testimony to be elicited from witnesses solicited to testify on behalf of the agency. The statement need not contain evidence and argument in rebuttal of evidence and argument presented by the public.

The statement of need and reasonableness must also contain the following:

### (For text of item A, see M.R.)

B. if required by Minnesota Statutes, section 16A.128, subdivisions  $\frac{1}{1a}$  and 2a, the approval of the commissioner of finance and notice to the chairs of the house appropriations committee and the senate finance committee if the proposed rules establish or modify a fee charged; and

#### (For text of item C, see M.R.)

(For text of subps 2 and 3, see M.R.)

Sec. 3. Minnesota Rules, part 3530.0200, is corrected to read:

### 3530.0200 GRANT APPLICATION.

Subpart 1. Who may apply. Regional library systems designated as eligible under provisions of Minnesota Statutes, section 134.34, subdivision 3, may apply for establishment grants as specified in part 3530.0800 and for regional library basic system support grants as specified in parts 3530.0900 to 3530.1200 and for special project grants as specified in parts 3530.1300 and 3530.1400. County and city public libraries which are participating in the aforementioned regional library systems may also apply for special project grants as specified in parts 3530.1300 and 3530.1400. The Minnesota Department of Corrections and, the Minnesota Department of Human Services, and the Department of Jobs and Training may apply for grants for institution library service and for library systems designated by the State Board of Education as eligible under provisions of Minnesota Statutes, section 134.351, subdivision 1, may apply for development grants as specified in parts 3530.1600 to 3530.2100 and for operating grants as specified in parts 3530.2200 to 3530.2600.

(For text of subps 2 to 4, see M.R.)

Sec. 4. Minnesota Rules, part 3530.1500, is corrected to read:

3530.1500 GRANTS FOR INSTITUTION LIBRARY SERVICE AND FOR LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED.

Subpart 1. Application. The Minnesota Department of Corrections and, the Minnesota Department of Human Services, and the Department of Jobs and Training may apply annually for grants to improve library services for institutionalized persons and for the blind and physically handicapped as authorized by Minnesota Statutes, section 134.32, subdivision 6, and by the Library Services and Construction Act, United States Code, title 20, section sections 351 et seq. (1970) to 386g, as amended through December 31, 1990. Applicants shall submit the following information:

(For text of items A to G, see M.R.)

(For text of subps 2 and 3, see M.R.)

Sec. 5. Minnesota Rules, part 3530.2614, is corrected to read:

3530.2614 APPLICATION CONTENTS.

(For text of subps 1 to 11, see M.R.)

Subp. 12. Assurances. The applicant must give written assurance of compliance with all applicable state and federal laws and rules, including the law and rules in items A to J.

(For text of items A to G, see M.R.)

H. The applicant shall assure that the funds allotted to it for public library construction will be used solely for the following purposes:

(For text of subitems (1) to (4), see M.R.)

#### (5) moving expenses for existing collection, equipment, and furniture;

(6) expenses related to acquisition and installation of initial equipment including all necessary building fixtures, utilities, furniture;

(7) (6) services of consultants related to the project; and

(8) (7) expenses other than interest and the carrying charges on bonds related to the acquisition of an existing building or of land on which there is to be construction of new buildings or expansion of existing buildings to be used for public library facilities. The expenses must constitute an actual cost or transfer of public funds.

(For text of item I, see M.R.)

J. The applicant must comply with the federal laws and regulations the state is made responsible for enforcing in Code of Federal Regulations, title 34, parts 74, 76, 77, 79, 80, 81, 82, 85, 86, and 770; and sections 75.600 to 75.616.

(For text of subp 13, see M.R.)

Sec. 6. Minnesota Rules, part 3530.2642, is corrected to read:

3530.2642 GRANT AGREEMENTS.

(For text of subpart 1, see M.R.)

Subp. 2. Contents of grant contract. The grant contract shall include:

(For text of items A to L, see M.R.)

M. assurance that LDS will be notified of project completion within 30 days after project completion so that it may notify the United States Department of Education <del>as required by Code of Federal Regulations, title 34, section 770.21(a)(2)</del>.

Sec. 7. Minnesota Rules, part 4685.0100, is corrected to read:

4685.0100 DEFINITIONS.

(For text of subps 1 to 9b, see M.R.)

Subp. 10. **Open enrollment.** "Open enrollment" means the acceptance for coverage by health plans of group enrollees without regard to underwriting restrictions, and coverage of individual or nongroup enrollees with regard only to those underwriting restrictions permissible under Minnesota Statutes, section 62D.10, subdivision 2, and subdivision 4.

(For text of subps 11 to 15, see M.R.)

Sec. 8. Minnesota Rules, part 4685.3000, is corrected to read:

4685.3000 SCOPE.

The requirements of Minnesota Statutes, section 62D.10, subdivision 2, shall apply to those health plans which offer nongroup contracts.

The requirements of Minnesota Statutes, section 62D.10, subdivision 3, shall apply to those health plans which offer group contracts.

5523

Health plans offering nongroup and group contracts shall be subjected to Minnesota Statutes, section 62D.10, subdivision 2, with respect to their nongroup and to Minnesota Statutes, section 62D.10, subdivision 3, with respect to their group contracts.

Sec. 9. Minnesota Rules, part 4685.3200, is corrected to read:

4685.3200 WAIVER.

### (For text of subpart 1, see M.R.)

Subp. 2. Compliance. The commissioner shall determine whether or not compliance with the requirement for open enrollment would:

A. contravene the maximum enrollment limitation of 500,000 enrollees imposed by the act;

**B.** prevent a health plan from competing effectively with other health plans or with commercial health insurers for the enrollment of new members or for the retention of current members;

G. B. result in a health plan incurring unreasonably high expenses in relation to the value of the benefits or services it provides;

D. C. jeopardize the availability or adequacy of a health plan's working capital and any required surpluses or reserves; or

 $\underline{\mathbf{F}}, \underline{\mathbf{D}}$ , endanger the ability of a health plan to meet its current and future obligations to enrollees.

(For text of subp 3, see M.R.)

Sec. 10. Minnesota Rules, part 4692.0020, is corrected to read:

(For text of subpart 1, see M.R.)

Subp. 2. [See repealer.]

Subp. 3. Time period after initial application period <u>Permit</u> requirement. One hundred twenty days after November 14, 1989, A person who sells hearing instruments must first have a valid permit issued by the commissioner and the 120 day period in subpart 2 does not apply.

Sec. 11. Minnesota Rules, part 5000.0400, is corrected to read:

5000.0400 CHARGES.

(For text of subps 1 and 1a, see M.R.)

Subp. 1b. Time for filing. A charge must be filed within one year of an alleged unfair discriminatory practice <u>the</u> <u>period set forth in Minnesota Statutes</u>, section 363.06, subdivision 3. Filing is accomplished by delivery of the charge to the department's office before one year <u>that period</u> has elapsed. Time is computed under Minnesota Statutes, sections 645.15 and 645.151.

(For text of subps 2 to 6, see M.R.)

Sec. 12. Minnesota Rules, part 7045.0075, is corrected to read:

7045.0075 PETITIONS.

(For text of subpart 1, see M.R.)

Subp. 2. Petitions to exclude a waste produced at a particular facility. Petitions to exclude a waste produced at a particular facility are as follows:

## JOURNAL OF THE HOUSE

A. Any person seeking to exclude a waste at a particular generating facility from regulation under this chapter may petition under these provisions. The petitioner must demonstrate to the satisfaction of the agency that the waste produced by a particular generating facility does not meet any of the criteria under which the waste was listed as a hazardous waste and, in the case of an <u>acutely acute</u> hazardous waste meeting the criteria in part 7045.0129, subpart 1, item B, that it also does not meet the criteria of part 7045.0129, subpart 1, item C. In determining whether to exclude a waste as requested by the petition, the agency must consider the factors considered at the time the waste was listed and, if the agency has reason to believe that other factors, including additional constituents, could also cause the waste to be hazardous, the agency must also consider these other factors. In order to exclude a waste as requested by the petition, the agency must determine that no factor exists that warrants retaining the classification of the waste as hazardous. A waste which is so excluded may still, however, be a hazardous waste by operation of part 7045.0131.

(For text of items B to H, see M.R.)

(For text of subps 3 to 12, see M.R.)

Sec. 13. Minnesota Rules, part 7411.7100, is corrected to read:

7411.7100 PURPOSE.

The purpose of parts 7411.7100 to 7411.7700 is to effectuate the mandate of the legislature as set forth in Minnesota Statutes, section 65B.28, to establish and regulate accident prevention courses for persons 65 55 years of age and older.

Sec. 14. Minnesota Rules, part 7411.7400, is corrected to read:

## 7411.7400 APPLICATION TO PROVIDE COURSE.

A person or organization may apply for approval to offer an accident prevention course to insureds 65 55 years of age and older. The application must include the name of the person or organization offering the course, the name of the course administrator, an outline of the course curriculum, and the amount of the fees to be charged.

Sec. 15. Minnesota Rules, part 7411.7700, is corrected to read:

## 7411.7700 QUALIFICATION FOR INSURANCE PREMIUM REDUCTION.

Satisfactory completion of an approved accident prevention course evidenced by possession of a certificate of completion indicates that the insured has met the requirements of Minnesota Statutes, section 65B.28 for an appropriate automobile insurance premium reduction. Persons 65 55 years of age or older who complete an accident prevention course every three years remain eligible for an appropriate automobile insurance premium reduction.

Sec. 16. Minnesota Rules, part 7883.0100, is corrected to read:

#### 7883.0100 ENTRIES AND SUBSCRIPTIONS.

Subpart 1. **Ownership.** When a person is excluded from a racetrack or has his or her license <u>revoked</u> or suspended, every horse owned in whole or in part or under the care and control of that person shall be ineligible to be entered or start in any race until the horse has been reinstated, either by the expiration of the owner's penalty or by the transfer through bona fide sale to an owner approved by the stewards. Such person whether acting as agent or otherwise, shall not be qualified to subscribe for, or to enter or run any horse in any race either in his or her own name or in that of any other person until expiration of such penalty.

(For text of subps 2 to 18, see M.R.)

Sec. 17. Minnesota Rules, part 8130.3500, is corrected to read:

8130.3500 MOTOR CARRIERS IN INTERSTATE COMMERCE.

(For text of subps 1 and 2, see M.R.)

77TH DAY]

Subp. 3. Motor carrier direct pay certificate. A motor carrier direct pay certificate will be issued to qualified electing carriers by the commissioner of revenue and will be effective as of the date shown on the certificate. A facsimile of the authorized motor carrier direct pay certificate is reproduced at part 8130.9958.

(For text of subp 4, see M.R.)

Sec. 18. Minnesota Rules, part 8130.6500, is corrected to read:

8130.6500 AIRCRAFT COMMERCIAL USE PERMIT.

### (For text of subps 1 to 4, see M.R.)

Subp. 5. Sale of aircraft. When the dealer sells the aircraft, the selling price must be included in gross sales. The fact that the aircraft commercial use permit has not expired or that the dealer has reported and paid use tax on the aircraft has no effect on the taxability of the sale. The dealer must return the aircraft commercial use permit (unless previously returned) when the dealer files the sales and use tax return for the month in which the sale was made. No credit or refund is given for the \$20 fee originally paid.

A facsimile of the authorized aircraft commercial use permit is reproduced at part 8130.9992.

Sec. 19. Minnesota Rules, part 8800.1200, is corrected to read:

8800.1200 CRITERIA FOR DETERMINING AIR NAVIGATION OBSTRUCTIONS.

#### (For text of subps 1 to 6, see M.R.)

Subp. 7. **Obstruction marking and lighting.** The standards for marking and lighting structures are contained in FAA Advisory Circular 70/7460-1D 70/7460-1H, Obstruction Marking and Lighting, and any subsequent changes, except that spherical markers shall be a diameter of not less than 30 inches, and except that the colors of the markers shall be aviation orange, white, and chrome yellow, and be installed in that sequence.

Subp. 8. References. See Minnesota Statutes, sections 360.061 et seq. and 360.081 360.81 et seq. for airport zoning statutes and for rules of structure height.

Sec. 20. Minnesota Rules, part 8800.1400, is corrected to read:

8800.1400 GENERAL AIRPORT LICENSING PROVISIONS.

Subpart 1. Approval; exemption. Every airport before operating as such shall be approved and licensed by the commissioner, except that:

<u>A.</u> Airports owned or operated by public corporations formed pursuant to the Metropolitan Airports Commission Act need not be licensed.

B. A personal use airport that is more than five miles from a public airport, whether publicly or privately owned, need not obtain a license from the commissioner.

(For text of subps 2 to 10, see M.R.)

Sec. 21. Minnesota Rules, part 8800.3100, is corrected to read:

8800.3100 DEFINITION OF COMMERCIAL OPERATIONS.

"Commercial operations" means any operation of an aircraft for compensation or hire, any services performed incidental to the operation of any aircraft for which a fee is charged or compensation received, the servicing, maintaining, and repairing of aircraft, the rental or charter of aircraft, the operation of flight or ground schools, the operation of aircraft for the application or distribution of chemicals or other substances, aerial photography and surveys, air shows or expositions, and the operation of aircraft for fishing. "Commercial operations" also means

5525

brokering or selling of any of the aforesaid services but does not include any operations of aircraft as common carriers by the federal government or the services incidental thereto has the meaning given it in Minnesota Statutes, section 360.013, subdivision 11.

Note: Shared expense flights as defined in the Federal Aviation Regulations are not commercial operations as defined in parts 8800.3100 to 8800.4600.

Sec. 22. Minnesota Rules, part 8820.0600, is corrected to read:

## 8820.0600 SELECTION OF ROUTES.

Final selection of routes to be included in the respective county state-aid and municipal state-aid systems are subject to the approval of the commissioner. These routes may be established on new locations where no existing roadway exists or may be located upon or over an established roadway or specified portion of a roadway.

The highway and street systems to be selected and designated in accordance with law are:

A. a county state-aid highway system not exceeding 30,000 miles in extent, excluding trunk highway turnback mileage and former municipal state-aid street mileage in cities whose population fell below 5,000 under the 1980 or 1990 federal census; and

#### (For text of item B, see M.R.)

Sec. 23. Minnesota Rules, part 8820.2300, is corrected to read:

#### 8820.2300 TURNBACK ACCOUNTS.

(For text of subps 1 to 2, see M.R.)

Subp. 2a. Town road account allocation. The amounts to be distributed to the counties from the town road account must be determined according to the formula prescribed by Minnesota Statutes, section 162.081, subdivisions 2 and 4.

A. The funds apportioned to a county from the town road account must be distributed to the treasurer of each eligible town <u>by March 1 annually or</u> within 30 days of the receipt of the funds by the county treasurer, according to a distribution formula adopted by the county board. The county board must consider each town's levy for road and bridge purposes, its population, town road mileage, and other factors considered advisable to the interest of achieving equity among the towns.

The county treasurer is the treasurer for eligible unorganized towns.

(For text of item B, see M.R.)

(For text of subps 3 to 7, see M.R.)

Sec. 24. Minnesota Rules, part 9050.1070, is corrected to read:

### 9050.1070 RESIDENT RIGHTS AND RESPONSIBILITIES.

(For text of subps 1 to 6, see M.R.)

Subp. 7. Family councils. Each board-operated facility shall have a family council that gives members an opportunity to express feelings and thoughts about the facility and facility conditions, resident care, rules and the effect of rules, policies, and procedures according to Minnesota Statutes, sections 144.651, subdivision 20 27, and 144A.33.

The facility shall support and encourage development of and participation in family councils and shall provide a private meeting place and necessary administrative support through a staff liaison appointed by the administrator and approved by the council. Attendance at family council meetings of individuals other than family council members must be at council invitation only.

77TH DAY]

THURSDAY, MARCH 24, 1994

Minutes of family council meetings must be kept and made available to family council members and other persons as the family council determines. Minutes must also be made available to the Department of Health to show that family council meetings are being held at each facility.

(For text of subps 8 to 39, see M.R.)

Sec. 25. Minnesota Rules, part 9505.2175, is corrected to read:

### 9505.2175 HEALTH SERVICE RECORDS.

(For text of subpart 1, see M.R.)

Subp. 2. Required standards for health service records. A provider must keep a health service record as specified in items A to I.

(For text of items A to F, see M.R.)

G. The record must contain the recipient's plan of care, individual treatment plan, or individual program plan. For purposes of this item, "plan of care" has the meaning given in part 9505.0175, subpart 35; "individual treatment plan" has the meaning given in part 9505.0477, subpart 14 9520.0902, subpart 24; and "individual program plan" has the meaning given in part 9535.0100, subpart 15.

(For text of items H and I, see M.R.)

(For text of subps 3 to 6, see M.R.)

Sec. 26. [REVISOR'S INSTRUCTION; STATE BOARD OF EDUCATION.]

<u>The revisor of statutes is directed to change the name "Office of Public Libraries and Interlibrary Cooperation" or "OPLIC" to "Library Development and Services" or "LDS" as appropriate wherever either term appears in Minnesota Rules, chapter 3530.</u>

Sec. 27. [REPEALER.]

<u>Subdivision 1.</u> [DEPARTMENT OF ADMINISTRATION; BUILDING CODES.] <u>Minnesota Rules, parts 1300.0100;</u> 1300.0200; 1300.0300; 1300.0400; 1300.0500; 1300.0600; 1300.0700; 1300.0800; 1300.0900; 1300.0940; 1300.0942; 1300.0944; 1300.0946; 1300.0948; 1300.1000; 1300.1100; 1300.1200; 1300.1300; 1300.1400; 1300.1500; 1300.1600; 1300.1700; 1300.1800; 1300.1900; and 1300.2000, are repealed.

Subd. 2. [DEPARTMENT OF HEALTH.] Minnesota Rules, part 4685.2600, is repealed.

Subd. 3. [DEPARTMENT OF HEALTH.] Minnesota Rules, part 4692.0020, subpart 2, is repealed.

Subd. 4. [DEPARTMENT OF HEALTH.] Minnesota Rules, part 4692.0045, is repealed.

Subd. 5. [MINNESOTA LOTTERY.] Minnesota Rules, part 7856.1000, subpart 5, is repealed.

Subd. 6. [DEPARTMENT OF REVENUE.] Minnesota Rules, part 8017.5000, is repealed.

<u>Subd.</u> 7. [DEPARTMENT OF REVENUE.] <u>Minnesota Rules, parts</u> <u>8130.9500, subpart</u> <u>6</u>; <u>8130.9912</u>; <u>8130.9913</u>; <u>8130.9916</u>; <u>8130.9920</u>; <u>8130.9930</u>; <u>8130.9956</u>; <u>8130.9958</u>; <u>8130.9968</u>; <u>8130.9972</u>; <u>8130.9980</u>; <u>8130.9992</u>; <u>and</u> <u>8130.9996</u>, <u>are repealed.</u>

Sec. 28. [INTENT.]

The legislature does not intend this article to prohibit or restrict an agency from amending or repealing rules amended by this article or adopting new rules covering the same subject as rules repealed by this article, if other law authorizes the rulemaking."

### Delete the title and insert:

"A bill for an act relating to state government; revising procedures used for adoption and review of administrative rules; correcting erroneous, ambiguous, obsolete, and omitted text and obsolete references; eliminating redundant, conflicting, and superseded provisions in Minnesota Rules; making various technical changes; amending Minnesota Statutes 1992, sections 10A.02, by adding a subdivision; 14.05, subdivision 1; 14.12; 14.38, subdivisions 1, 7, 8, and 9; 14.46, subdivisions 1 and 3; 14.47, subdivisions 1, 2, and 6; 14.50; 14.51; 17.84; 84.027, by adding a subdivision; and 128C.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 3.841; and 3.984, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3; and 14; correcting Minnesota Rules, parts 1200.0300; 1400.0500; 3530.0200; 3530.1500; 3530.2614; 3530.2642; 4685.0100; 4685.3000; 4685.3200; 4692.0020; 5000.0400; 7045.0075; 7411.7100; 7411.7400; 7411.7700; 7883.0100; 8130.3500; 8130.6500; 8800.1200; 8800.1400; 8800.3100; 8820.0600; 8820.2300; 9050.1070; and 9505.2175; repealing Minnesota Statutes 1992, sections 3.842; 3.843; 3.844; 3.845; 3.846; 14.03, subdivision 3; 14.05, subdivisions 2 and 3; 14.06; 14.08; 14.09; 14.11; 14.115; 14.131; 14.1311; 14.14; 14.15; 14.16; 14.18, subdivision 1; 14.19; 14.20; 14.22; 14.225; 14.235; 14.235; 14.24; 14.25; 14.26; 14.27; 14.28; 14.29; 14.30; 14.305; 14.31; 14.32; 14.33; 14.34; 14.35; 14.36; 14.365; 14.38, subdivisions 4, 5, and 6; and 17.83; Minnesota Statutes 1993 Supplement, sections 3.984; and 14.10; Minnesota Rules, parts 1300.0100; 1300.0200; 1300.0300; 1300.0400; 1300.0500; 1300.0600; 1300.0700; 1300.0800; 1300.0900; 1300.0940; 1300.0942; 1300.0944; 1300.0946; 1300.0948; 1300.1000; 1300.1100; 1300.1200; 1300.1300; 1300.1400; 1300.1500; 1300.1600; 1300.1700; 1300.1800; 1300.1900; 1300.2000; 4685.2600; 4692.0020, subpart 2; 4692.0045; 7856.1000, subpart 5; 8017.5000; 8130.9500, subpart 6; 8130.9912; 8130.9913; 8130.9916; 8130.9920; 8130.9930; 8130.9956; 8130.9958; 8130.9968; 8130.9972; 8130.9980; 8130.9992; and 8130.9996."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1920, A bill for an act relating to traffic regulations; motor vehicles; establishing system for the notification, recording, and collection of delinquent fines for parking violations; prohibiting registration of vehicle of owner who has not paid the fine for a parking violation; prohibiting issuance of warrants for parking violations; imposing a fee; appropriating money; amending Minnesota Statutes 1992, sections 169.91, subdivision 3; 169.95; and 169.99, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 168; and 169.

Reported the same back with the following amendments:

Page 5, line 18, after "case" insert "filed with the court"

Page 5, line 20, after the period, insert "<u>Any agency presenting a parking violation citation to the court shall indicate</u> on the citation the name and last known address of the registered owner of the vehicle."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2028, A bill for an act relating to the collection and dissemination of data; proposing classifications of data as private, nonpublic and protected nonpublic; amending Minnesota Statutes 1992, sections 13.38, by adding a subdivision; and 13.71, by adding a subdivision; amending Minnesota Statutes 1993 Supplement, section 13.643, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

Section 1. Minnesota Statutes 1992, section 13.03, subdivision 4, is amended to read:

Subd. 4. [CHANGE IN CLASSIFICATION OF DATA.] (a) The classification of data in the possession of an agency shall change if it is required to do so to comply with either judicial or administrative rules pertaining to the conduct of legal actions or with a specific statute applicable to the data in the possession of the disseminating or receiving agency.

(b) If data on individuals is classified as both private and confidential by this chapter, or any other statute or federal law, the data is private.

(c) To the extent that government data is disseminated to state agencies, political subdivisions, or statewide systems by another state agency, political subdivision, or statewide system, the data disseminated shall have the same classification in the hands of the agency receiving it as it had in the hands of the entity providing it.

Sec. 2. Minnesota Statutes 1992, section 13.38, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [TRANSITION PLANS.] <u>Transition plans that are submitted to the commissioner of health by health care providers as required by section 62J.23, subdivision 2, are classified as private data on individuals or nonpublic data not on individuals.</u>

Sec. 3. Minnesota Statutes 1992, section 13.39, is amended by adding a subdivision to read:

Subd. 2a. [DISCLOSURE OF DATA.] During the time when a civil legal action is determined to be pending under subdivision 1, any person may bring an action in the district court in the county where the data is maintained to obtain disclosure of data classified as confidential or protected nonpublic under subdivision 2. The court may order that all or part of the data be released to the public or to the person bringing the action. In making the determination whether data shall be disclosed, the court shall consider whether the benefit to the person bringing the action or to the public outweighs any harm to the public, the agency, or any person identified in the data. The data in dispute shall be examined by the court in camera.

Sec. 4. Minnesota Statutes 1992, section 13.41, subdivision 2, is amended to read:

Subd. 2. [PRIVATE DATA.] The following data collected, created or maintained by any licensing agency are classified as private, pursuant to section 13.02, subdivision 12: data, other than their names and <u>designated</u> addresses, submitted by applicants for licenses; the identity of complainants who have made reports concerning licensees or applicants which appear in inactive complaint data unless the complainant consents to the disclosure; the nature or content of unsubstantiated complaints when the information is not maintained in anticipation of legal action; the identity of patients whose medical records are received by any health licensing agency for purposes of review or in anticipation of a contested matter; inactive investigative data relating to violations of statutes or rules; and the record of any disciplinary proceeding except as limited by subdivision 4.

An applicant for a license shall designate on the application a residence or business address at which the applicant can be contacted in connection with the license application.

Sec. 5. Minnesota Statutes 1992, section 13.41, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [SOCIAL SECURITY NUMBERS.] <u>Social security numbers of applicants or licensees that are supplied to a licensing agency are private data on individuals.</u>

Sec. 6. Minnesota Statutes 1993 Supplement, section 13.43, subdivision 2, is amended to read:

Subd. 2. [PUBLIC DATA.] (a) Except for employees described in subdivision 5, the following personnel data on current and former employees, volunteers, and independent contractors of a state agency, statewide system, or political subdivision and members of advisory boards or commissions is public: name; actual gross salary; salary range; contract fees; actual gross pension; the value and nature of employer paid fringe benefits; the basis for and the amount of any added remuneration, including expense reimbursement, in addition to salary; job title; job description; education and training background; previous work experience; date of first and last employment; the existence and status of any complaints or charges against the employee, whether or not the complaint or charge resulted in a

5529

disciplinary action, and, if no disciplinary action was taken, the reasons why; the final disposition of any disciplinary action together with the specific reasons for the action and data documenting the basis of the action, excluding data that would identify confidential sources who are employees of the public body; the terms of any agreement settling any dispute arising out of the employment relationship; work location; a work telephone number; badge number; honors and awards received; payroll time sheets or other comparable data that are only used to account for employee's work time for payroll purposes, except to the extent that release of time sheet data would reveal the employee's reasons for the use of sick or other medical leave or other not public data; and city and county of residence.

(b) For purposes of this subdivision, a final disposition occurs when the state agency, statewide system, or political subdivision makes its final decision about the disciplinary action, regardless of the possibility of any later proceedings or court proceedings. In the case of arbitration proceedings arising under collective bargaining agreements, a final disposition occurs at the conclusion of the arbitration proceedings, or upon the failure of the employee to elect arbitration within the time provided by the collective bargaining agreement. Final disposition includes a resignation by an individual when the resignation occurs after the final decision of the state agency, statewide system, political subdivision, or arbitrator.

(c) The state agency, statewide system, or political subdivision may display a photograph of a current or former employee to a prospective witness as part of the state agency's, statewide system's, or political subdivision's investigation of any complaint or charge against the employee.

Sec. 7. Minnesota Statutes 1993 Supplement, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] (a) Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used, or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

(1) pursuant to section 13.05;

(2) pursuant to court order;

(3) pursuant to a statute specifically authorizing access to the private data;

(4) to an agent of the welfare system, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to the administration of a program;

(5) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;

(6) to administer federal funds or programs;

(7) between personnel of the welfare system working in the same program;

(8) the amounts of cash public assistance and relief paid to welfare recipients in this state, including their names and social security numbers, upon request by the department of revenue to administer the property tax refund law, supplemental housing allowance, and the income tax;

(9) to the Minnesota department of jobs and training for the purpose of monitoring the eligibility of the data subject for unemployment compensation, for any employment or training program administered, supervised, or certified by that agency, or for the purpose of administering any rehabilitation program, whether alone or in conjunction with the welfare system, and to verify receipt of energy assistance for the telephone assistance plan;

(10) to appropriate parties in connection with an emergency if knowledge of the information is necessary to protect the health or safety of the individual or other individuals or persons;

(11) data maintained by residential facilities as defined in section 245A.02 may be disclosed to the protection and advocacy system established in this state pursuant to Part C of Public Law Number 98-527 to protect the legal and human rights of persons with mental retardation or other related conditions who live in residential facilities for these persons if the protection and advocacy system receives a complaint by or on behalf of that person and the person does not have a legal guardian or the state or a designee of the state is the legal guardian of the person;

(12) to the county medical examiner or the county coroner for identifying or locating relatives or friends of a deceased person;

(13) data on a child support obligor who makes payments to the public agency may be disclosed to the higher education coordinating board to the extent necessary to determine eligibility under section 136A.121, subdivision 2, clause (5);

(14) participant social security numbers and names collected by the telephone assistance program may be disclosed to the department of revenue to conduct an electronic data match with the property tax refund database to determine eligibility under section 237.70, subdivision 4a;

(15) the current address of a recipient of aid to families with dependent children, medical assistance, general assistance, work readiness, or general assistance medical care may be disclosed to law enforcement officers who provide the name and social security number of the recipient and satisfactorily demonstrate that: (i) the recipient is a fugitive felon, including the grounds for this determination; (ii) the location or apprehension of the felon is within the law enforcement officer's official duties; and (iii) the request is made in writing and in the proper exercise of those duties; or

(16) the current address of a recipient of general assistance, work readiness, or general assistance medical care may be disclosed to probation officers and corrections agents who are supervising the recipient, and to law enforcement officers who are investigating the recipient in connection with a gross misdemeanor or felony level offense; or

(17) information obtained from food stamp applicant or recipient households may be disclosed to local, state, or federal law enforcement officials, upon their written request, for the purpose of investigating an alleged violation of the food stamp act, in accordance with Code of Federal Regulations, title 7, section 272.1(c).

(b) Information on persons who have been treated for drug or alcohol abuse may only be disclosed in accordance with the requirements of Code of Federal Regulations, title 42, sections 2.1 to 2.67.

(c) Data provided to law enforcement agencies under paragraph (a), clause (15)  $\Theta_{t}$  (16); or (17), or paragraph (b) are investigative data and are confidential or protected nonpublic while the investigation is active. The data are private after the investigation becomes inactive under section 13.82, subdivision 5, paragraph (a) or (b).

(d) Mental health data shall be treated as provided in subdivisions 7, 8, and 9, but is not subject to the access provisions of subdivision 10, paragraph (b).

Sec. 8. Minnesota Statutes 1992, section 13.57, is amended to read:

### 13.57 [SOCIAL RECREATIONAL DATA.]

The following data collected and maintained by political subdivisions for the purpose of enrolling individuals in recreational and other social programs are classified as private, pursuant to section 13.02, subdivision 12: <u>the name, address, telephone number, any other data that identifies the individual, and any</u> data which describes the health or medical condition of the individual, family relationships and living arrangements of an individual or which are opinions as to the emotional makeup or behavior of an individual.

Sec. 9. Minnesota Statutes 1993 Supplement, section 13.643, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [RURAL FINANCE AUTHORITY DATA.] The following data submitted to the rural finance authority of the department of agriculture by businesses that are requesting financial assistance are classified as nonpublic data: financial information about the applicant, including but not limited to credit reports, financial statements of the applicants, net worth calculations, business plans, income and expense projections, customer lists, market and feasibility studies not paid for with public funds, tax returns, and financial reports provided to the authority after closing of the financial assistance.

Sec. 10. [13.646] [LEGISLATIVE AND BUDGET PROPOSAL DATA.]

<u>Subdivision 1.</u> [DEFINITION.] As used in this section, "state administration" means the governor's office, the department of finance, and any state agency which is under the direct control of the governor.

<u>Subd. 2.</u> [CLASSIFICATIONS.] <u>All data relating to anticipated legislative or budget proposals, including preliminary drafts, that are created, collected, or maintained by the state administration are classified as protected nonpublic data. The state administration may disclose any of the data within the state administration and to the public if disclosure would aid the administration in considering and preparing its proposals.</u>

Sec. 11. Minnesota Statutes 1992, section 13.76, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [URBAN INITIATIVE BOARD.] The following data submitted or prepared by the commissioner of the department of trade and economic development regarding businesses that are requesting or have received financial assistance from the urban initiative board under chapter 116M are nonpublic data: the identity of the business and financial information about the business including but not limited to, credit reports, financial statements, net worth calculations, income tax returns, either personal or corporate, business plans, income and expense projections, customer lists, and market and feasibility studies not paid for with public funds. Once an application for financial assistance is approved, the identity and address of the business are public data.

Sec. 12. Minnesota Statutes 1992, section 13.82, is amended by adding a subdivision to read:

<u>Subd. 3a.</u> [911 CALL AUDIO RECORDINGS.] <u>The audio recording of a call placed to a 911 system for the purpose</u> of requesting service from a law enforcement, fire, or medical agency shall be private data on the individual placing the call but any transcript of the recording created by the 911 system agency as a result of the request for service shall be public, unless it reveals the identity of an individual protected by subdivision 10. The person requesting the transcript shall pay the actual cost of transcribing the call, in addition to any other applicable costs provided under section 13.03, subdivision 3. The audio recording may be disseminated to law enforcement agencies for investigative purposes. The audio recording may be used for public safety dispatcher training purposes.

Sec. 13. Minnesota Statutes 1993 Supplement, section 13.82, subdivision 4, is amended to read:

Subd. 4. [RESPONSE OR INCIDENT DATA.] The following data created or collected by law enforcement agencies which documents the agency's response to a request for service including, but not limited to, responses to traffic accidents, or which describes actions taken by the agency on its own initiative shall be public government data:

(a) date, time and place of the action;

(b) agencies, units of agencies and individual agency personnel participating in the action unless the identities of agency personnel qualify for protection under subdivision 10;

(c) any resistance encountered by the agency;

(d) any pursuit engaged in by the agency;

(e) whether any weapons were used by the agency or other individuals;

(f) a brief factual reconstruction of events associated with the action;

(g) names and addresses of witnesses to the agency action or the incident unless the identity of any witness qualifies for protection under subdivision 10;

(h) names and addresses of any victims or casualties unless the identities of those individuals qualify for protection under subdivision 10;

(i) the name and location of the health care facility to which victims or casualties were taken;

(j) response or incident report number;

(k) dates of birth of the parties involved in a traffic accident; and

(1) whether the parties involved were wearing seat belts; and

(m) the alcohol concentration of each driver.

Sec. 14. Minnesota Statutes 1992, section 13.99, subdivision 79, is amended to read:

Subd. 79. [PEACE OFFICERS, <u>COURT SERVICES</u>, AND CORRECTIONS RECORDS OF JUVENILES.] Inspection and maintenance of juvenile records held by police and the commissioner of corrections are governed by section 260.161, subdivision 3. <u>Disclosure to school officials of court services data on juveniles adjudicated delinquent is</u> <u>governed by section 260.161, subdivision 3a</u>.

Sec. 15. Minnesota Statutes 1993 Supplement, section 121.8355, is amended by adding a subdivision to read:

Subd. 3a. [INFORMATION SHARING.] The school district, county, and public health entity members of a family services collaborative may share data, including not public data, on individuals being served by the collaborative or its members if the information sharing is necessary in order for the collaborative to carry out duties under subdivision 2 or 3. Data on individuals shared under this subdivision retains its classification as confidential, private, nonpublic, or protected nonpublic, as those terms are defined in section 13.02, as to each member of the collaborative with whom the data is shared.

If a federal law or regulation impedes information sharing that is necessary in order for a collaborative to carry out duties under subdivision 2 or 3, the appropriate agency shall seek a waiver or exemption from the applicable law or regulation.

Sec. 16. Minnesota Statutes 1993 Supplement, section 144.335, subdivision 3a, is amended to read:

Subd. 3a. [PATIENT CONSENT TO RELEASE OF RECORDS; LIABILITY.] (a) A provider, or a person who receives health records from a provider, may not release a patient's health records to a person without a signed and dated consent from the patient or the patient's legally authorized representative authorizing the release, unless the release is specifically authorized by law. Except as provided in paragraph (c), a consent is valid for one year or for a lesser period specified in the consent or for a different period provided by law.

(b) This subdivision does not prohibit the release of health records for a medical emergency when the provider is unable to obtain the patient's consent due to the patient's condition or the nature of the medical emergency.

(c) Notwithstanding paragraph (a), if a patient explicitly gives informed consent to the release of health records for the purposes and pursuant to the restrictions in clauses (1) and (2), the consent does not expire after one year for:

(1) the release of health records to a provider who is being advised or consulted with in connection with the current treatment of the patient;

(2) the release of health records to an accident and health insurer, health service plan corporation, health maintenance organization, or third-party administrator for purposes of payment of claims, fraud investigation, or quality of care review and studies, provided that:

(i) the use or release of the records complies with sections 72A.49 to 72A.505;

(ii) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited; and

(iii) the recipient establishes adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient.

(d) Until June 1, 1994 1996, paragraph (a) does not prohibit the release of health records to qualified personnel solely for purposes of medical or scientific research, if the patient has not objected to a release for research purposes and the provider who releases the records makes a reasonable effort to determine that:

(i) the use or disclosure does not violate any limitations under which the record was collected;

(ii) the use or disclosure in individually identifiable form is necessary to accomplish the research or statistical purpose for which the use or disclosure is to be made;

(iii) the recipient has established and maintains adequate safeguards to protect the records from unauthorized disclosure, including a procedure for removal or destruction of information that identifies the patient; and

(iv) further use or release of the records in individually identifiable form to a person other than the patient without the patient's consent is prohibited.

(e) A person who negligently or intentionally releases a health record in violation of this subdivision, or who forges a signature on a consent form, or who obtains under false pretenses the consent form or health records of another person, or who, without the person's consent, alters a consent form, is liable to the patient for compensatory damages caused by an unauthorized release, plus costs and reasonable attorney's fees.

(f) Upon the written request of a spouse, parent, child, or sibling of a patient being evaluated for or diagnosed with mental illness, a provider shall inquire of a patient whether the patient wishes to authorize a specific individual to receive information regarding the patient's current and proposed course of treatment. If the patient so authorizes, the provider shall communicate to the designated individual the patient's current and proposed course of treatment. Paragraph (a) applies to consents given under this paragraph.

## Sec. 17. [144.3352] [HEPATITIS B MATERNAL CARRIER DATA.]

The commissioner of health or a local board of health may inform the physician attending a newborn of the hepatitis B infection status of the biological mother.

Sec. 18. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purposes of this section, "patient" means a person who is admitted to an acute care inpatient facility for a continuous period longer than 24 hours, for the purpose of diagnosis or treatment bearing on the physical or mental health of that person. "Patient" also means a minor who is admitted to a residential program as defined in section 253C.01. For purposes of subdivisions 1, 3 to 16, 18, 20 and 30, "patient" also means any person who is receiving mental health treatment on an outpatient basis or in a community support program or other community-based program. "Resident" means a person who is admitted to a nonacute care facility including extended care facilities, nursing homes, and boarding care homes for care required because of prolonged mental or physical illness or disability, recovery from injury or disease, or advancing age. For purposes of all subdivisions except subdivisions 28 and 29, "resident" also means a person who is admitted to a facility licensed as a board and lodging facility under Minnesota Rules, parts 4665.0100 to 4665.9900, and which operates a rehabilitation program licensed under Minnesota Rules, parts 9530.4100 to 9530.4450. Although a patient or resident or the legal guardian or conservator of a patient or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident.

Sec. 19. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 21, is amended to read:

Subd. 21. [COMMUNICATION PRIVACY.] Patients and residents may associate and communicate privately with persons of their choice and enter and, except as provided by the Minnesota Commitment Act, leave the facility as they choose. Patients and residents shall have access, at their expense, to writing instruments, stationery, and postage. Personal mail shall be sent without interference and received unopened unless medically or programmatically contraindicated and documented by the physician in the medical record. There shall be access to a telephone where patients and residents can make and receive calls as well as speak privately. Facilities which are unable to provide a private area shall make reasonable arrangements to accommodate the privacy of patients' or residents' calls. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility. Although a patient or resident or the legal guardian or conservator of a patient or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident. This right is limited where medically inadvisable, as documented by the attending physician in a patient's or resident's care record. Where programmatically limited by a facility abuse prevention plan pursuant to section 626.557, subdivision 14, clause 2, this right shall also be limited accordingly.

Sec. 20. Minnesota Statutes 1993 Supplement, section 144.651, subdivision 26, is amended to read:

Subd. 26. [RIGHT TO ASSOCIATE.] Residents may meet with visitors and participate in activities of commercial, religious, political, as defined in section 203B.11 and community groups without interference at their discretion if the activities do not infringe on the right to privacy of other residents or are not programmatically contraindicated. This includes the right to join with other individuals within and outside the facility to work for improvements in long-term care. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility. Although a patient or the legal guardian or conservator of a patient or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident.

Sec. 21. [145.90] [FETAL, INFANT, AND MATERNAL DEATH STUDIES.]

Subdivision 1. [PURPOSE.] The commissioner of health may conduct fetal, infant, and maternal death studies in order to assist the planning, implementation, and evaluation of medical, health, and welfare service systems, and to improve pregnancy outcomes and reduce the numbers of preventable fetal, infant, and maternal deaths in Minnesota.

<u>Subd. 2.</u> [ACCESS TO DATA.] (a) The commissioner of health has access to medical data as defined in section 13.42, subdivision 1, paragraph (b), medical examiner data as defined in section 13.83, subdivision 1, and health records created, maintained, or stored by providers as defined in section 144.335, subdivision 1, paragraph (b), without the consent of the subject of the data, and without the consent of the parent, spouse, other guardian, or legal representative of the subject of the data, when the subject of the data is:

(1) a fetus that showed no signs of life at the time of delivery, was 20 or more weeks of gestation at the time of delivery, and was not delivered by an induced abortion;

(2) a liveborn infant that died within the first two years of life;

(3) a woman who died during a pregnancy or within 12 months of a fetal death, a live birth, or other termination of a pregnancy; or

(4) the biological mother of a fetus or infant as described in clause (1) or (2).

With respect to data under clause (4), the commissioner only has access to medical data and health records that contain information that bears upon the pregnancy and the outcome of the pregnancy.

(b) The provider or responsible authority that creates, maintains, or stores the data shall furnish the data upon the request of the commissioner. The provider or responsible authority may charge a fee for providing data, not to exceed the actual cost of retrieving and duplicating the data.

(c) The commissioner shall make a good faith effort to notify the subject of the data, or the parent, spouse, other guardian, or legal representative of the subject of the data, before collecting data on the subject.

(d) The commissioner does not have access to coroner or medical examiner data that are part of an active investigation as described in section 13.83.

<u>Subd. 3.</u> [MANAGEMENT OF RECORDS.] <u>After the commissioner has collected all data about a subject of a fetal, infant, or maternal death study needed to perform the study, the data from source records obtained under subdivision 2, other than data identifying the subject, must be transferred to separate records to be maintained by the commissioner. Notwithstanding section 138.17, after the data have been transferred, all source records obtained under subdivision 2 in the hands of the commissioner must be destroyed.</u>

<u>Subd. 4.</u> [CLASSIFICATION OF DATA.] <u>Data provided to or created by the commissioner for the purpose of</u> carrying out fetal, infant, or maternal death studies, including identifying information on individual providers or patients, are classified as private data on individuals or nonpublic data on deceased individuals, as defined in section 13.02, with the following exceptions: (1) summary data created by the commissioner, as defined in section 13.02, subdivision 19; and

(2) data provided by the commissioner of human services, which retains the classification it held when in the hands of the commissioner of human services.

Sec. 22. Minnesota Statutes 1993 Supplement, section 168.346, is amended to read:

168.346 [PRIVACY OF NAME OR RESIDENCE ADDRESS.]

The registered owner of a motor vehicle may request in writing that the owner's residence address or name and residence address be classified as private data on individuals, as defined in section 13.02, subdivision 12. The commissioner shall grant the classification upon receipt of a signed statement by the owner that the classification is required for the safety of the owner or the owner's family, if the statement also provides a valid, existing address where the owner consents to receive service of process. The commissioner shall use the mailing address in place of the residence address in all documents and notices pertaining to the motor vehicle. The residence address or name and residence address and any information provided in the classification request, other than the mailing address, are private data on individuals and may be provided to requesting law enforcement agencies, probation and parole agencies, and public authorities, as defined in section 518.54, subdivision 9.

Sec. 23. Minnesota Statutes 1992, section 171.12, subdivision 7, is amended to read:

Subd. 7. [PRIVACY OF RESIDENCE ADDRESS.] An applicant for a driver's license or a Minnesota identification card may request that the applicant's residence address be classified as private data on individuals, as defined in section 13.02, subdivision 12. The commissioner shall grant the classification upon receipt of a signed statement by the individual that the classification is required for the safety of the applicant or the applicant's family, if the statement also provides a valid, existing address where the applicant consents to receive service of process. The commissioner shall use the mailing address in place of the residence address in all documents and notices pertaining to the driver's license or identification card. The residence address and any information provided in the classification request, other than the mailing address, are private data on individuals and may be provided to requesting law enforcement agencies, <u>probation and parole agencies</u>, <u>and public authorities</u>, <u>as defined in section 518.54</u>, <u>subdivision 9</u>.

Sec. 24. Minnesota Statutes 1993 Supplement, section 245.493, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [INFORMATION SHARING.] The school district, county, special education cooperative, and mental health entity members of a local children's mental health collaborative may share data, including not public data, on individuals being served by the collaborative or its members if the information sharing is necessary in order for the collaborative to carry out duties under subdivision 2. Data on individuals shared under this subdivision retains its classification as confidential, private, nonpublic, or protected nonpublic, as those terms are defined in section 13.02, as to each member of the collaborative with whom the data is shared.

If a federal law or regulation impedes information sharing that is necessary in order for a collaborative to carry out duties under subdivision 2, the appropriate agency shall seek a waiver or exemption from the applicable law or regulation.

Sec. 25. Minnesota Statutes 1993 Supplement, section 253B.03, subdivision 3, is amended to read:

Subd. 3. [VISITORS AND PHONE CALLS.] Subject to the general rules of the treatment facility, a patient has the right to receive visitors and make phone calls. The head of the treatment facility may restrict visits and phone calls on determining that the medical welfare of the patient requires it. Any limitation imposed on the exercise of the patient's visitation and phone call rights and the reason for it shall be made a part of the clinical record of the patient. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident.

Sec. 26. Minnesota Statutes 1993 Supplement, section 253B.03, subdivision 4, is amended to read:

Subd. 4. [SPECIAL VISITATION; RELIGION.] A patient has the right to meet with or call a personal physician, spiritual advisor, and counsel at all reasonable times. Upon admission to a facility, a patient or resident, or the patient's or resident's legal guardian or conservator, shall be given the opportunity to authorize disclosure of the patient's or resident's presence in the facility, to callers or visitors who may seek to communicate with the patient or resident. This disclosure option must be made available in all cases where federal law prohibits unauthorized disclosure of patient or resident identifying information to callers and visitors. To the extent possible, the legal guardian or conservator of a patient or resident shall consider the opinions of the patient or resident regarding the disclosure of the patient's or resident's presence in the facility. Although a patient or resident or the legal guardian or conservator of a patient or resident has requested that directory information be private, the hospital may release directory information to a law enforcement agency, probation officer, or corrections agent pursuant to a lawful investigation pertaining to the patient or resident. The patient has the right to continue the practice of religion.

Sec. 27. Minnesota Statutes 1993 Supplement, section 260.161, subdivision 1, is amended to read:

Subdivision 1. [RECORDS REQUIRED TO BE KEPT.] (a) The juvenile court judge shall keep such minutes and in such manner as the court deems necessary and proper. Except as provided in paragraph (b), the court shall keep and maintain records pertaining to delinquent adjudications until the person reaches the age of 23 years and shall release the records on an individual to another juvenile court that has jurisdiction of the juvenile, to a requesting adult court for purposes of sentencing, or to an adult court or juvenile court as required by the right of confrontation of either the United States Constitution or the Minnesota Constitution. The juvenile court shall provide, upon the request of any other juvenile court, copies of the records concerning adjudications involving the particular child. The court also shall provide copies of records concerning delinquency adjudications, on request, to law enforcement agencies, probation officers, and corrections agents.

The court shall also keep an index in which files pertaining to juvenile matters shall be indexed under the name of the child. After the name of each file shall be shown the file number and, if ordered by the court, the book and page of the register in which the documents pertaining to such file are listed. The court shall also keep a register properly indexed in which shall be listed under the name of the child all documents filed pertaining to the child and in the order filed. The list shall show the name of the document and the date of filing thereof. The juvenile court legal records shall be deposited in files and shall include the petition, summons, notice, findings, orders, decrees, judgments, and motions and such other matters as the court deems necessary and proper. Unless otherwise provided by law, all court records shall be open at all reasonable times to the inspection of any child to whom the records relate, and to the child's parent and guardian.

(b) The court shall retain records of the court finding that a juvenile committed an act that would be a violation of, or an attempt to violate, section 609.342, 609.343, 609.344, or 609.345, until the offender reaches the age of 25. If the offender commits another violation of sections 609.342 to 609.345 as an adult, the court shall retain the juvenile records for as long as the records would have been retained if the offender had been an adult at the time of the juvenile offense. This paragraph does not apply unless the juvenile was represented by an attorney when the petition was admitted or proven.

Sec. 28. Minnesota Statutes 1993 Supplement, section 260.161, subdivision 3, is amended to read:

Subd. 3. [PEACE OFFICER RECORDS OF CHILDREN.] (a) Except for records relating to an offense where proceedings are public under section 260.155, subdivision 1, peace officers' records of children who are or may be delinquent or who may be engaged in criminal acts shall be kept separate from records of persons 18 years of age or older and are private data but shall be disseminated: (1) by order of the juvenile court, (2) as required by section 126.036, (3) as authorized under section 13.82, subdivision 2, (4) to the child or the child's parent or guardian unless disclosure of a record would interfere with an ongoing investigation, or (5) as provided in paragraph paragraphs (d), (e), (f), and (g). Except as provided in paragraph (c), no photographs of a child taken into custody may be taken without the consent of the juvenile court unless the child is alleged to have violated section 169.121 or 169.129. Peace officers' records containing data about children who are victims of crimes or witnesses to crimes must be administered consistent with section 13.82, subdivisions 2, 3, 4, and 10. Any person violating any of the provisions of this subdivision shall be guilty of a misdemeanor.

In the case of computerized records maintained about juveniles by peace officers, the requirement of this subdivision that records about juveniles must be kept separate from adult records does not mean that a law enforcement agency must keep its records concerning juveniles on a separate computer system. Law enforcement

agencies may keep juvenile records on the same computer as adult records and may use a common index to access both juvenile and adult records so long as the agency has in place procedures that keep juvenile records in a separate place in computer storage and that comply with the special data retention and other requirements associated with protecting data on juveniles.

(b) Nothing in this subdivision prohibits the exchange of information by law enforcement agencies if the exchanged information is pertinent and necessary to the requesting agency in initiating, furthering, or completing a criminal investigation.

(c) A photograph may be taken of a child taken into custody pursuant to section 260.165, subdivision 1, clause (b), provided that the photograph must be destroyed when the child reaches the age of 19 years. The commissioner of corrections may photograph juveniles whose legal custody is transferred to the commissioner. Photographs of juveniles authorized by this paragraph may be used only for institution management purposes, case supervision by parole agents, and to assist law enforcement agencies to apprehend juvenile offenders. The commissioner shall maintain photographs of juveniles in the same manner as juvenile court records and names under this section.

(d) Traffic investigation reports are open to inspection by a person who has sustained physical harm or economic loss as a result of the traffic accident. Identifying information on juveniles who are parties to traffic accidents may be disclosed as authorized under section 13.82, subdivision 4, and accident reports required under section 169.09 may be released under section 169.09, subdivision 13, unless the information would identify a juvenile who was taken into custody or who is suspected of committing an offense that would be a crime if committed by an adult, or would associate a juvenile with the offense, and the offense is not a minor traffic offense under section 260.193.

(e) Peace officer records of children who are or may be delinquent or who may be engaged in criminal activity may be disseminated to school officials without a juvenile court order when the information in the records is pertinent and necessary to maintaining order and safety in the school building and on school property. A law enforcement agency shall, unless it would jeopardize an ongoing investigation, notify school officials whenever the agency has probable cause to believe a student enrolled in the school has been involved in criminal activity involving the possession or use of a dangerous weapon.

<u>A school official who receives peace officer records under this paragraph may use the information only for the purpose of maintaining order and safety in the school building and on school property. The classification of the data while in the hands of the school official is governed by section 13.03, subdivision 4.</u> As used in this paragraph, "school" means a public or private elementary, middle, or secondary school.

(f) In any county in which the county attorney operates or authorizes the operation of a juvenile prepetition or pretrial diversion program, a law enforcement agency or county attorney's office may provide data concerning a juvenile who is a participant in or is being considered for participation in a juvenile diversion program to appropriate school officials and public or private social service agencies who are participants in the diversion program. School officials and public or private social service agencies may provide data concerning a juvenile who is a participant or is being considered for participants in the diversion program. School officials and public or private social service agencies may provide data concerning a juvenile who is a participant or is being considered for participation in a juvenile diversion program to an appropriate law enforcement agency or a county attorney's office to the extent permitted by federal law. Any data exchanged pursuant to this paragraph shall retain the data practices classification which it had with the originating agency and may be used only for law enforcement purposes of operation of the diversion program.

(g) Peace officer records of children who are or may be delinquent or who may be engaged in criminal acts may be disseminated upon request to a local social service agency to promote the best interests of the subject of the data.

Sec. 29. Minnesota Statutes 1992, section 260.161, is amended by adding a subdivision to read:

<u>Subd.</u> <u>3a.</u> [COURT SERVICES DATA ON JUVENILES; DISCLOSURE TO SCHOOL OFFICIALS.] <u>Private or</u> <u>confidential court services data on juveniles who have been adjudicated delinquent may be disseminated to school</u> <u>officials without a juvenile court order when the information in the records is pertinent and necessary to maintaining</u> <u>order and safety in the school building and on school property.</u>

<u>A school official who receives court services data under this subdivision may use the information only for the purpose of maintaining order and safety in the school building and on school property. The classification of the data while in the hands of the school official is governed by section 13.03, subdivision 4.</u>

When data are disseminated under this subdivision, the court services agency must notify the parent or guardian of the subject of the data that the information has been shared with school officials.

5538

As used in this subdivision, "school" means a public or private elementary, middle, or secondary school.

Sec. 30. [3251.01] [DEFINITIONS.]

Subdivision 1. [GENERAL.] The definitions in this section apply to sections 3251.01 to 3251.03.

<u>Subd. 2.</u> [CONSUMER.] "Consumer" means a renter, purchaser, or subscriber of goods or services from a videotape service provider or videotape seller.

<u>Subd.</u> 3. [ORDINARY COURSE OF BUSINESS.] <u>"Ordinary course of business"</u> means debt collection activities, order fulfillment, request processing, or the transfer of ownership.

<u>Subd. 4.</u> [PERSONALLY IDENTIFIABLE INFORMATION.] <u>"Personally identifiable information" means information</u> that identifies a person as having requested or obtained specific video materials or services from a videotape service provider or videotape seller.

<u>Subd. 5.</u> [VIDEOTAPE SELLER.] "Videotape seller" means a person engaged in the business of selling prerecorded videocassette tapes or similar audiovisual materials, or a person to whom a disclosure is made by a videotape seller under section 3251.02, but only with respect to the information contained in the disclosure.

<u>Subd. 6.</u> [VIDEOTAPE SERVICE PROVIDER.] <u>"Videotape service provider" means a person engaged in the business of rental of prerecorded videocassette tapes or similar audiovisual materials, or a person to whom a disclosure is made by a videotape service provider under section 3251.02, but only with respect to the information contained in the disclosure.</u>

Sec. 31. [325I.02] [DISCLOSURE OF VIDEOTAPE RENTAL OR SALES RECORDS.]

<u>Subdivision 1.</u> [DISCLOSURE PROHIBITED.] Except as provided in subdivisions 2 and 3, a videotape service provider or videotape seller who knowingly discloses, to any person, personally identifiable information concerning any consumer of the provider or seller is liable to the consumer for the relief provided in section 3251.03.

<u>Subd. 2.</u> [DISCLOSURE REQUIRED.] <u>A videotape service provider or videotape seller shall disclose personally</u> identifiable information concerning any consumer:

(1) to a grand jury pursuant to a grand jury subpoena;

(2) pursuant to a court order in a civil proceeding upon a showing of compelling need for the information that cannot be accommodated by other means, or in a criminal proceeding upon a showing of legitimate need for the information that cannot be accommodated by other means, if:

(i) the consumer is given reasonable notice by the person seeking the disclosure of the court proceeding relevant to the issuance of the court order;

(ii) the consumer is afforded the opportunity to appear and contest the disclosure; and

(iii) the court imposes appropriate safeguards against unauthorized disclosure;

(3) to a law enforcement agency pursuant to a warrant lawfully obtained under the laws of this state or the United States; or

(4) to a court pursuant to a civil action for conversion commenced by the videotape service provider or videotape seller or to enforce collection of fines for overdue or unreturned videotapes or collection for unpaid videotapes, and then only to the extent necessary to establish the fact of the rental or sale, and provided that the court imposes appropriate safeguards against unauthorized disclosure.

<u>Subd. 3.</u> [DISCLOSURE PERMITTED.] (a) <u>A videotape service provider may disclose personally identifiable</u> information concerning any consumer:

(1) to the consumer;

(2) to any person with the informed, written consent of the consumer as provided in subdivision 4; or

(3) to any person if the disclosure is incident to the ordinary course of business of the videotape service provider.

(b) A videotape seller may disclose personally identifiable information concerning any consumer.

(1) to the consumer; .

(2) to any person with the informed, written consent of the consumer;

(3) to any person if the disclosure is solely of the names and addresses of consumers and if:

(i) the videotape seller has provided the consumer with the opportunity, in a clear and conspicuous manner, to prohibit the disclosure; a sign posted in full and clear view of the consumer at the point of sale, if the seller maintains a retail sales outlet, constitutes an opportunity to prohibit disclosure; and

(ii) the disclosure does not identify the title, description, or subject matter of videotapes or other audiovisual materials; however, the subject matter of the materials may be disclosed if the disclosure is for the exclusive use of marketing goods and services directly to the consumer; or

(4) to any person if the disclosure is incident to the ordinary course of business of the videotape seller.

<u>Subd. 4.</u> [PROCEDURE FOR INFORMED, WRITTEN CONSENT OF THE CONSUMER.] For purposes of subdivision 3, paragraph (a), in order to obtain the informed, written consent of the consumer, the videotape service provider, prior to furnishing any videotape services, must offer the consumer an opportunity conforming to the notice contained in this subdivision to elect not to have personally identifiable information disclosed. The notice must be in writing in at least ten-point bold-faced type, affixed to any membership, subscriber, or rental agreement between the consumer and the videotape service provider, and must be posted on a sign in full and clear view of the consumer at the point of rental transaction, and read as follows:

<u>"This videotape service provider from time to time provides to marketers of goods and services, the names and addresses of customers and a description or subject matter of materials rented by video customers. You have the right to elect not to have your name, address, or the description or subject matter of any material rented included in these lists. This election may be changed by you, in writing, at any time.</u>

I do not object to the release of my name, address, or the description or subject matter of the material rented.

·····

Signature

I do object to the release of this information.

<u>....</u>

Signature"

<u>Subd. 5.</u> [EXCLUSION FROM EVIDENCE.] <u>Personally identifiable information obtained in any manner other than</u> as provided in this section may not be received in evidence in any trial, hearing, arbitration, or other proceeding before any court, grand jury, officer, agency, regulatory body, legislative committee, or other authority of the state or any political subdivision.

<u>Subd. 6.</u> [DESTRUCTION OF INFORMATION.] <u>A person subject to this section shall destroy personally</u> <u>identifiable information as soon as practicable, but no later than one year from the date the information is no longer</u> <u>necessary for the purpose for which it was collected and there are no pending requests or orders for access to the</u> <u>information under this section.</u>

Sec. 32. [325I.03] [ENFORCEMENT; CIVIL LIABILITY.]

The public and private remedies in section 8.31 apply to violations of section 3251.02. In addition, a consumer who prevails or substantially prevails in an action brought under this section is entitled to a minimum of \$500 in damages, regardless of the amount of actual damage proved, plus costs, disbursements, and reasonable attorney fees.

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Sec. 33. [EFFECTIVE DATE.]

(a) Sections 15, 16, 22, 23, and 24 are effective the day following final enactment.

(b) Section 11 is effective June 1, 1994.

### ARTICLE 2

Section 1. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 8. [CERTAIN DATA RECEIVED BY COMMISSIONER OF COMMERCE.] Certain data received because of the commissioner's participation in various organizations are classified under section 45.012.

Sec. 2. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 9. [BANK INCORPORATORS DATA.] Financial data on individuals submitted by incorporators proposing to organize a bank are classified under section 46.041, subdivision 1.

Sec. 3. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 10. [SURPLUS LINES INSURER DATA.] Reports and recommendations on the financial condition of eligible surplus lines insurers submitted to the commissioner of commerce are classified under section 60A.208, subdivision 7.

Sec. 4. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 11. [INSURER FINANCIAL CONDITION DATA.] <u>Recommendations on the financial condition of an insurer</u> submitted to the commissioner of commerce by the insurance guaranty association are classified under section 60C.15.

Sec. 5. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 12. [INSURER SUPERVISION DATA.] Data on insurers supervised by the commissioner of commerce under chapter 60G are classified under section 60G.03, subdivision 1.

Sec. 6. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 13. [LIFE AND HEALTH INSURER DATA.] <u>A report on an insurer submitted by the life and health</u> guaranty association to the commissioner is classified under section 61B.28, subdivision 2.

Sec. 7. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 14. [SOLICITOR OR AGENT DATA.] Data relating to suspension or revocation of a solicitor's or agent's license are classified under section 62C.17, subdivision 4.

Sec. 8. Minnesota Statutes 1992, section 13.71, is amended by adding a subdivision to read:

Subd. 15. [LEGAL SERVICE PLAN SOLICITOR OR AGENT DATA.] Information contained in a request by a legal service plan for termination of a solicitor's or agent's license is classified under section 62G.20, subdivision 3.

Sec. 9. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 6a. [AQUACULTURE DATA.] Data on aquatic farming held by the pollution control agency is classified under section 17.498.

Sec. 10. Minnesota Statutes 1992, section 13.99, subdivision 7, is amended to read:

Subd. 7. [PESTICIDE DEALER <u>AND APPLICATOR</u> RECORDS.] Records of pesticide dealers <u>and applicators</u> inspected or copied by the commissioner of agriculture are classified under section <u>sections</u> 18B.37, subdivision 5, and 18B.38.

Sec. 11. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 7a. [WHOLESALE PRODUCE DEALERS.] Financial data submitted by a license applicant is classified under section 27.04, subdivision 2.

Sec. 12. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 7b. [MEAT INSPECTION DATA.] Access to information obtained by the commissioner of agriculture under the meat inspection law is governed by section 31A.27, subdivision 3.

Sec. 13. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 8a. [DAIRY PRODUCT DATA.] Financial and production information obtained by the commissioner of agriculture to administer chapter 34 are classified under section 32.71, subdivision 2.

Sec. 14. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read-

Subd. 17a. [HMO FINANCIAL STATEMENTS.] Unaudited financial statements submitted to the commissioner by a health maintenance organization are classified under section 62D.08, subdivision 6.

Sec. 15. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd. 19a.</u> [HEALTH TECHNOLOGY DATA.] <u>Data obtained by the health technology advisory committee about</u> <u>a specific technology are classified under section 62].152, subdivision 7.</u>

Sec. 16. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 19b. [PROVIDER CONFLICTS OF INTEREST.] Certain data in transition plans submitted by providers to comply with section 62J.23, subdivision 2, on conflicts of interest are classified under that section.

Sec. 17. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 19c. [HEALTH CARE ANALYSIS DATA.] Data collected by the health care analysis unit are classified under section 62J.30, subdivision 7.

Sec. 18. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 19d. [HEALTH CARRIER DATA.] Data received by the commissioner from health carriers under chapter 62L are classified under section 62L.10, subdivision 3.

Sec. 19. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 19e. [SMALL EMPLOYER REINSURANCE ASSOCIATION DATA.] Patient identifying data held by the reinsurance association are classified under section 62L.16, subdivision 6.

Sec. 20. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd. 21a.</u> [MINERAL DEPOSIT EVALUATION DATA.] <u>Data submitted in applying for a permit for mineral</u> <u>deposit evaluation are classified under section 1031.605, subdivision 2.</u>

Sec. 21. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd. 21b.</u> [TRANSFER STATION DATA.] <u>Data received by a county or district from a transfer station under</u> section 115A.84, subdivision 5, are classified under that section.

Sec. 22. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 21c. [CUSTOMER LISTS.] Customer lists provided to counties or cities by solid waste collectors are classified under section 115A.93, subdivision 5.

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Sec. 23. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> 27a. [MINNESOTA TECHNOLOGY, INC.] <u>Data on a tape of a closed board meeting of Minnesota</u> <u>Technology, Inc. are classified under section 1160.03, subdivision 6.</u> <u>Certain data disclosed to the board or employees</u> of Minnesota Technology, Inc. are classified under section 1160.03, subdivision 7.

Sec. 24. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 27b. [AIRLINES DATA.] Specified data about an airline submitted in connection with state financing of certain aircraft maintenance facilities are classified under section 116R.02, subdivision 3.

Sec. 25. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 27c. [MINNESOTA BUSINESS FINANCE, INC.] Various data held by Minnesota Business Finance, Inc. are classified under section 116S.02, subdivision 8.

Sec. 26. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 27d. [LEARNING READINESS PROGRAM.] Data on a child participating in a learning readiness program are classified under section 121.831, subdivision 9.

Sec. 27. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 29a. [PARENTS' SOCIAL SECURITY NUMBER; BIRTH CERTIFICATE.] Parents' social security numbers provided for a child's birth certificate are classified under section 144.215, subdivision 4.

Sec. 28. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 35a. [PUBLIC HOSPITAL MEETINGS.] Data from a closed meeting of a public hospital are classified under section 144.581, subdivision 5.

Sec. 29. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> <u>35b.</u> [EPIDEMIOLOGIC DATA.] <u>Epidemiologic data that identify individuals are classified under</u> section <u>144.6581</u>.

Sec. 30. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> <u>38a.</u> [AMBULANCE SERVICE DATA.] <u>Data required to be reported by ambulance services under</u> section <u>144.807</u>, subdivision <u>1</u>, are classified under that section.

Sec. 31. Minnesota Statutes 1992, section 13.99, subdivision 39, is amended to read:

Subd. 39. [HOME CARE SERVICES.] Certain data from providers of home care services given to the commissioner of health are classified under sections <u>144A.46</u>, <u>subdivision 5</u>, and <u>144A.47</u>.

Sec. 32. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 39a. [NURSING HOME EMPLOYEE DATA.] Certain data arising out of appeals from findings of neglect, abuse, or misappropriation of property are classified under section 144A.612.

Sec. 33. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 42a. [PHYSICIAN HEALTH DATA.] Physician health data obtained by the licensing board in connection with a disciplinary action are classified under section 147.091, subdivision 6.

Sec. 34. Minnesota Statutes 1992, section 13.99, subdivision 45, is amended to read:

Subd. 45. [CHIROPRACTIC REVIEW RECORDS.] Data of the board of chiropractic examiners and the peer review committee are classified under section sections 148.10, subdivision 1, and 148.106, subdivision 10.

Sec. 35. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. <u>48a.</u> [LICENSEE RESIDENCE ADDRESSES.] <u>Residence addresses of certain professional licensees are classified under section 148B.04, subdivision 6.</u>

Sec. 36. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 52a. [FUNERAL ESTABLISHMENT REPORTS:] Data on individuals in annual reports required of certain funeral establishments are classified under section 149.13, subdivision 7.

Sec. 37. Minnesota Statutes 1992, section 13.99, subdivision 53, is amended to read:

Subd. 53. [BOARD OF DENTISTRY.] Data obtained by the board of dentistry under section 150A.08, subdivision 6, are classified as provided in that subdivision. <u>Data obtained under section 150A.081 are classified under that section</u>.

Sec. 38. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd. 53a.</u> [CONTROLLED SUBSTANCE CONVICTIONS.] <u>Data on certain convictions for controlled substances</u> offenses may be expunded under section 152.18, subdivisions 2 and 3.

Sec. 39. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 54a. [CHEMICAL USE ASSESSMENTS.] <u>A report of an assessment conducted in connection with a</u> conviction for driving while intoxicated is classified under section 169.126, subdivision 2.

Sec. 40. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. <u>58a.</u> [WORKERS' COMPENSATION MEDICAL DATA.] <u>Access to medical data in connection with a</u> <u>workers' compensation claim is governed by section 176.138.</u>

Sec. 41. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 59a. [EMPLOYEE DRUG AND ALCOHOL TESTS.] Results of employee drug and alcohol tests are classified under section 181.954, subdivision 2.

Sec. 42. Minnesota Statutes 1992, section 13.99, subdivision 60, is amended to read:

Subd. 60. [OCCUPATIONAL SAFETY AND HEALTH.] Certain data gathered or prepared by the commissioner of labor and industry as part of occupational safety and health inspections are classified under section sections 182.659, subdivision 8, and 182.668, subdivision 2.

Sec. 43. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 65a. [RAIL CARRIER DATA.] Certain data submitted to the commissioner of transportation and the attorney general by acquiring and divesting rail carriers are classified under section 222.86, subdivision 3.

Sec. 44. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 65b. [GRAIN BUYER LICENSEE DATA.] Financial data submitted to the commissioner by grain buyer's license applicants are classified under section 223.17, subdivision 6.

Sec. 45. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 65c. [PREDATORY OFFENDERS.] Data provided under section 243.166, subdivision 7, are classified under that section.

Sec. 46. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 68a. [OMBUDSMAN FOR MENTAL HEALTH AND RETARDATION.] Access by the ombudsman for mental health and mental retardation to private data on individuals is provided under section 245.94, subdivision 1.

Sec. 47. Minnesota Statutes 1992, section 13.99, subdivision 71, is amended to read:

Subd. 71. [RAMSEY HEALTH CARE.] Data maintained by Ramsey Health Care, Inc., are classified under section sections 246A.16, subdivision 3, and 246A.17.

Sec. 48. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 74a. [TECHNOLOGY ASSISTANCE REVIEW PANEL.] Data maintained by the technology assistance review panel under section 256.9691, subdivision 6, are classified under that section.

Sec. 49. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 74b. [MEDICAL ASSISTANCE COST REPORTS.] Medical records of medical assistance recipients obtained by the commissioner of human services for purposes of section 256B.27, subdivision 5, are classified under that section.

Sec. 50. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 79a. [COURT RECORDS.] Court records of dispositions involving placement outside this state are classified under section 260.195, subdivision 6.

Sec. 51. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 81a. [WAGE SUBSIDY PROGRAM.] Data on individuals collected under section 268.552, subdivision 7, are classified under that subdivision.

Sec. 52. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> 91a. [HAZARDOUS SUBSTANCE EMERGENCIES.] <u>Data</u> collected by a fire department under sections 299F.091 to 299F.099 are classified under sections 299F.095 and 299F.096, subdivision 1.

Sec. 53. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 92b. [SPORTS BOOKMAKING TAX.] Disclosure of facts contained in a sports bookmaking tax return is prohibited by section 349.2115, subdivision 8.

Sec. 54. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 92c. [LOTTERY PRIZE WINNER.] Certain data on a lottery prize winner are classified under section 349A.08, subdivision 9.

Sec. 55. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 94a. [PROPERTY TAX ABATEMENT.] Certain data in an application for property tax abatement are classified under section 375.192, subdivision 2.

Sec. 56. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> 96a. [SOLID WASTE COLLECTOR.] <u>Data obtained in an audit of a solid waste collector under</u> section 400.08, subdivision 4, are classified under that subdivision.

Sec. 57. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> <u>96b.</u> [EMERGENCY TELEPHONE SERVICES.] <u>Public utility data provided to a 911 system under</u> <u>section 403.07, subdivision 3, are classified under section 403.07, subdivision 4.</u>

Sec. 58. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 96c. [PUBLIC FACILITIES AUTHORITY.] Financial information received or prepared by a public facilities authority are classified under section 446A.11, subdivision 11.

Sec. 59. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd. 96d.</u> [HOUSING FINANCE AGENCY.] <u>Financial information regarding a housing finance agency loan or grant recipient are classified under section 462A.065.</u>

Sec. 60. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> <u>97a.</u> [ECONOMIC DEVELOPMENT DATA.] <u>Access to preliminary information submitted to the commissioner of trade and economic development under sections 469.142 to 469.151 or sections 469.152 to 469.165 is limited under sections 469.150 and 469.154, subdivision 2.</u>

Sec. 61. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

<u>Subd.</u> 101a. [CUSTODY MEDIATION.] <u>Child custody or visitation mediation records are classified under</u> section 518.619, subdivision 5.

Sec. 62. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 101b. [INTERNATIONAL WILL REGISTRATION.] Information on the execution of international wills is classified under section 524.2-1010, subdivision 1.

Sec. 63. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 107a. [SEX OFFENDER HIV TESTS.] <u>Results of HIV tests of sex offenders under section 611A.19</u>, subdivision 2, are classified under that section."

Delete the title and insert:

"A bill for an act relating to data practices; classifying data as private, confidential, or nonpublic; providing for access to certain law enforcement and court services data on juveniles; providing law enforcement access to certain welfare and patient directory information; providing for treatment of customer data by videotape sellers and service providers; providing for data access to conduct fetal, infant, and maternal death studies; extending a provision for conduct of medical research absent prior patient consent; amending Minnesota Statutes 1992, sections 13.03, subdivision 4; 13.38, by adding a subdivision; 13.39, by adding a subdivision; 13.41, subdivision 2, and by adding a subdivision; 13.57; 13.71, by adding subdivisions; 13.76, by adding a subdivision; 13.82, by adding a subdivision; 13.99, subdivisions 7, 39, 45, 53, 60, 71, 79, and by adding subdivisions; 171.12, subdivision 7; 260.161, by adding a subdivision; 13.82, subdivision 4; 121.8355, by adding a subdivision; 144.335, subdivision 3a; 144.651, subdivisions 2, 21, and 26; 168.346; 245.493, by adding a subdivision; 253B.03, subdivisions 3 and 4; 260.161, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 13; 144; 145; proposing coding for new law as Minnesota Statutes, chapters 325I."

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2067, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public water or natural wetlands in Anoka county; authorizing the sale of certain state land in Anoka county.

Reported the same back with the following amendments:

Page 4, line 28, after the period, insert "If the parcel described in subdivision 2, clause (2), is sold to owners of land adjoining the land to be sold, a conservation easement in a form prescribed by the department of natural resources must be reserved to the state of Minnesota."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2120, A bill for an act relating to occupations and professions; providing that health-related licensing boards may establish a program to protect the public from impaired regulated persons; providing for appointments; providing for rulemaking; appropriating money; amending Minnesota Statutes 1993 Supplement, section 214.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 214.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 214.06, subdivision 1, is amended to read:

Subdivision 1. [FEE ADJUSTMENT.] Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health-related licensing boards and all non-health-related licensing boards shall by rule, with the approval of the commissioner of finance, adjust, as needed, any fee which the commissioner of health or the board is empowered to assess a. As provided in section 16A.1285, the adjustment shall be an amount sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128 including expenditures for the programs authorized by sections 214.17 to 214.25 and 2 to 8. For members of an occupation registered after July 1, 1984, by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five-year period, the commissioner's direct expenditures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited in the state treasury. Fees received by the commissioner of health or health-related licensing boards must be credited to the health occupations licensing account in the state government special revenue fund.

### HEALTH PROFESSIONALS SERVICES PROGRAM

## Sec. 2. [214.31] [AUTHORITY.]

Two or more of the health-related licensing boards listed in section 214.01, subdivision 2, may jointly conduct a health professionals services program to protect the public from persons regulated by the boards who are unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition. The program does not affect a board's authority to discipline violations of a board's practice act.

Sec. 3. [214.32] [PROGRAM MANAGEMENT, SERVICES, PARTICIPANT COSTS, ELIGIBILITY, COMPLETIONS, VOLUNTARY TERMINATION AND DISCHARGE.]

<u>Subdivision 1.</u> [MANAGEMENT.] (a) <u>A health professionals services program committee is established, consisting</u> of one person appointed by each participating board, with each participating board having one vote. The committee shall designate one board to provide administrative management of the program, set the program budget and the pro rata share of program expenses to be borne by each participating board, provide guidance on the general operation of the program, including hiring of program personnel, and ensure that the program's direction is in accord with its authority.

(b) The designated board, upon recommendation of the health professional services program committee, shall hire the program manager and employees and pay expenses of the program from funds appropriated for that purpose. The designated board may apply for grants to pay program expenses and may enter into contracts on behalf of the program to carry out the purposes of the program. The participating boards shall enter into written agreements with the designated board.

(c) An advisory committee is established to advise the program committee consisting of:

(1) one member appointed by each of the following: the Minnesota Academy of Physician Assistants, the Minnesota Dental Association, the Minnesota Chiropractic Association, the Minnesota Licensed Practical Nurse Association, the Minnesota Medical Association, the Minnesota Nurses Association, and the Minnesota Podiatric Medicine Association;

(2) one member appointed by each of the professional associations of the other professions regulated by a participating board not specified in clause (1); and

(3) two public members, as defined by section 214.02.

Members of the advisory committee shall be appointed for two years and members may be reappointed.

Subd. 2. [SERVICES.] (a) The program shall provide the following services to program participants:

(1) referral of eligible regulated persons to qualified professionals for evaluation, treatment, and a written plan for continuing care consistent with the regulated person's illness. The referral shall take into consideration the regulated person's financial resources as well as specific needs;

(2) development of individualized program participation agreements between participants and the program to meet the needs of participants and protect the public. An agreement may include, but need not be limited to, recommendations from the continuing care plan, practice monitoring, health monitoring, practice restrictions, random drug screening, support group participation, filing of reports necessary to document compliance, and terms for successful completion of the regulated person's program; and

(3) monitoring of compliance by participants with individualized program participation agreements or board orders.

(b) The program may develop services related to sections 2 to 8 for employers and colleagues of regulated persons from participating boards.

Subd. 3. [PARTICIPANT COSTS.] Each program participant shall be responsible for paying for the costs of physical, psychosocial, or other related evaluation, treatment, laboratory monitoring, and random drug screens.

Subd. 4. [ELIGIBILITY.] Admission to the health professional services program is available to a person regulated by a participating board who is unable to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition. Admission in the health professional services program shall be denied to persons:

(1) who have diverted controlled substances for other than self-administration;

(2) who have been terminated from this or any other state professional services program for noncompliance in the program;

(3) currently under a board disciplinary order or corrective action agreement, unless referred by a board;

(4) regulated under sections 214.17 to 214.25, unless referred by a board or by the commissioner of health;

(5) accused of sexual misconduct; or

(6) whose continued practice would create a serious risk of harm to the public.

<u>Subd. 5.</u> [COMPLETION; VOLUNTARY TERMINATION; DISCHARGE.] <u>A regulated person completes the</u> program when the terms of the program participation agreement are fulfilled. A regulated person may voluntarily terminate participation in the health professionals service program at any time by reporting to the person's board. The program manager may choose to discharge a regulated person from the program and make a referral to the person's board at any time for reasons including but not limited to: the degree of cooperation and compliance by the regulated person, the inability to secure information or the medical records of the regulated person, or indication of other possible violations of the regulated person's practice act. The regulated person shall be notified in writing by the program manager of any change in the person's program status. A regulated person who has been terminated or discharged from the program may be referred back to the program for monitoring.

# Sec. 4. [214.33] [REPORTING.]

Subdivision 1. [PERMISSION TO REPORT.] A person who has personal knowledge that a regulated person has the inability to practice with reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals or any other materials, or as a result of any mental, physical, or psychological condition may report that knowledge to the program or to the board. A report to the program under this subdivision fulfills the reporting requirement contained in a regulated person's practice act.

<u>Subd. 2.</u> [SELF-REPORTING.] <u>A person regulated by a participating board who is unable to practice with</u> reasonable skill and safety by reason of illness, use of alcohol, drugs, chemicals, or any other materials, or as a result of any mental, physical, or psychological condition shall report to the person's board or the program.

<u>Subd. 3.</u> [PROGRAM MANAGER.] The program manager shall report to the appropriate participating board a regulated person who does not meet program admission criteria, violates the terms of the program participation agreement, or leaves the program except upon fulfilling the terms for successful completion of the program as set forth in the participation agreement. The program manager shall report to the appropriate participating board a regulated person who is alleged to have committed violations of the person's practice act that are outside the authority of the health professionals services program as described in sections 2 to 8. The program manager shall inform any reporting person of the disposition of the person's report to the program.

<u>Subd. 4.</u> [BOARD.] <u>A board may refer any regulated person to the program consistent with section 3, subdivision 4, if the board believes the regulated person will benefit and the public will be protected.</u>

Sec. 5. [214.34] [IMMUNITY.]

<u>Subdivision 1.</u> [REPORTING IMMUNITY.] <u>Any individual, agency, institution, facility, business, or organization</u> is immune from civil liability or criminal prosecution for submitting a report in good faith to the program under this section or for cooperating with an investigation of a report or with staff of the program. Reports are confidential and are privileged communication.

<u>Subd. 2.</u> [PROGRAM IMMUNITY.] <u>Members of the participating boards and persons employed by the boards and program, program consultants, and members of advisory bodies for the program are immune from civil liability and criminal prosecution for any actions, transactions, or reports in the execution of, or relating to, their duties under sections 2 to 7.</u>

Sec. 6. [214.35] [CLASSIFICATION OF DATA.]

All data collected and maintained and any agreements with regulated persons entered into as part of the program is classified as active investigative data under section 13.41 while the individual is in the program, except for monitoring data which is classified as private. When a regulated person successfully completes the program, the data and participation agreement become inactive investigative data which shall be classified as private data under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9, in the case of data not on individuals. Data and agreements shall not be forwarded to the board unless the program reports a participant to a board as described in section 4, subdivision 3.

Sec. 7. [214.36] [BOARD PARTICIPATION.]

Participating boards may, by mutual agreement, implement the program upon enactment. Thereafter, health-related licensing boards desiring to enter into or discontinue an agreement to participate in the health professionals services program shall provide a written resolution indicating the board's intent to the designated board by January 1 preceding the start of a biennium.

Sec. 8. [214.37] [RULEMAKING.]

By July 1, 1996, the participating boards shall adopt joint rules relating to the provisions of sections 2 to 7 in consultation with the advisory committee and other appropriate individuals. The required rule writing does not prevent the implementation of sections 2 to 9 upon enactment.

Sec. 9. [APPROPRIATION.]

<u>\$198,000 is appropriated from the special revenue fund to the board of medical practice for the purposes of sections 2 to 8. The pro rata share of program expenses to be borne by each participating board shall be determined by the participating boards through an interagency agreement and funds equal to the appropriation shall be deposited into the special revenue fund.</u>

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day after final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2126, A bill for an act relating to statewide comprehensive land use planning coordination; appropriating money; amending Minnesota Statutes 1992, sections 116C.04, by adding a subdivision; 462.357, subdivision 2; and 473.858, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 4A; proposing coding for new law as Minnesota Statutes, chapter 462D.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SUSTAINABLE ECONOMIC DEVELOPMENT AND ENVIRONMENTAL PROTECTION TASK FORCE; STAFF.]

<u>Subdivision 1.</u> [PURPOSE; TASK FORCE MEMBERSHIP.] In order to build a consensus on how to achieve sustainable economic development and environmental protection throughout the state, the sustainable economic development and environmental protection task force is established. The task force consists of 15 members who serve at the pleasure of the appointing authority as follows:

(1) six legislators, including three members of the senate appointed by the subcommittee on committees of the committee on rules and administration, and three members of the house of representatives appointed by the speaker of the house; and

(2) nine public members who are residents of the state, including 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 of representatives, and five appointed by the governor. Of the five members appointed by the governor, at least one member shall represent towns, one member shall represent cities, and one member shall represent counties.

Subd. 2. [CHAIRS.] The legislative appointing authorities shall each designate a legislative appointee to serve as co-chair of the task force.

Subd. 3. [STAFF.] The environmental guality board shall provide coordination and staff support for the task force.

Sec. 2. [DUTIES.]

The task force shall research and recommend:

(1) what policies or goals are of statewide interest relating to sustainable communities and land use that should guide decision making at state, regional, and local levels;

(2) what planning framework and process will enhance collaboration at all levels to help achieve the goals; and

(3) how the planning framework will incorporate the following nonexclusive list of issues: sustainable economic development, protection of natural resources, urban-rural linkages, citizen involvement, and affordable housing.

Sec. 3. [PUBLIC INVOLVEMENT.]

The environmental quality board and the task force shall ensure extensive, broad-based involvement of citizens and both public and private sectors in the recommendations. At a minimum, the task force shall hold meetings in all regions of the state at times and places most convenient to allow the maximum number of interested persons to attend and participate. The task force may contract with facilitators or other consultants to help ensure extensive public participation and to help incorporate public comments into the process.

5550

Sec. 4. [REPORT.]

By January 1, 1995, the environmental quality board and the task force shall submit to the governor and the legislature a report of the task force's and the board's findings and recommendations for legislation.

Sec. 5. [APPROPRIATION.]

\$75,000 is appropriated from the general fund to the environmental quality board for the purposes of this act, to be available until expended."

Delete the title and insert:

"A bill for an act relating to public administration; establishing a sustainable economic development and environmental protection task force; providing for its duties; requiring a report; appropriating money."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2139, A bill for an act relating to real estate; regulating trust accounts; clarifying a definition for purposes of licensing real estate appraisers; amending Minnesota Statutes 1992, section 82B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 82.24, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 82.197, subdivision 3, is amended to read:

Subd. 3. [SCOPE AND EFFECT.] The requirements for disclosure of agency relationships set forth in this chapter are intended only to establish a minimum standard for regulatory purposes, and are not intended to abrogate common law. Disclosures made in accordance with the requirements for disclosure of agency relationships set forth in this chapter are sufficient to satisfy common law disclosure requirements. In addition, when a principal in the transaction is a licensee or a relative or business associate of the licensee, that fact must be disclosed in writing in addition to any other required disclosures. The commissioner, in consultation with representatives of the real estate industry, consumer groups, the attorney general's office, and any other group deemed appropriate by the commissioner, shall study current required disclosure forms and recommend any additions that may be necessary to ensure that consumers are informed of the various agency relations and how they affect the consumer. The commissioner shall prepare legislation for the 1995 session which incorporates those recommendations."

Page 2, line 13, delete "Section 1 and 2" and insert "Sections 1 to 3"

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 4, before "amending" insert "regulating dual agency disclosure;"

Page 1, line 6, delete "section" and insert "sections 82.197, subdivision 3; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2148, A bill for an act relating to human services; providing monitoring and evaluation of emergency health services on a pilot project basis; authorizing an advisory committee; amending Minnesota Statutes 1992, section 245.469, by adding a subdivision.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1, and insert:

"Section 1. [EMERGENCY SERVICES MONITORING; PILOT STUDY AND REPORT.]

By July 1, 1994, the commissioner of human services shall appoint a nine-member advisory committee to participate in the pilot project established under this section. The project shall be designed to monitor and evaluate three counties in their provision of emergency adult mental health services under Minnesota Statutes, section 245.469. commissioner shall consult with advocates for persons with mental illnesses and with the state advisory council on mental health before appointing the members of the advisory committee. At least six of the committee members must be chosen from persons who are advocates for persons with mental illness or family members of persons with mental illness, and from persons who have received emergency services under Minnesota Statutes, section 245.469, subdivisions 1 and 2. Members shall not receive per diems but shall be compensated for expenses. The advisory committee shall report to the commissioner at such times and in the manner that the commissioner directs, except that the advisory committee shall meet no less than four times between July 1, 1994, and July 1, 1995. The pilot study will be conducted in three counties chosen by the commissioner. One of the counties must be a metropolitan county, as defined in Minnesota Statutes, section 473.121, subdivision 4, with a city of the first class. The study must also include a metropolitan county other than <u>Hennepin or Ramsey county</u>, and one county located outside of the metropolitan area. The purpose of the pilot study will be: (1) to determine whether the emergency services required by Minnesota Statutes, section 245.469, are being provided in each of the selected counties; (2) to evaluate the sufficiency and quality of services for adult persons with mental illness who are in crisis; and (3) to assess the effectiveness of consumer advocates in monitoring the availability of emergency mental health services. A report on the study, with findings and recommendations, must be presented to the legislature by January 1, 1996

Amend the title as follows:

Page 1, line 4, delete the second semicolon, and insert a period

Page 1, delete lines 5 and 6

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2171, 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 efforts of cities and towns to comply with the allocation; establishing penalties for noncompliance; proposing coding for new law in Minnesota Statutes, chapters 16A; and 473.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2191, A bill for an act relating to agriculture; establishing the agriculture best management practices loan program; establishing a feedlot and manure management advisory committee; appropriating money; amending Minnesota Statutes 1992, section 13.99, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2239, A bill for an act relating to crime; traffic regulations; requiring automobile insurance identification cards to include the vehicle's registration plate number; increasing the maximum fine applicable to petty misdemeanor traffic violations; clarifying the elements of the driving after license suspension, revocation, and cancellation offenses; increasing the penalty for committing certain escapes from custody; making technical changes; amending Minnesota Statutes 1992, sections 65B.482, subdivision 1; 169.89, subdivision 2; 609.0331; 609.0332; 609.485, subdivision 4; and 626A.05, subdivision 2; Minnesota Statutes 1993 Supplement, section 171.24.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Page 7, delete lines 17 and 18

Page 7, line 19, delete "7" and insert "Sections 1 to 6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "requiring"

Page 1, delete line 3

Page 1, line 4, delete everything before "increasing"

Page 1, line 11, delete "65B.482, subdivision 1;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2249, A bill for an act relating to agricultural businesses; providing an interest buy-down program for farmers and small businesses; authorizing a protein analysis equipment lease pilot program; providing supplemental funding for certain emergency employment programs; creating a crop disaster insurance program; increasing funding for the farm advocates program, agricultural resource centers, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; expanding research on grain diseases, soybean varieties, and genetics; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17B.

Reported the same back with the following amendments:

Delete page 6, line 17, to page 7, line 28, and insert:

# JOURNAL OF THE HOUSE

## "ARTICLE 3

### SUPPLEMENTAL CROP DISASTER INSURANCE

### Section 1. [CROP DISASTER INSURANCE.]

Subdivision 1. [STUDY.] The commissioner of agriculture, in consultation with the commissioner of commerce and farm and insurance organizations in Minnesota, shall perform a comprehensive study to determine the feasibility of establishing a captive nonprofit insurance company to provide supplemental crop disaster insurance coverage to farm operators. The captive insurance company would obtain reinsurance for at least 80 percent of its risk. The companies providing reinsurance would be allowed to invest assets in grain commodity options and the options must be considered admitted assets for purposes of state insurance regulation.

Subd. 2. [REPORT.] Not later than December 15, 1994, the commissioner of agriculture must report to the legislature on the findings and recommendations of the study in subdivision 1.

Sec. 2. [APPROPRIATION.]

\$.....is appropriated from the general fund to the commissioner of agriculture for purposes of the study and report in section 1."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2251, A bill for an act relating to drivers' licenses; allowing social security number to be entered at the option of an applicant for a Class C driver's license; amending Minnesota Statutes 1992, section 171.06, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2296, A bill for an act relating to health; Ramsey Health Care, Inc.; authorizing the public corporation to incorporate as a nonprofit corporation; terminating its status as a public corporation; providing for the care of the indigent of Ramsey county and other counties; providing for certain of its powers and duties; repealing Minnesota Statutes 1992, sections 246A.01; 246A.02; 246A.03; 246A.04; 246A.05; 246A.06; 246A.07; 246A.08; 246A.09; 246A.10; 246A.11; 246A.12; 246A.13; 246A.14; 246A.15; 246A.16; 246A.17; 246A.18; 246A.19; 246A.20; 246A.22; 246A.23; 246A.24; 246A.25; 246A.25; 246A.26; and 246A.27.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.]

Subdivision 1. [SCOPE.] In sections 1 and 2 the definitions in this section apply.

Subd. 2. [PUBLIC CORPORATION.] The "public corporation" means Ramsey Health Care, Inc., established by Minnesota Statutes, section 246A.02.

Subd. 3. [NONPROFIT CORPORATION.] The "nonprofit corporation" means the entity formed in accordance with section 2, subdivision 1.

210

# Sec. 2. [INCORPORATION AS NONPROFIT CORPORATION.]

<u>Subdivision 1.</u> [INCORPORATION.] <u>The board of directors of the public corporation may incorporate as a nonprofit corporation under Minnesota Statutes, chapter 317A.</u> Upon so incorporating, the nonprofit corporation that results ceases to be a public corporation.

<u>Subd. 2.</u> [EMPLOYEES.] (a) <u>Employees of either the nonprofit corporation or its subsidiary corporations are not public employees except as provided under paragraph (b).</u>

(b) A person who is an employee of the public corporation or one of its subsidiary corporations, and is a member of the public employees retirement association at the time of the incorporation described in subdivision 1, shall continue to be included in the definition of public employee pursuant to the public employees retirement act, chapter 353, but may terminate membership in the public employees retirement association prior to July 1, 1995.

(c) For an employee who elects to remain a member of the public employees retirement association, the employing corporation shall pay the employer contributions required by Minnesota Statutes, section 353.27, and shall deduct from the employee's salary and transmit to the association, the employee contribution required by section 353.27.

(d) The total compensation package, including wage plus benefit rates, of all employees that are members of a construction or building trade for which there is a generally established and recognized scale of wages inside the county, must equal the total compensation package of private sector construction trade employees within the county as established by collective bargaining agreements.

<u>Subd. 3.</u> [TORT LIABILITY.] <u>Notwithstanding other law to the contrary, the public corporation and its hospital</u> <u>subsidiary corporation each are a "municipality" for purposes of tort liability under Minnesota Statutes, chapter 466,</u> with regard to any claim occurring before the date of incorporation pursuant to subdivision 1.

Subd. 4. [LEASE OR SALE OF PROPERTY.] (a) Any lease entered into under Minnesota Statutes, section 246A.11, before its repeal by this act, remains in effect according to its terms.

(b) Before July 1, 1994, any lease entered into under Minnesota Statutes, section 246A.11, must be amended to provide that:

(1) at least one seat on the board of directors of St. Paul-Ramsey Medical Center or its successor or assignee must be reserved for a member of the board of Ramsey county commissioners to be appointed by the county board;

(2) any name change to the St. Paul-Ramsey Medical Center facility must not be implemented without providing the Ramsey county board 60 days to comment and consult with St. Paul-Ramsey Medical Center or its successor or assignee;

(3) except as provided in subdivision 5, St. Paul-Ramsey Medical Center or its successor or assignee shall continue major or unique services currently provided, including but not limited to the trauma center, burn unit, and teaching and research services for a five-year period, and thereafter shall use its best efforts to continue those services and shall consult with the Ramsey county board of commissioners before discontinuing those services;

(4) in the event of health care reform that reduces or eliminates the need for St. Paul-Ramsey Medical Center or its successor or assignee to provide indigent care, the county shall receive replacement consideration for that indigent care service, which may be paid in the form of rent or capital improvements to county-owned property;

(5) St. Paul-Ramsey Medical Center or its successor or assignee shall provide Ramsey county with a copy of its annual financial statement and management letter, and an annual report on the value of improvements made on county-owned property; and

(6) the lease may not be assigned to a for-profit corporation or a subsidiary of a for-profit corporation without the consent of the Ramsey county board of commissioners.

(c) The St. Paul-Ramsey Medical Center property owned by Ramsey county may be sold or transferred through negotiation, but in no event shall the county-owned property be sold or transferred without adequate compensation to the county.

<u>Subd. 5.</u> [CARE OF THE INDIGENT.] (a) <u>St. Paul-Ramsey Medical Center or its successor or assignee must provide</u> hospital and medical services for the indigent of Ramsey county. The services must equal those made available to nonindigent patients.

(b) Notwithstanding any law to the contrary, Ramsey county may provide funds to buy hospital and medical services for the indigent of Ramsey county from a provider selected by the county with or without public bid.

(c) Notwithstanding any law to the contrary, any county may provide funds to buy hospital and medical services for the indigent of that county from a provider selected by the county with or without public bid.

Sec. 3. [REPEALER.]

<u>Minnesota Statutes 1992, sections 246A.01; 246A.02; 246A.03; 246A.04; 246A.05; 246A.06; 246A.07; 246A.08; 246A.09; 246A.10; 246A.11; 246A.12; 246A.13; 246A.14; 246A.15; 246A.16; 246A.17; 246A.18; 246A.19; 246A.20; 246A.21; 246A.22; 246A.23; 246A.24; 246A.25; 246A.26; and 246A.27, are repealed.</u>

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 of this act are effective upon approval by the Ramsey county board of commissioners and amendment of the lease as required under section 2, subdivision 4, paragraph (b). Section 3 is effective upon incorporation of the nonprofit corporation pursuant to section 2, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2307, A bill for an act relating to state government; restructuring functions and groups related to ombudspersons for families; amending Minnesota Statutes 1992, sections 257.0761, subdivision 1; 257.0762, subdivision 2; and 257.0768; Minnesota Statutes 1993 Supplement, section 257.0755.

Reported the same back with the following amendments:

Page 1, line 13, delete "<u>ombudspersons</u>" and insert "<u>ombudsperson</u>" and delete "<u>administer</u>" and insert "<u>monitor</u> compliance with all"

Page 2, line 4, delete "and reports to"

Page 2, line 5, after the stricken language insert "and may be removed only for just cause"

Page 2, line 18, strike "each" and insert "the"

Page 5, after line 21, insert:

"Sec. 6. [APPROPRIATION.]

\$..... is appropriated from the general fund to the office of ombudsperson for families for the purposes of this act. This appropriation is available until June 30, 1995."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

5557

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2310, A bill for an act relating to establishing a debt collection entity; providing for the collection of debts owed the state or for whom the state acts as a fiduciary; imposing fees; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 168A.05, subdivisions 2, 7, and by adding a subdivision; 508.25; and 542.07; Minnesota Statutes 1993 Supplement, section 168A.05, subdivision 3; proposing coding for new law as Minnesota Statutes, chapter 16C; repealing Minnesota Statutes 1992, sections 10.11; 10.12; 10.14; and 10.15.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 13.99, is amended by adding a subdivision to read:

Subd. 6a. [CENTRALIZED STATE COLLECTION ENTITY DATA.] Data on debtors received, collected, created, or maintained by the centralized state collection entity are classified under section 16C.08.

Sec. 2. [16B.482] [INTELLECTUAL PROPERTY.]

Subdivision 1. [DEFINITIONS.] For purposes of this section:

(1) "intellectual property" means an idea, datum, artistic or other tangible expression, innovation, invention, process, or product subject to protection under state or federal copyright, patent, or trademark laws;

(2) "responsible authority" has the meaning given it in section 13.02, subdivision 16; and

(3) "state agency" has the meaning given it in section 13.02, subdivision 17.

<u>Subd. 2.</u> [AUTHORIZATION.] <u>A state agency or political subdivision may obtain copyright, trademark, servicemark, patent, or other protection under federal or state law for intellectual property developed or acquired by the agency or subdivision. The responsible authority for the agency or subdivision may license, assign, or otherwise use all or part of its intellectual property at public or private sale. The sale price or license fee may be based on market considerations. The responsible authority may establish the terms and conditions governing a sale or license of intellectual property, subject to the review and approval of the attorney general under section 8.05 for a state agency or to the review of appropriate legal counsel for a political subdivision.</u>

<u>Subd. 2a.</u> [COPIES TO LEGISLATIVE LIBRARY.] <u>This section does not relieve a state agency from its obligation</u> to provide documents free of charge to the legislative reference library for purposes of making them available to <u>Minnesota state document depository libraries.</u>

<u>Subd. 3.</u> [INTELLECTUAL PROPERTY ACCOUNT.] <u>Proceeds of the sale or licensing of intellectual property by a state agency are appropriated to the agency and must be maintained in an intellectual property account within the general fund. The requirement to deposit proceeds in the intellectual property account does not apply to money that is required by section 4A.05 to be deposited in the land management information center revolving account.</u>

Sec. 3. [16C.01] [POLICY AND SCOPE.]

Subdivision 1. [CITATION.] This chapter may be cited as the "Minnesota debt collections act."

Subd. 2. [SCOPE.] The collection procedures and remedies under this chapter are in addition to any other procedure or remedy available by law. If the referring agency's applicable state or federal law provides for the use of a particular remedy or procedure for the collection of a debt, that particular remedy or procedure governs the collection of that debt to the extent the procedure or remedy is inconsistent with this chapter.

Sec. 4. [16C.02] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. [CENTRALIZED STATE COLLECTION ENTITY.] "Centralized state collection entity" means the state agency or division of a state agency established by section 16C.04.

<u>Subd. 3.</u> [DEBT.] "Debt" means an amount that is owing to the state of Minnesota directly, or through a state agency, on account of a fee, duty, lease, direct loan, loan insured or guaranteed by the state of Minnesota, rent, service, sale of real or personal property, overpayment, fine, assessment, penalty, restitution, damages, interest, tax, bail bond, forfeiture, reimbursement, liability owed, an assignment to the state including assignments under sections 256.72 to 256.87, the Social Security Act, or other state or federal law, recovery of costs incurred by the state of Minnesota, or any other source of indebtedness to the state of Minnesota. Debt also includes amounts owed to individuals for which the state or state agency acts in a fiduciary capacity in providing collection services in accordance with the regulations adopted under the Social Security Act at Code of Federal Regulations, title 45, section 302.33, or other state or federal law. Debt also includes an amount owed to a Minnesota judicial court, judicial board or commission, the University of Minnesota, a political subdivision, or the United States for which the centralized state collection entity provides collection services under contract or by operation of law.

Subd. 4. [DEBTOR.] "Debtor" means an individual, corporation, partnership, an unincorporated association, a limited liability company, a trust, an estate, or any other public or private entity, including a state, local, or federal government, or an Indian tribe, who is liable for a debt or against whom there is a claim for a debt.

Subd. 5. [DIRECTOR.] "Director" means the director of the centralized state collection entity.

<u>Subd. 6.</u> [DEBT QUALIFICATION PLAN.] "Debt <u>qualification plan</u>" means <u>an agreement entered into between a</u> <u>state agency and the centralized state collection entity that defines the terms and conditions by which the centralized state collection entity will provide collection services to the state agency.</u>

Subd. 7. [LICENSEE.] "Licensee" means an individual, corporation, partnership, limited liability company, or other legal entity that is an applicant for a license or is licensed for the conduct of a profession, occupation, trade, or business. In the case of a license transfer, licensee also means both the transferor and the transferee of the license.

<u>Subd. 8.</u> [LICENSING AUTHORITY.] "Licensing authority" means the state, a judicial board or commission, a state agency, or political subdivision with the authority to issue a license for the conduct of a profession, occupation, trade, or business.

Subd. 9. [POLITICAL SUBDIVISION.] "Political subdivision" means a Minnesota county, statutory or home rule charter city, town, school district, metropolitan council, metropolitan agency, or a board or commission of one of those entities.

Subd. 10. [REFERRING AGENCY.] "Referring agency" means a state agency, judicial court, board or commission, the University of Minnesota, the United States, or a political subdivision that has entered into a contract or debt qualification plan with the centralized state collection entity to refer debts to the centralized state collection entity for collection activity.

Subd. 11. [STATE AGENCY.] "State agency" means any state office, officer, board, commission, bureau, division, department, authority, agency, public corporation, or other unit of Minnesota state government.

Sec. 5. [16C.03] [OVERSIGHT OF STATE COLLECTION ACTIVITY.]

Subdivision 1. [RESPONSIBILITY.] The department of finance is responsible for the oversight, reporting, and monitoring of state debt collection.

<u>Subd. 2.</u> [STATE AGENCY REPORTS.] <u>Quarterly each year, state agencies shall report to the commissioner of finance the debts owed to the state agency. The commissioner of finance, with the consultation of the departments of revenue and human services, the centralized state collection entity, and the attorney general, shall establish internal guidelines for the recognition, tracking, reporting, and collection of the debts owed the state. The internal guidelines must include accounting standards, performance measurements, and uniform reporting requirements applicable to all state agencies.</u>

<u>Subd.</u> 3. [STATE AGENCY DEBT QUALIFICATIONS PLANS.] The department of finance shall establish a standardized form agreement for state agency debt qualifications plans. The standardized form must identify the categories of debt owing the state agency to be collected under the terms of the debt qualification plan, provide the procedure for referral of debts from the state agency to the centralized state collection entity, establish the responsibilities for collecting the debts covered by the plan, and establish the responsibility for compromise and settlement of the debt.

<u>Subd. 4.</u> [REPORTS OF THE CENTRALIZED STATE COLLECTION ENTITY.] <u>Quarterly each year, the centralized</u> <u>state collection entity shall report to the department of finance on its progress and rate of collection of debts referred</u> to the centralized state collection entity. The centralized state collection entity shall also report to the referring agency the status of the referred debts in accordance with the terms of the debt gualification plan.

<u>Subd. 5.</u> [REPORT OF THE DEPARTMENT OF FINANCE.] By January 15 of each year, the commissioner of finance shall report on the management of debts owed the state, including performance measurements and progress of the debt collection efforts undertaken by state agencies and the centralized state collection entity. The report must be made to the governor and the chairs of the committee on finance of the senate and the committee on ways and means of the house of representatives.

Sec. 6. [16C.04] [CENTRALIZED STATE COLLECTION ENTITY.]

Subdivision 1. [CREATION.] The centralized state collection entity is part of the department of finance and under the authority of the commissioner of finance. It shall provide services to the state of Minnesota and its state agencies for the purpose of collecting debts owed the state of Minnesota. The centralized state collection entity is not a collection agency as defined by section 332.31, subdivision 3, and is not governed by sections 332.31 to 332.31, subdivision 11, or 332.31, subdivision 13, to 332.45. The commissioner of finance shall enter into a contract with the commissioner of revenue for the department of revenue to provide the collection services of the centralized state collection entity.

<u>Subd. 2.</u> [AGENCY PARTICIPATION.] <u>A state agency may, at its option, refer debts to the centralized state</u> collection entity for collection activity. The ultimate responsibility for the debt, including the reporting of the debt to the department of finance and the decision with regard to the continuing collection and uncollectibility of the debt, remains with the referring state agency.

Subd. 3. [SERVICES.] The centralized state collection entity shall provide collection services for a state agency in accordance with the terms and conditions of a signed debt qualification plan. The centralized state collection entity may also provide collection services for a Minnesota judicial court, judicial board, or judicial commission, the University of Minnesota, the United States, or a political subdivision by operation of law or under a contract entered into with the centralized state collection entity for the collection of debts.

<u>Subd. 4.</u> [AUTHORITY TO CONTRACT.] The centralized state collection entity may contract with credit bureaus, private collection agencies, and other entities as necessary for the collection of debts. The centralized state collection entity may not delegate the powers provided under sections 16C.10 to 16C.20 to any nongovernmental entity.

Sec. 7. [16C.05] [INTEREST AND ADMINISTRATIVE FEES.]

<u>Subdivision 1.</u> [INTEREST.] (a) <u>Unless otherwise provided by contract out of which the debt arises or in state or federal law, simple interest accrues on debts owed the state at the rate provided in paragraph (b). Interest begins to accrue on the 30th calendar day following the state agency's first written demand for payment that includes notification to the debtor that interest will begin to accrue on the debt in accordance with this section.</u>

(b) Notwithstanding chapter 334, the commissioner of finance shall set the rate of interest as the rate corresponding with the adjusted prime rate charged by banks, rounded to the nearest full percent. For purposes of this subdivision, the term "adjusted prime rate charged by banks" means the average predominant prime rate quoted by commercial banks to large businesses, as determined by the board of governors of the Federal Reserve System. The commissioner of finance shall adjust the rate of interest by April 15 of each year, to be effective the following July 1, if the adjusted prime rate charged by banks during the six-month period ending on March 30 of that year, rounded to the nearest full percent, is at least a full percentage point more or less than the interest rate then in effect. The determination of the commissioner of finance under this subdivision is not a "rule" and is not subject to chapter 14 or section 16A.1285.

Subd. 2. [ADMINISTRATIVE FEE.] In a collection action or proceeding under this chapter, the state is entitled to recover from the debtor an administrative fee not to exceed 30 percent of the amount of the debt to cover the cost of processing and handling the collection of the debt under this chapter, including attorney fees. By June 1 of every year, the director of the centralized state collection entity shall recommend to the commissioner of finance the rate at which the administrative fee should be set. The commissioner of finance shall set the rate of the administrative fee to be effective July 1 of every year, at the rate that will most nearly result in the centralized state collection entity's recovery of its costs for processing and handling the collection of debt under this chapter. The determination of the commissioner of finance under this subdivision is not a "rule" and is not subject to chapter 14 or section 16A,1285.

Subd. 3. [ENFORCEMENT AND COLLECTION.] The interest and administrative fee provided by this section are in addition to the principal debt and are enforceable in accordance with this chapter and other collection remedies. If the centralized state collection entity collects any amount less than the total due, the centralized state collection entity may apply a percentage of the amount collected, calculated at the administrative fee rate, to partially satisfy the administrative fee and shall apply the balance to partially satisfy the debt. If the centralized state collection entity's costs, including attorney fees, are recovered through other methods, the centralized state collection entity may not collect the administrative fee.

# Sec. 8. [16C.06] [PRIORITY OF SATISFACTION OF DEBTS.]

(a) If two or more debts owed by the same debtor are submitted to the centralized state collection entity, amounts collected on those debts must be applied as prescribed in this section.

(b) If the money received is collected on a judgment lien under chapter 550, a lien provided by this chapter, a lien provided by chapter 514, a consensual lien or security interest, protection of an interest in property through chapter 570, by collection process provided by chapters 551 and 571, or by any other process by which the centralized state collection entity is enforcing rights in a particular debt, the money must be applied to that particular debt.

(c) If the money is collected in any manner not specified in paragraph (b), the money collected must apply first to the satisfaction of any debts for child support. Any debts other than child support must be satisfied in the order in time in which the centralized state collection entity received the debts from the referring agency.

Sec. 9. [16C.07] [FUNDING; APPROPRIATION.]

All money received by the centralized state collection entity as amounts attributable to recovery of the costs of processing and collection of debt, whether in the form of administrative fees, attorney fees, or other forms of cost recovery, must be credited to the fund for the centralized state collection entity and are appropriated to the centralized state collection entity and are appropriated to the centralized state collection entity and are appropriated to the centralized state collection entity and are appropriated to the centralized state collection entity and are appropriated to the centralized state collection entity and are appropriated to the centralized state collection entity and are appropriated to the centralized of processing and collection of debt and are paid with all other amounts attributable to recovery of the costs of processing and collection of debt and are paid with all other amounts attributable to satisfaction of debt to the referring agency in accordance with the terms of the debt qualification plan, the contract with the referring agency or, by operation of law.

Sec. 10. [16C.08] [DEBTOR INFORMATION.]

<u>Subdivision 1.</u> [ACCESS TO NOT PUBLIC GOVERNMENT DATA.] Notwithstanding chapter 13 or any other state statute classifying or restricting access of government data, upon request from the centralized state collection entity, state agencies, political subdivisions, and statewide systems shall disseminate not public data to the centralized state collection entity for the sole purpose of collecting debt. Not public data disseminated under this subdivision is limited to financial data of the debtor or data that will serve to locate the debtor or the assets of the debtor. A debtor's failure to pay a debt on demand constitutes the debtor's waiver of any right to receive the notice otherwise required by section 13.04, subdivision 2.

<u>Subd. 2.</u> [IMMUNITY.] <u>A person, entity, state agency, political subdivision, or statewide system that releases</u> information to the centralized state collection entity as authorized under this chapter is immune from liability for release of the information.

<u>Subd.</u> 3. [DISCLOSURE OF DATA.] <u>Data received</u>, <u>collected</u>, <u>created</u>, <u>or maintained by the centralized state</u> <u>collection entity for the purpose of collecting debts are classified as private data on individuals under section 13.02,</u> <u>subdivision 12, or nonpublic data under section 13.02, subdivision 9. The centralized state collection entity may</u> <u>disclose not public data:</u>

(1) under section 13.05;

(2) under court order;

(3) under a statute specifically authorizing access to the not public data;

(4) to provide notices required or permitted by statute;

# THURSDAY, MARCH 24, 1994

(5) to an agent of the centralized state collection entity, including a law enforcement person, attorney, or investigator acting for it in the investigation or prosecution of a criminal or civil proceeding relating to collection of a debt;

(6) to report names of debtors to credit bureaus; and

(7) when necessary to locate the debtor, locate the assets of the debtor, or to enforce or implement the collection of a debt.

Sec. 11. [16C.09] [NOTICE TO DEBTOR.]

The referring agency shall send notice to the debtor by United States mail or personal delivery at the debtor's last known address at least 20 days before the debt is referred to the centralized state collection entity. The notice must state the nature and amount of the debt, identify to whom the debt is owed, and inform the debtor of the remedies available under this chapter, including the imposition of interest and administrative fees in addition to the principal amount of the debt.

Sec. 12. [16C.10] [DUTIES AND POWERS OF THE CENTRALIZED STATE COLLECTION ENTITY.]

<u>Subdivision 1.</u> [DUTIES.] The centralized state collection entity shall take all reasonable and cost-effective actions to collect debts referred to the centralized state collection entity.

Subd. 2. [POWERS.] (a) In addition to the collection remedies available to creditors in the state and the remedies available under this chapter, the centralized state collection entity, with legal assistance from the attorney general, has the powers listed in this subdivision.

(b) The entity may enforce state judgment liens in accordance with this chapter.

(c) The entity may bring an action to recover debts or for injunctive relief related to the failure to pay the debt in Ramsey county district court or Ramsey county conciliation court, or in accordance with chapter 542 at the discretion of the state. There shall be no court filing fees assessed against the state for collection actions filed under this chapter.

(d) The entity may issue subpoents for the purpose of collecting debts. If an individual or entity to whom the subpoent is directed does not comply with a subpoent, the attorney general may apply to the district court of Ramsey county or the district court where the individual or entity to whom the subpoent is directed is located, at the discretion of the attorney general, for issuance of an order compelling compliance with the subpoent. A person failing to comply with the order is subject to punishment by the court for contempt.

(e) The entity may provide notice to licensing authorities to not issue, transfer, or renew a license of a debtor in accordance with this chapter.

(f) The entity may notify the registrar of motor vehicles of the names of debtors for the purpose of having a judgment lien noted on the certificate of title to a motor vehicle of the debtor in accordance with section 168A.05 and this chapter.

Sec. 13. [16C.11] [SETOFFS.]

The centralized state collection entity or a state agency may automatically deduct from any state payment due to the debtor, unless expressly prohibited by law. Notwithstanding section 181.79, the state may deduct from the wages due or earned by a state employee to collect a debt. The state may not deduct from wages due state employees in amounts greater than the percentage of earnings subject to garnishment pursuant to chapter 571.

Sec. 14. [16C.12] [LIENS.]

<u>Subdivision 1.</u> [CREATION OF STATE JUDGMENT LIEN.] <u>Upon obtaining or docketing a judgment for a debt</u>, in any district court of the state, the state has a state judgment lien upon all property, real and personal, existing at the time of the judgment and later acquired, within the state, of the debtor. The state judgment lien attaches to all property of the debtor located in the state upon the date of entry of judgment or docketing of judgment, whichever is earlier. A lien against all property of the debtor within the state may also be created for a judgment obtained by a political subdivision, the United States, a Minnesota judicial court, judicial board or commission, or the University of Minnesota that has been referred to the centralized state collection entity under contract or by operation of law, but only upon the filing of the lien notice provided in subdivision 4. The lien for debts referred to the centralized state collection entity by contract or operation of law may be filed and enforced by the centralized state collection entity in the same manner as provided for state judgment liens in this chapter. The lien for debts referred to the centralized state collection entity has priority as provided for state judgment liens in this section.

<u>Subd.</u> 2. [PRIORITY OF STATE JUDGMENT LIEN.] (a) The state judgment lien imposed by subdivision 1 is perfected as against any good faith purchaser, good faith mortgagee, good faith pledgee, holder of a duly-perfected uniform commercial code security interest or duly-perfected mechanic's lien, or judgment lien creditor whose interest has been duly perfected under applicable provision of state law, when notice of the state judgment lien is filed in the office of the secretary of state as provided in subdivision 4.

(b) The state judgment lien acquired by the state under this section takes priority in accordance with the first in time, first in right, filing provision provided in article 9 of the Uniform Commercial Code and section 507.34.

<u>Subd. 3.</u> [NOTICE AND FILING OF STATE JUDGMENT LIEN.] (a) Notices of state judgment liens, state judgment lien renewals may be filed with the secretary of state by United States mail, in person, or by electronic transmission by the centralized state collection entity into the computerized filing system of the secretary of state authorized under section 336.9-411. For documents filed by mail or in person, the secretary of state shall enter the data as if it had been transmitted electronically. Once the electronic record is created, it must be endorsed and indexed within the computerized filing system. The secretary of state shall write or mark the filing information on the document that was submitted and return the document to the submitting party. Documents filed electronically must be endorsed and indexed within the computerized filing system.

The notice of state judgment lien filed with the secretary of state must contain the following information, which shall be referred to in this section as the filed information:

(1) the name and address of the debtor;

(2) if the debtor is an individual, the debtor's social security number if available, or if the social security number is not available, the debtor's date of birth;

(3) the identity of the agency to whom the underlying debt is owed;

(4) the amount of the judgment debt;

(5) the date of entry of judgment; and

(6) the county wherein judgment was originally entered and its docket number.

(b) Execution of notices of state judgment liens, or of other notices affecting the state judgment lien provided by this section, may occur by the original or facsimile signature of the director of the centralized state collection entity or a delegate. Execution entities the state judgment lien notice to be filed, and no other attestation, certification, or acknowledgment is necessary. Transmission of notices under paragraph (a) constitutes execution.

(c) The secretary of state shall make all information concerning the state judgment lien immediately available electronically to each county recorder's office in the state.

(d) All filed information regarding the state judgment lien must be made a part of the computerized filing system of the secretary of state authorized under section 336.9-411, and the information must be accessible through that system.

(e) Each county recorder's office in the state shall make available, free of charge, through the computerized filing system of the secretary of state authorized under section 336.9-411, the filing information for all state judgment liens filed by the centralized state collection entity under paragraph (a). A person may request the state judgment lien information. If the request is made by lien or court docket number, the secretary of state or county recorder shall give a copy of the information filed for that lien or court docket number. The cost for the copy may be no more than the actual cost of making the copies. If the request is made by debtor name, the secretary of state or county recorder shall conduct a search of the statewide computerized government lien database for any state judgment liens naming that debtor. The secretary of state or county recorder shall report all of the filings as of the date and hour of the search

by issuing a certificate listing the file number, court docket number, the date and hour of each filing, the social security number if the requester discloses the matching number or the date of birth of the debtor if the debtor is an individual, the identity of the agency to whom the underlying debt is owed, and the amount of the debt. If there are no filings against a particular person against whom a search is requested, the secretary of state or the county recorder shall so certify.

The total fee for conducting the search and preparing a certificate is as allowed in section 336.9-407. The fee includes as many as ten copies. The fee is included in the charge allowed for government lien searches, and is not separate or in addition to any fee charged for tax lien searches.

Notwithstanding the fees set in this section, a natural person who is the subject of the data must, upon the person's request, be shown the data without charge and, upon request and payment of no more than the actual cost of making the copies, be provided with photocopies of the data.

Surcharge amounts must be collected quarterly by the secretary of state from each county recorder. The secretary of state shall send each county recorder an invoice at the end of each fiscal quarter, and each county recorder shall forward payment to the secretary of state within 30 days of the date of the invoice. 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 part of the search.

The surcharge amounts collected by the secretary of state and received from county recorders must be deposited in the state treasury and credited to the general fund.

(f) The centralized state collection entity is exempt from court filing fees for the filing of a state judgment lien provided by this section and releases thereof.

<u>Subd. 4.</u> [NOTICE OF MORTGAGE FORECLOSURE OR TERMINATION OF CONTRACT FOR DEED.] In the case of a mortgage foreclosure commenced under chapter 580, or a termination of contract of sale commenced under section 559.21, of real property that is the subject of a state judgment lien under this section, notice of the foreclosure or termination must be mailed to the centralized state collection entity not less than 20 days prior to the foreclosure sale or date of termination. Notice under this subdivision need not be given within the 20 days if the notice of state judgment lien has been filed within less than 30 days of the foreclosure sale or date of termination. The notice must contain:

(1) the name, address, and social security number, if known, of the debtor;

(2) a copy of the notice of mortgage foreclosure or contract for deed cancellation;

(3) the date of the filing of the state judgment lien under this section;

(4) the total unpaid balance of the mortgage or contract for deed;

(5) a legal description for the property in question; and

(6) the fair market value of the property in question.

<u>Subd. 5.</u> [COPY FEES.] In the event that more than one copy of a full or partial release of a lien is requested by any person, including the debtor, a fee of \$25 must be paid to the centralized state collection entity for each duplicate requested.

<u>Subd. 6.</u> [ENFORCEABILITY.] <u>The state judgment lien imposed by this section is enforceable as provided by section 16C.13.</u>

Sec. 15. [16C.13] [ENFORCEMENT OF STATE JUDGMENT LIENS.]

Subdivision 1. [AUTHORITY.] The state judgment lien imposed by section 16C.12, or any judgment lien docketed in any county on behalf of the referring agency, may be enforced by the centralized state collection entity at any time within ten years of entry of judgment or within ten years of renewal of the judgment, as provided in this chapter or in accordance with chapters 270, 550, 551, and 571, at the state's option. The centralized collection entity may enforce the state judgment lien by a levy upon all property and rights to property of the debtor, including any property of the debtor in the possession of law enforcement officials. The term levy includes the power of distraint and seizure by any means. Subd. 2. [OPTIONAL REMEDY.] Any action taken by the centralized state collection entity under this section does not constitute an election by the state to pursue this particular remedy to the exclusion of any other remedy.

Subd. 3. [MANNER OF EXECUTION AND SALE.] In making the levy upon the state judgment lien, the centralized state collection entity has all the powers provided in chapter 550 and in any other law for purposes of effecting an execution against property in this state. The sale of property levied upon, and the time and manner of redemption from the sale, is governed by chapter 550 unless otherwise provided in this section. The seal of the court, as provided in section 550.04, is not required.

<u>Subd. 4.</u> [SURRENDER OF PROPERTY SUBJECT TO LEVY.] <u>A person who fails or refuses to surrender without</u> reasonable cause any property or right to property subject to levy under this section, upon demand by the centralized state collection entity, is liable personally to the state in an amount equal to the value of the property or rights not surrendered, but not exceeding the amount of costs caused by the failure to surrender, plus the amount of the judgment for which the levy has been made. Any amount recovered under this subdivision must be credited first against the increased costs caused by such failure to surrender and then to the outstanding amount of the judgment. A financial institution need not surrender funds on deposit until 20 days after service of the levy.

<u>Subd. 5.</u> [PERSON DEFINED.] The term "person," as used in subdivision 4, includes an individual, officer, or employee of a corporation or a member or employee of a partnership or a limited liability company who, as an officer, employee, or member, is under a duty to surrender the property or rights to property or to discharge the obligation. The personal liability imposed by subdivision 4 may, after demand to honor a levy, be assessed by the centralized state collection entity within 60 days of making the demand.

<u>Subd. 6.</u> [EFFECT OF HONORING LEVY.] <u>A person in possession of, or obligated with respect to, property or rights to property subject to levy upon which a levy has been made who, upon demand by the centralized state collection entity, surrenders the property or rights to property, or who pays the liability set forth in subdivision 4, is discharged from any obligation or liability to the debtor for the payment or collection of the judgment with respect to the property or rights to property so surrendered or paid.</u>

<u>Subd. 7.</u> [PRIORITY OF LEVY.] <u>Notwithstanding section 52.12, a levy by the centralized state collection entity</u> made under this section upon a debtor's funds on deposit in a financial institution located in this state has priority over any unexercised right of setoff of the financial institution to apply the levied funds toward the balance of outstanding loan or loans owed by the debtor to the financial institution.

<u>Subd. 8.</u> [LEVY ON APPEARANCE DATE OF SUBPOENA.] <u>No levy may be made on the property of the debtor</u> on the day on which the debtor, or an officer or employee of the debtor, is required to appear in response to a subpoena issued by the centralized state collection entity, unless the director of the centralized state collection entity makes a determination that collection of the judgment is in jeopardy.

<u>Subd. 9.</u> [UNECONOMICAL LEVY.] <u>No levy may be made on property if the amount of the expenses that the director estimates would be incurred by the centralized state collection entity with respect to the levy and sale of the property exceeds the estimated net proceeds of the sale of the property at the anticipated time of levy.</u>

# Sec. 16. [16C.14] [SALE OF SEIZED PROPERTY.]

<u>Subdivision 1.</u> [NOTICE OF SEIZURE.] As soon as practicable after seizure of property, notice in writing must be given by the centralized state collection entity to the owner of the property and must be served personally or by certified mail. If the owner cannot be readily located, or has no dwelling or place of business within this state, the notice may be mailed to the last known address. The notice must specify the amount of the judgment and must contain, in the case of personal property, an account of the property seized and, in the case of real property, a legal description of the property seized.

<u>Subd. 2.</u> [NOTICE OF SALE.] (a) <u>As soon as practicable after the seizure of the property, the centralized state</u> collection entity shall give notice of sale of the property to the owner in the manner described in subdivision 1. The notice required by this subdivision may be combined with that in subdivision 1. In the case of personal property, the notice must be served no less than ten days prior to the sale. In the case of real property, the notice must be served at least four weeks prior to the sale.

(b) The centralized state collection entity shall also cause public notice of each sale to be made. In the case of personal property, notice must be posted not less than ten days before the sale at the post office nearest the place where the seizure is made, and in no fewer than two other public places. In the case of real property, six weeks' published notice shall be given before the sale in a newspaper published or generally circulated in the county.

(c) The notice of sale provided in this subdivision must specify the property to be sold and the time, place, manner, and conditions of the sale.

(d) Other methods of giving notice, including advertising, may be used in addition to those required by this subdivision.

<u>Subd. 3.</u> [SALE OF INDIVISIBLE PROPERTY.] If any property subject to levy is not divisible, so as to enable the centralized state collection entity by sale of a part of it to raise the whole amount of the judgment, the whole of the property must be sold, and, upon payment of the judgment and of costs associated with the seizure and sale, the remainder must be returned to the owner.

<u>Subd. 4.</u> [TIME AND PLACE OF SALE.] <u>The time of sale must be after the expiration of the notice periods</u> prescribed in subdivision 2. The place of sale must be within the county in which the property is seized, except by special determination of the centralized state collection entity.

Subd. 5. [MANNER AND CONDITIONS OF SALE.] (a) Before the sale the centralized state collection entity shall determine a minimum price for which the property may be sold. If no person offers for the property at the sale the amount of the minimum price, the property must be declared to be purchased at the minimum price for the state; otherwise the property must be declared to be sold to the highest bidder. In determining the minimum price, the centralized state collection entity shall take into consideration the expense of making the levy and sale. The announcement of the minimum price determined by the centralized state collection entity may be delayed until receipt of the highest bid.

(b) The sale must be conducted by:

(1) public auction, or

(2) public sale under sealed bids.

(c) In the case of seizure of several items of property, the items may be offered separately, in groups, or in the aggregate, and may be sold under whichever method produces the highest aggregate sale price.

(d) Payment in full is required at the time of acceptance of a bid, except that a part of the payment may be deferred by the centralized state collection entity for a period not to exceed 30 days.

(e) If payment in full is required at the time of acceptance of a bid and is not then paid, the centralized state collection entity shall promptly again sell the property in the manner provided in this section. If the conditions of the sale permit part of the payment to be deferred, and if the part deferred is not paid within the prescribed period, then:

(1) suit may be commenced against the purchaser for the purchase price or the part of the purchase price not paid, together with interest at the rate specified in section 549.09 from the date of the sale, and the centralized state collection entity may adjourn the sale from time to time for a period not to exceed 30 days; or

, (2) in the discretion of the centralized state collection entity, the sale may be declared by the centralized state collection entity null and void for failure to make full payment of the purchase price and the property may again be advertised and sold as provided in this section.

In the event of a second advertisement and sale under this subdivision, a new purchaser receives the property or rights to property free and clear of any claim or right of the former defaulting purchaser and the amount paid upon the bid price by the defaulting purchaser is forfeited.

Subd. 6. [SALE OF PERISHABLE GOODS.] If the centralized state collection entity determines that any property seized is liable to perish or become greatly reduced in price or value by keeping, or that the property cannot be kept without great expense, the centralized state collection entity shall appraise the value of the property, and, if the owner of the property can be readily found, the centralized state collection entity shall give the owner notice of the determination of the appraised value of the property. The property must be returned to the owner if, within the time specified in the notice, the owner pays the centralized state collection entity an amount equal to the appraised value. If the appraised amount is not paid, as soon as practicable the centralized state collection entity shall make public sale of the property in accordance with this section.

5566

<u>Subd. 7.</u> [CONTRACTS.] <u>Contracts entered into by the centralized state collection entity for the purpose of acquiring, selling, or preserving property under this section, and the conduct of the sale of the property, are not subject to the competitive bidding, professional and technical services contract, or auction provisions of chapter 16B.</u>

<u>Subd. 8.</u> [APPLICATION OF SALE PROCEEDS.] (a) Any money realized by proceedings under this chapter, whether by seizure, by surrender under section 16C.13, by sale of seized property, or by sale of property redeemed by the state must be applied as follows:

(1) first, against the administrative fee provided by this chapter, then

(2) against the remaining amount of the state judgment, then

(3) any remaining amount must be refunded to the persons legally entitled thereto.

Subd. 9. [EQUITABLE OR INJUNCTIVE RELIEF.] At any time before the sale of the levied property and upon at least five business days' written notice to the centralized state collection entity and the attorney general, the debtor or any party with an interest in the property may bring an action in district court for equitable or injunctive relief.

Sec. 17. [16C.15] [RELEASE OF LEVY AND RETURN OF PROPERTY.]

<u>Subdivision 1.</u> [RELEASE OF LEVY.] <u>The centralized state collection entity shall release a levy on all or part of</u> the property or rights to property levied on and shall promptly notify the person on whom the levy was made that the levy has been released if:

(1) the judgment for which the levy was made is satisfied or has become unenforceable by lapse of time,

(2) release of the levy will facilitate collection of the judgment;

(3) the debtor has entered into an agreement with the centralized state collection entity providing for installment payments satisfactory to the centralized state collection entity;

(4) the levy will jeopardize the status of the state as a secured creditor; or

(5) the fair market value of the property exceeds the judgment and release of the levy can be made without hindering collection of the judgment.

A release of levy under this subdivision does not prevent a subsequent levy on the property released.

Subd. 2. [RETURN OF PROPERTY.] If the centralized state collection entity determines that property has been wrongfully levied upon, it is lawful for the centralized state collection entity to return:

(1) the specific property levied upon, at any time;

(2) an amount of money equal to the amount of money levied upon, at any time before the expiration of one year from the date of the levy; or

(3) an amount of money equal to the fair market value of the property, at any time before the expiration of one year from the date of the sale.

Sec. 18. [16C.16] [REDEMPTION OF PROPERTY.]

Subdivision 1. [BEFORE SALE.] A person whose property has been levied upon may pay the judgment amount to the centralized state collection entity at any time before the sale of the property, and, upon payment of the judgment amount, the centralized state collection entity shall restore the property to the person, and all further proceedings in connection with the levy on the property shall cease from the time of payment.

Subd. 2. [REDEMPTION OF REAL ESTATE AFTER SALE.] The owners of any real property sold as provided in this section, their heirs, executors, or administrator, or any person having any interest in the property, or any person in their behalf, may redeem the property sold, or any particular tract of the property, at any time within six months, or in the case of real property in excess of ten acres in size, at any time within 12 months, of the sale. The property

or tract of property may be redeemed upon payment to the purchaser of the amount paid by the purchaser together with interest at the rate of 20 percent a year accruing from the date of payment by the purchaser. If the purchaser cannot be found in the county in which the property to be redeemed is situated, payment may be made to the centralized state collection entity for the use of the purchaser, or the purchaser's heirs or assigns.

Subd. 3. [RECORD.] When any lands sold are redeemed as provided in this section, the centralized state collection entity shall cause entry of the fact to be made upon the record required by section 16C.17, and the entry is evidence of the redemption.

### Sec. 19. [16C.17] [CERTIFICATE AND RECORD OF SALE.]

Subdivision 1. [CERTIFICATE OF SALE.] In the case of property sold as provided in section 16C.14, the centralized state collection entity shall give the purchaser a certificate of sale upon payment in full of the purchase price. In the case of real property the certificate shall set forth the real property purchased, the date of the purchase, the name of the debtor, the name of the purchaser, and the price paid. If real property is declared purchased by the state, the centralized state collection entity shall, within ten days from the sale, cause the certificate of sale to be duly recorded by the county recorder of the county in which the real property is located.

<u>Subd. 2.</u> [EFFECT OF CERTIFICATE.] (a) In all cases of sale of personal property, the certificate of sale given under subdivision 1 is prima facie evidence of the right of the centralized state collection entity to make the sale and conclusive evidence of the regularity of the proceedings in making the sale. The certificate transfers to the purchaser all right, title, and interest of the debtor in and to the property sold.

(b) If the property consists of stocks, the certificate of sale is notice, when received, to any corporation, company, or association, of the transfer, and is authority to the corporation, company, or association to record the transfer on its books and records in the same manner as if the stocks were transferred or assigned by the party holding the same, in place of any original or prior certificate, which is void, whether canceled or not.

(c) If the subject of sale is securities other than stocks, including promissory notes or other evidence of indebtedness, the certificate of sale is a good and valid receipt of the person holding the same, as against any person holding or claiming to hold possession of the securities or other evidence of indebtedness.

(d) If the property consists of a motor vehicle, the certificate of sale is notice, when received, to the registrar of motor vehicles of this state of the transfer, and is authority for the registrar to record the transfer on the books and records in the same manner as if the certificate of title to the motor vehicle was transferred or assigned by the party holding the same, in place of any original or prior certificate, which is void whether canceled or not.

(e) In the case of the sale of real property under section 16C.14, the certificate of sale given under subdivision 1 is prima facie evidence of the facts stated in the certificate and is considered and operates as a conveyance of all the right, title, and interest the debtor had in and to the real property thus sold at the time the state judgment lien attached in it.

(f) A certificate of sale of personal property or real property given under subdivision 1 discharges the property from all liens, encumbrances, and title over which the state judgment lien, with respect to which the levy was made, had priority.

<u>Subd. 3.</u> [INTERNAL RECORDS OF SALE.] The centralized state collection entity shall, for its report to the department of finance, keep a record of all sales of property under section 16C.14 and redemptions of real property. The record must set forth the judgment for which the sale was made, the dates of seizure and sale, the name of the debtor and all proceedings in making the sale, the amount of expenses, the names of purchasers, and the date of the certificate of sale. A copy of the record, or any part of it, certified by the centralized state collection entity is evidence in any court of the truth of the facts stated in the record.

# Sec. 20. [16C.18] [WITHHOLDING OF INCOME.]

Subdivision 1. [NOTICE TO EMPLOYER.] If a judgment lien has been referred to the centralized state collection entity, the centralized state collection entity may, within the period for enforcement of the lien, give notice to any employer in this state that an employee of that employer owes a debt. The notice must conform substantially to the notice as provided in section 571.75 and may be served by mail upon the employer. Subd. 2. [NOTICE TO EMPLOYEE.] The centralized state collection entity may not proceed under this section unless it has given notice to the debtor, by mail, at the debtor's last known address, at least 30 days prior to notice to the employer. The notice to the debtor must conform substantially to that required by section 571.72 and must state that if payment is not received, the centralized state collection entity may proceed to require withholding by the employer under this section. The notice must further inform the debtor of wage exemptions contained in section 550.37, subdivision 14. If no notice of exemption is received by the centralized state collection entity may proceed under this section.

Subd. 3. [WITHHOLDING.] (a) Upon receipt of the notice provided by subdivision 1, the employer shall withhold from compensation due or to become due to the employee the total amount shown by the notice, subject to the provisions of section 571.922. The employer shall continue to withhold each pay period until the notice is released by the centralized state collection entity under section 16C.15. Upon receipt of the notice by the employer under subdivision 1, the claim of the state has priority over any subsequent garnishments or wage assignments except as otherwise provided in section 518.611. The centralized state collection entity may arrange between the employer and the employee for withholding a portion of the total amount due the employee each pay period, until the total amount shown by the notice plus accrued interest and the administrative fee provided by section 16C.05 have been withheld.

The "compensation due" any employee is defined in accordance with section 571.921. The maximum withholding allowed under this section for any one pay period is decreased by any amounts payable under a garnishment action and any amounts covered by any irrevocable and previously effective assignment of wages, with respect to which the employer was served before being served with the notice provided by subdivision 1. The employer shall give notice to the centralized state collection entity of the amounts and the facts relating to such prior garnishments or assignments within ten days after the service of the notice provided in subdivision 1.

(b) If the employee ceases to be employed by the employer before the full amount set forth in the notice provided by subdivision 1, plus accrued interest and the administrative fee, has been withheld, the employer shall immediately notify the centralized state collection entity in writing of the termination date of the employee and the total amount withheld. No employer may discharge any employee because the centralized state collection entity has proceeded under this section. If an employer discharges an employee in violation of the provision, the employee has the same remedy as provided in section 571.927, subdivision 2.

(c) Within ten days after the expiration of each pay period, the employer shall remit to the centralized state collection entity the amount withheld during each pay period under this section. Should any employer, after notice, willfully fail to withhold in accordance with this section, the employer is liable for the total amount set forth in the notice together with accrued interest and the administrative fee. Any amount collected from the employer for failure to withhold must be credited to the employee's account in the following manner: administrative fee, interest, and then debt. Any excess after such application must be refunded to the employer.

(d) The provisions of this section, except those imposing liability on an employer for failure to withhold or remit, apply to cases in which the employer is the United States or an instrumentality of the United States or this state or a political subdivision of the state.

(e) The centralized state collection entity shall refund to the employee excess amounts withheld from the employee under this section.

(f) The collection remedy provided by this section has the same legal effect as if it were a levy made under section 16C.13.

## Sec. 21. [16C.19] [CONTINUOUS LEVY.]

<u>Subdivision 1.</u> [AUTHORITY.] If a judgment lien has been referred to the centralized state collection entity, the centralized state collection entity may, within the statutory period for enforcement of the lien, give notice to a person, financial institution, political subdivision, or any other third party who owes the debtor money, property, or other indebtedness, to withhold the amount of any debt, including interest and the administrative fee provided by section 16C.05, due from a debtor. The amounts withheld must be transmitted to the centralized state collection entity at the times the centralized state collection entity designates.

<u>Subd. 2.</u> [LEVY CONTINUOUS.] The levy made under subdivision 1 is continuous from the date the notice is received until either the amount due stated on the notice has been withheld or the notice has been released by the centralized state collection entity under section 16C.15, or no further amounts are due from the recipient of the notice to the debtor, whichever occurs first.

(1) the amount stated on the notice; or

(2) if the debtor is not a natural person, 100 percent of the payment or payments to be made to the debtor, or, if the debtor is an individual, 25 percent of the payment or payments to be made to the debtor.

Subd. 4. [PAYMENTS COVERED.] For purposes of this section, "payments" does not include wages as defined in section 290.92 or funds in a deposit account as defined in section 336.9-105. Payments includes:

(1) payments due for services of independent contractors, dividends, rents, royalties, residuals, patent rights, licensing fees, and mineral or other natural resources rights;

(2) payment or credits under written or oral contracts for services or sales whether denominated as wages, salary, commissions, bonuses, or otherwise, if the payments are not covered by section 16C.18; and

(3) any other periodic payments or credits resulting from an enforceable obligation to the debtor.

<u>Subd. 5.</u> [EFFECT OF DETERMINATION OF STATUS.] <u>A determination of a person's status as an independent</u> contractor under this section does not affect the determination of the person's status for the purposes of any other law or rule.

## Sec. 22. [16C.20] [LICENSES.]

<u>Subdivision 1.</u> [NOTICE TO LICENSING AUTHORITY.] <u>The centralized state collection entity may notify any licensing authority that a licensee owes a judgment debt of \$500 or more or judgments debts in the aggregate of \$500 or more. Upon receipt of such notice, the licensing authority may not issue, transfer, or renew a license of the debtor for the conduct of a profession, occupation, trade, or business.</u>

Subd. 2. [NOTICE TO DEBTOR AND HEARING.] (a) Upon notifying a licensing authority under subdivision 1, the centralized state collection entity must mail a copy of the notice to the debtor at the debtor's last known address.

(b) The debtor may request a contested case hearing within 30 days of the date of the notice. The request must be in writing and postmarked by the 30th day. The hearing must be held within 45 days of the date the centralized state collection entity refers the case to the office of administrative hearings. Notwithstanding any law to the contrary, the licensee must be served with 20 days' notice in writing specifying the time and place of the hearing, the amount of unpaid judgment debt, to whom the judgment debt is owed, and the nature of the judgment debt. The notice may be served personally or by mail.

(c) The issues to be considered at the hearing are limited to whether the debtor has made payment, whether the identity of the debtor is mistaken, or whether nonrenewal or nonissuance of the license would exercise an unreasonably severe hardship in the debtor. Financial hardship alone is an insufficient basis for a finding of unreasonably severe hardship. The validity of the underlying debt may not be challenged at the hearing.

Subd. 3. [DEBT CLEARANCE.] A licensing authority that has received a notice from the centralized state collection entity under subdivision 1 may issue, transfer, or renew the license only if the licensing authority has received notification from the centralized state collection entity that the debtor has paid the debt or has entered into an agreement with the centralized state collection entity for satisfactory payment of the debt, or that the centralized state collection entity is no longer pursuing the debt.

<u>Subd.</u> 4. [IDENTIFICATION OF LICENSEES.] <u>Upon written request of the centralized state collection entity, a</u> <u>licensing authority shall provide the centralized state collection entity with a list of all licensees, including the name,</u> <u>address, business name and address, social security number, and business identification number of each licensee.</u> The <u>licensing authority is not required to provide a list of the licensees to the centralized state collection entity more than</u> <u>once each calendar year.</u>

## Sec. 23. [16C.21] [UNCOLLECTIBLE DEBTS.]

When a debt is determined by the state agency to be uncollectible, the debt may be written off by the state agency from the state agency's financial accounting records and no longer recognized as an account receivable for financial reporting purposes. A debt is considered to be uncollectible when (1) all reasonable collection efforts have been exhausted, (2) the cost of further collection action will exceed the amount recoverable, (3) the debt is legally without

merit or cannot be substantiated by evidence, (4) the debtor cannot be located, (5) the available assets or income, current or anticipated, which may be available for payment of the debt are insufficient, (6) the debt was discharged in bankruptcy, (7) the applicable statute of limitations for collection of the debt has expired, or (8) it is not in the public interest to pursue collection of the debt. The determination of the uncollectibility of a debt must be reported by the state agency along with the basis for that decision as part of its quarterly reports to the department of finance. Determining that the debt is uncollectible does not cancel the legal obligation of the debtor to pay the debt.

Sec. 24. [16C.22] [CASE REVIEWER.]

The centralized state collection entity shall make a case reviewer available to debtors. The reviewer must be available to answer a debtor's questions concerning the collection process and to review the collection activity taken. If the reviewer reasonably believes that the particular action being taken is unreasonable or unfair, the reviewer may make recommendations to the director of the centralized state collection entity in regard to the collection action.

Sec. 25. Minnesota Statutes 1992, section 168A.05, subdivision 2, is amended to read:

Subd. 2. [RECORD OF CERTIFICATES ISSUED.] The department shall maintain a record of all certificates of title issued by it:

(1) Under a distinctive title number assigned to the vehicle;

(2) By vehicle identifying number;

(3) Alphabetically, under the name of the owner.

Such record shall consist of the certificate of title, including the notations of all security interests recorded, assigned, terminated, or released, liens filed by the centralized state collection entity of which the department has notice, of duplicate certificates issued or applied for, and such other information as the department may deem proper.

Sec. 26. Minnesota Statutes 1993 Supplement, section 168A.05, subdivision 3, is amended to read:

Subd. 3. [CONTENT OF CERTIFICATE.] Each certificate of title issued by the department shall contain:

(1) the date issued;

(2) the first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

(3) the names and addresses of any secured parties in the order of priority as shown on the application, or if the application is based on a certificate of title, as shown on the certificate, or as otherwise determined by the department;

(4) any liens filed by the centralized state collection entity against the owner;

(5) the title number assigned to the vehicle;

(5) (6) a description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, whether new or used, and if a new vehicle, the date of the first sale of the vehicle for use;

(6) (7) with respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage;

(7) (8) with respect to vehicles subject to sections 325F.6641 and 325F.6642, the appropriate term "flood damaged," "rebuilt," "prior salvage," or "reconstructed"; and

(8) (9) any other data the department prescribes.

Sec. 27. Minnesota Statutes 1992, section 168A.05, subdivision 7, is amended to read:

Subd. 7. [JUDICIAL PROCESS RELATING TO CERTIFICATE OR VEHICLE.] A certificate of title for a vehicle is not subject to garnishment, attachment, execution, or other judicial process, but this subdivision does not prevent a lawful levy upon the vehicle or the lawful enforcement of an administrative lien or judgment debt or lien filed by the centralized state collection entity.

Sec. 28. Minnesota Statutes 1992, section 168A.05, is amended by adding a subdivision to read:

Subd. 8. [LIENS FILED BY THE CENTRALIZED STATE COLLECTION ENTITY.] If the centralized state collection entity notifies the department that the owner is a debtor for judgment debt pursued by the centralized state collection entity, the department shall enter a lien on the title of any vehicle acquired by the owner after the date of notification in the name of the state of Minnesota. The lien on the title is subordinate to any prior security interest perfected in accordance with section 168A.17 and shall otherwise be treated in the same manner as other title liens.

Sec. 29. Minnesota Statutes 1992, section 270A:03, subdivision 2, is amended to read:

Subd. 2. [CLAIMANT AGENCY.] "Claimant agency" means any state agency, as defined by section 14.02, subdivision 2, the regents of the University of Minnesota, any district court of the state, any county, any statutory or home rule charter city presenting a claim for a municipal hospital, a hospital district, any public agency responsible for child support enforcement, and any public agency responsible for the collection of court-ordered restitution, and the centralized state collection entity.

Sec. 30. Minnesota Statutes 1992, section 272.488, subdivision 1, is amended to read:

Subdivision 1. [FILING OF NOTICES <u>WITH COUNTY RECORDERS.</u>] Notices of federal tax liens, certificates, or revocations of certificates of release of federal tax liens, and refiled notices of any of those items, and any other notices affecting federal tax liens that are required to be filed with the county recorder, in a form prescribed by the Internal Revenue Service, may be filed with the county recorder or the secretary of state by mail, personal delivery, or by electronic transmission by the Secretary of the Treasury of the United States or a delegate into the computerized filing system of the secretary of state authorized under section 336.9-411. The secretary of state shall act as the agent of the county recorder and shall transmit the notice electronically to the office of the county recorder, if that is the place of filing, in the county or counties shown on the computer entry. The filing officer, whether the county recorder or the secretary of state, shall endorse and index a printout of the notice in the same manner as if the notice had been mailed or delivered. The electronic record must be endorsed and indexed within the computerized filing system as required by section 272.483.

Sec. 31. Minnesota Statutes 1992, section 272.488, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [FILING OF NOTICES WITH SECRETARY OF STATE.] Notices of federal tax liens, certificates, or revocations of certificates of release of federal tax liens, refiled notices of any of those items, and any other notices affecting federal tax liens that are required to be filed with the secretary of state, in a form prescribed by the Internal Revenue Service, may be filed with the secretary of state by mail, personal delivery, or electronic transmission by the Secretary of the Treasury of the United States or a delegate into the computerized filing system of the secretary of the state authorized under section 336.9-411. The electronic record must be endorsed and indexed within the computerized filing system as required by section 272.483.

Sec. 32. Minnesota Statutes 1992, section 272.488, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [ENTRY OF INFORMATION.] For documents filed by mail or in person, the filing officer shall enter the data as if it had been transmitted electronically. Once the electronic record is created, it must be endorsed and indexed within the computerized filing system. The filing officer must write or mark the filing information on the document that was submitted and return the document to the submitting party.

Sec. 33. Minnesota Statutes 1993 Supplement, 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 active financing statements naming a particular debtor. The filing officer shall report the findings as of 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;

(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 shall be is \$15 if the request is in the standard form prescribed by the secretary of state. This uniform fee shall include up to includes as many as 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 is \$20 and shall include up to includes as many as ten photocopies of original documents.

Another <u>One other</u> fee, at the same rate, shall <u>must</u> also be charged for conducting a search and preparing a certificate showing <u>both state judgment liens and</u> federal and state tax liens, on file with the filing officer naming a particular debtor.

There shall be is an additional fee of \$1 per a page for each financing statement or tax lien listed on the certificate and for each photocopy prepared in excess of the first 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. 34. Minnesota Statutes 1992, section 508.25, is amended to read:

## 508.25 [RIGHTS OF PERSON HOLDING CERTIFICATE OF TITLE.]

Every person receiving a certificate of title pursuant to a decree of registration and every subsequent purchaser of registered land who receives a certificate of title in good faith and for a valuable consideration shall hold it free from all encumbrances and adverse claims, excepting only the estates, mortgages, liens, charges, and interests as may be noted in the last certificate of title in the office of the registrar, and also excepting any of the following rights or encumbrances subsisting against it, if any:

(1) liens, claims, or rights arising or existing under the laws or the constitution of the United States, which this state cannot require to appear of record;

(2) the lien of any real property tax or special assessment for which the land has not been sold at the date of the certificate of title;

(3) any lease for a period not exceeding three years when there is actual occupation of the premises thereunder;

(4) all rights in public highways upon the land;

(5) the right of appeal, or right to appear and contest the application, as is allowed by this chapter;

(6) the rights of any person in possession under deed or contract for deed from the owner of the certificate of title; and

(7) any outstanding mechanics lien rights which may exist under sections 514.01 to 514.17; and

(8) any state judgment lien filed under section 16C.12.

No existing or future lien for state taxes arising under the laws of this state for the nonpayment of any amounts due under chapter 268 or any tax administered by the commissioner of revenue may encumber title to lands registered under this chapter unless filed under the terms of this chapter.

Sec. 35. Minnesota Statutes 1992, section 542.07, is amended to read:

#### 542.07 [ACTIONS BY OR FOR THE STATE.]

Except as otherwise provided by law in particular cases, civil actions for trespass or <u>collection of debts owed the</u> <u>state of Minnesota</u> in which the state of Minnesota is plaintiff, may be begun and tried in such county as the attorney general, or other attorney authorized to bring the same, shall select.

5572

Sec. 36. Minnesota Statutes 1992, section 570.01, is amended to read:

#### 570.01 [ALLOWANCE OF ATTACHMENT.]

As a proceeding ancillary to a civil action for the recovery of money and to any action brought by the attorney general under the authority of section 8.31, subdivision 1, or any other law respecting unfair, discriminatory, or other unlawful practices in business, commerce, or trade, the claimant, at the time of commencement of the civil action or at any time thereafter afterward, may have the property of the respondent attached in the manner and in the circumstances prescribed in sections 570.01 to 570.14, as security for the satisfaction of any judgment that the claimant may recover. The order for attachment shall may be issued only by a judge of the court in the county in which the civil action is pending. All property not exempt from execution under the judgment demanded in the civil action may be is subject to attachment.

Sec. 37. Minnesota Statutes 1992, section 570.02, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] An order of attachment which that is intended to provide security for the satisfaction of a judgment may be issued only in the following situations:

(1) when the respondent has assigned, secreted, or disposed of, or is about to assign, secrete, or dispose of, any of the respondent's nonexempt property, with intent to delay or defraud the respondent's creditors;

(2) when the respondent has removed, or is about to remove, any of the respondent's nonexempt property from this state, with intent to delay or defraud the respondent's creditors;

(3) when the respondent has converted or is about to convert any of the respondent's nonexempt property into money or credits, for the purpose of placing the property beyond the reach of the respondent's creditors;

(4) when the respondent has committed an intentional fraud giving rise to the claim upon which the civil action is brought; or

(5) when the respondent has committed any act or omission, for which the respondent has been convicted of a felony, giving rise to the claim upon which the civil action is brought; or

(6) when the respondent has violated the law of this state respecting unfair, discriminatory, and other unlawful practices in business, commerce, or trade, including but not limited to any of the statutes specifically enumerated in section 8.31, subdivision 1.

Sec. 38. Minnesota Statutes 1992, section 570.025, subdivision 2, is amended to read:

Subd. 2. [CONDITIONS.] A preliminary attachment order may be issued prior to before the hearing specified in section 570.026 only if the following conditions are met:

(1) the claimant has made a good faith effort to inform the respondent of the application for a preliminary attachment order or that informing the respondent would endanger the ability of the claimant to recover upon a judgment subsequently awarded;

(2) the claimant has demonstrated the probability of success on the merits;

(3) the claimant has demonstrated the existence of one or more of the grounds specified in section 570.02, subdivision 1, clause (1), (2), or (3), or (6); and

(4) due to extraordinary circumstances, the claimant's interests cannot be protected pending a hearing by an appropriate order of the court, other than by directing a prehearing seizure of property.

Sec. 39. [RECOMMENDATION; LOCATION AND RESPONSIBILITIES OF THE CENTRALIZED STATE COLLECTION ENTITY.]

By February 15, 1996, the commissioners of finance, human services, and revenue and the attorney general shall conduct an evaluation and make a recommendation to the legislature regarding the responsibility and location of the centralized state collection agency established by Minnesota Statutes, section 16C.04.

## Sec. 40. [INITIAL INTEREST RATE.]

The commissioner of finance shall set the initial interest rate required by Minnesota Statutes, section 16C.05, subdivision 1, by July 1, 1994. The director of the centralized state collection entity shall make the initial recommendation to the commissioner of finance required by Minnesota Statutes, section 16C.05, subdivision 2, by June 1, 1994. The commissioner of finance shall set the administrative fee required by that subdivision by July 1, 1994.

Sec. 41. [REPEALER.]

Minnesota Statutes 1992, sections 10.11, subdivision 1; 10.12; 10.14; 10.15; and 272.488, subdivision 2, are repealed.

Sec. 42. [APPROPRIATION.]

<u>\$.....</u> is appropriated to the attorney general from the general fund to provide legal services required by section 2.

Sec. 43. [EFFECTIVE DATE.]

The provisions of sections 1 to 41 are effective on July 1, 1994, and apply to the collection of any debt arising before, on, or after that date."

Delete the title and insert:

"A bill for an act relating to state and local government; providing for the collection of debts owed the state or for whom the state acts as a fiduciary; authorizing governmental agencies and subdivisions to obtain copyright, trademark, trade secret, or patent protection for intellectual property; imposing fees; appropriating money; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 168A.05, subdivisions 2, 7, and by adding a subdivision; 270A.03, subdivision 2; 272.488, subdivision 1, and by adding subdivisions; 508.25; 542.07; 570.01; 570.02, subdivision 1; and 570.025, subdivision 2; Minnesota Statutes 1993 Supplement, sections 168A.05, subdivision 3; and 336.9-407; proposing coding for new law in Minnesota Statutes, chapter 16B; proposing coding for new law as Minnesota Statutes, chapter 16C; repealing Minnesota Statutes 1992, sections 10.11, subdivision 1; 10.12; 10.14; 10.15; and 272.488, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2327, A bill for an act relating to human services; permitting certain providers to request a state agency hearing; modifying the conduct of state agency hearings; modifying certain requirements for prior authorization of services under medical assistance; amending Minnesota Statutes 1992, sections 256.045, subdivisions 3, 4, 5 and by adding a subdivision; and 256B.0625, subdivisions 8, 8a, 25, 31, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 23, after "denied" insert a comma

Page 2, line 24, delete "or" and after "approved" insert "or not acted upon with reasonable promptness"

Page 2, line 27, delete "notify" and insert "obtain authorization from"

Page 2, line 28, delete everything after "enrollee" and insert "in order to pursue the appeal."

Page 2, delete lines 29 to 34

Page 3, line 30, after "county" insert "or state"

77th Day]

Page 6, delete lines 27 to 36

Page 7, delete lines 1 to 3

Page 7, line 4, delete "(c)" and insert "(b)"

Page 7, line 27, delete "that has been"

Page 7, line 28, delete "specially adapted or modified for the recipient"

Page 8, after line 35, insert:

"Sec. 11. [TEMPORARY PRIOR AUTHORIZATION EXEMPTION; STUDY REQUIRED.]

(a) The commissioner shall not require prior authorization for physical therapy, occupational therapy, and speech therapy services provided by an entity that operates a Medicare certified comprehensive outpatient rehabilitation facility which was certified prior to January 1, 1993, and that is a facility licensed under Minnesota Rules, parts 9570.2000 to 9570.3600, when those services are provided within the comprehensive outpatient rehabilitation facility and not provided in a nursing facility other than the entity's own. This exemption expires June 30, 1995.

(b) The commissioner shall not require prior authorization for physical therapy, occupational therapy, or speech therapy services provided to a medical assistance recipient who resides in a nursing facility licensed on June 1, 1983, under Minnesota Rules, parts 9570.2000 to 9570.3600 to provide residential services for the physically handicapped. This exemption expires June 30, 1995.

(c) The commissioner shall study alternative methods, other than prior authorization, to achieve utilization review of the therapy services provided by the entities in paragraphs (a) and (b). The commissioner must consult with the entities in paragraphs (a) and (b) to develop recommendations for alternative methods of utilization review. By February 1, 1995, the commissioner must report to the legislature on the results and recommendations of the study."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2363, A bill for an act relating to Washington county; providing for a reverse referendum to make certain county offices appointive rather than elective.

Reported the same back with the following amendments:

Page 1, line 8, delete "auditor and treasurer" and insert "auditor/treasurer"

Page 1, lines 13 and 14, delete "auditor and treasurer" and insert "auditor/treasurer"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2513, A bill for an act relating to highways; conforming powers held by counties over county highways to those powers held by counties over county state-aid highways; amending Minnesota Statutes 1992, section 163.11, subdivision 3.

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. 2552, A bill for an act relating to taxation; exempting passenger restraint systems for children from the sales and use tax and the motor vehicle excise tax; amending Minnesota Statutes 1992, sections 297A.25, by adding a subdivision; and 297B.01, subdivision 8.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Transportation and Transit without further recommendation.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2572, A bill for an act relating to natural resources; authorizing the exchange of certain state lands in Wabasha and Fillmore counties under certain conditions.

Reported the same back with the following amendments:

Page 2, delete section 2, and insert:

"Sec. 2. [PRIVATE SALE OF TAX-FORFEITED LAND; GOODHUE COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 92.45 and 282.018, subdivision 1, and the public sale provisions of Minnesota Statutes, chapter 282, Goodhue county may convey by private sale the tax-forfeited land bordering public water that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The land described in paragraph (c) may be sold by private sale to Veterans of Foreign Wars Post No. 5727 of Zumbrota, Minnesota. The conveyance must be in a form approved by the attorney general.

(c) The land that may be conveyed is located in Goodhue county, and is described as:

(1) City of Zumbrota, Original plat, tax parcel No. 22-100-1400; and

(2) City of Zumbrota, Original plat, tax parcel No. 22-100-14400.

(d) The county has determined that the county's land management interests would best be served if the lands were returned to private ownership.

Sec. 3. [WABASHA COUNTY FAIRGROUNDS; PIPING FOR WATER SUPPLY SYSTEM.]

Notwithstanding any other law to the contrary, Wabasha county fairgrounds may use water supply pipe of 100 pounds per square inch for a portion of the installation at the fairgrounds. If the use of the fairgrounds exceeds 20 days per year, the entire water supply pipe system must be brought into compliance with present law.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "natural resources" and insert "public lands"

Page 1, line 4, before the period, insert "; authorizing private sale of certain tax-forfeited land that borders public water in Goodhue county; prescribing certain limitations for water supply piping at the Wabasha county fairgrounds".

With the recommendation that when so amended the bill pass.

The report was adopted.

77TH DAY]

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2621, A bill for an act relating to rural development finance authorities; authorizing a city-county rural development finance authority in Koochiching county; repealing Laws 1987, chapter 182.

Reported the same back with the following amendments:

Page 1, line 10, after "and" insert "any or all of"

Page 2, line 15, delete "county board by the"

Page 2, line 23, after "vote" insert "of six"

Page 2, line 28, delete "eight" insert "ten"

Page 2, line 30, delete "International"

Page 2, line 31, delete the first "Falls,"

Page 2, line 35, delete "and"

Page 2, line 36, delete "three" and insert "four"

Page 3, line 1, before the comma insert "and two from the city of International Falls"

Page 3, line 2, delete "<u>who</u>" and insert "<u>one of whom shall be designated as chair of the Koochiching development</u> withority board; and"

Page 3, delete line 3, and insert:

"(4) two residents from the city of International Falls appointed by the mayor and confirmed by the city council."

Page 3, delete lines 4 to 6

Page 3, line 7, delete "Each" and insert:

"(b) any" and delete "for the unexpired term"

Page 3, line 35, before the period, insert "as defined by the Koochiching development authority board"

Page 4, line 1, delete "3" and insert "4"

Page 4, after line 4, insert:

"Sec. 3. [EFFECTIVE DATE.]

This act is effective upon approval by the affirmative resolution of the Koochiching county board."

Page 4, delete lines 5 and 6, and insert:

"Sec. 4. [REPEALER.]

Laws 1987, chapter 182, is repealed with the passage of the resolution specified in section 3."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes. The report was adopted. Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2623, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Itasca county.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 2, delete "public"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2695, A bill for an act relating to agriculture; appropriating money for a capital access program to facilitate construction of an agricultural product processing facility.

Reported the same back with the following amendments:

Page 1, line 7, delete "<u>\$5,000,000</u>" and insert "<u>\$2,000,000</u>"

Page 1, line 11, delete "<u>\$5,000,000</u>" and insert "<u>\$2,000,000</u>" and after "<u>account</u>" insert "<u>to be called the agricultural product processing account</u>"

Page 1, line 12, delete "used" and insert "transferred" and after "commissioner" insert "as needed"

Page 1, line 19, delete everything after the period and insert "<u>The money in the agricultural product processing</u> account shall revert back to the general fund if not needed by the commissioner to fund separate reserve accounts established with lenders by July 1, 1997."

Page 1, delete lines 20 and 21

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2705, A bill for an act relating to Wadena county; permitting the consolidation of the offices of auditor and treasurer.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2717, A bill for an act relating to water; creating a program to provide financial assistance to address nonpoint source water pollution in the department of trade and economic development and the pollution control agency; establishing the drinking water revolving fund administered by the public facilities authority and the

#### THURSDAY, MARCH 24, 1994

department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; requiring rulemaking; providing for certain exemptions from rulemaking; appropriating money; amending Minnesota Statutes 1992, sections 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, 10, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 116; and 446A; repealing Minnesota Statutes 1992, section 446A.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 103F.725, is amended by adding a subdivision to read:

Subd. 1a. [FINANCIAL ASSISTANCE; LOANS.] (a) Funds from the water pollution control revolving fund in section 446A.07 provided by the public facilities authority shall be appropriated to the commissioner for the establishment of a clean water partnership loan program.

(b) The agency may award loans for up to 100 percent of the costs associated with activities identified by the agency as best management practices pursuant to section 319 and section 320 of the federal Water Quality Act of 1987, as amended, including associated administrative costs.

(c) Loans may be used to finance clean water partnership grant project eligible costs not funded by grant assistance.

(d) The interest rate, at or below market rate, and the term, not to exceed 20 years, shall be determined by the agency in consultation with the public facilities authority.

(e) The repayment must be deposited in the water pollution control revolving fund under section 446A.07.

(f) The local unit of government receiving the loan is responsible for repayment of the loan.

Sec. 2. Minnesota Statutes 1992, section 103F.745, is amended to read:

103F.745 [RULES.]

(a) The agency shall adopt rules necessary to implement sections 103F.701 to 103F.761. The rules shall contain at a minimum:

(1) procedures to be followed by local units of government in applying for technical or financial assistance or both;

(2) conditions for the administration of assistance;

(3) procedures for the development, evaluation, and implementation of best management practices;

(4) requirements for a diagnostic study and implementation plan;

(5) criteria for the evaluation and approval of a diagnostic study and implementation plan;

(6) criteria for the evaluation of best management practices;

(7) criteria for the ranking of projects in order of priority for assistance;

(8) criteria for defining and evaluating eligible costs and cost-sharing by local units of government applying for assistance; and

(9) other matters as the agency and the commissioner find necessary for the proper administration of sections 103F.701 to 103F.761, including any rules determined by the commissioner to be necessary for the implementation of federal programs to control nonpoint source water pollution.

(b) For financial assistance by loan under section 103F.725, subdivision 1a, criteria established by rule for the clean water partnership grants program shall guide requirements and administrative procedures for the loan program until January 1, 1996, or the effective date of the administrative rules for the clean water partnership loan program, whichever occurs first.

Sec. 3. Minnesota Statutes 1992, section 103F.761, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] (a) The project coordination team shall advise the agency in preparation of rules, evaluate projects, and recommend to the commissioner those projects that the team believes should receive financial or technical assistance or both from the agency. After approval of assistance for a project by the agency, the team shall review project activities and assist in the coordination of the state program with other state and federal resource management programs.

(b) For state agencies or departments receiving funding under section 446A.07, subdivision 6, the project coordination team shall provide guidance for the allocation of water pollution control fund nonpoint source pollution funding with consideration to statewide environmental priorities including priorities for types of projects and geographic or watershed priorities. A subcommittee of the project coordination team will be formed for each of the separate funding areas under section 446A.07, subdivision 6, and shall be chaired by the appropriate lead state agency or department. Each subcommittee shall evaluate and rank projects within its area with consideration given to the guidance provided by the project coordination team.

Sec. 4. Minnesota Statutes 1992, section 116.182, subdivision 2, is amended to read:

Subd. 2. [APPLICABILITY.] This section governs the commissioner's certification of applications for projects seeking financial assistance under section 103F.725, subdivision 1a, 446A.07, or 446A.071.

Sec. 5. Minnesota Statutes 1992, section 116.182, subdivision 3, is amended to read:

Subd. 3. [PROJECT REVIEW.] The commissioner shall review a municipality's proposed project and financial assistance application to determine whether they meet it meets the criteria in this section and the rules adopted under this section. The review must include a determination of the essential project components for wastewater treatment projects.

Sec. 6. Minnesota Statutes 1992, section 116.182, subdivision 4, is amended to read:

Subd. 4. [CERTIFICATION OF APPROVED PROJECTS.] The commissioner shall certify to the authority each approved application project, including for wastewater treatment projects a statement of the essential project components and associated costs.

Sec. 7. Minnesota Statutes 1992, section 116.182, subdivision 5, is amended to read:

Subd. 5. [RULES.] The agency shall adopt rules for the administration of the financial assistance program. <u>For</u> wastewater treatment projects, the rules must include:

(1) application requirements;

(2) criteria for the ranking of projects in order of priority based on factors including the type of project and the degree of environmental impact, and scenic and wild river standards; and

(3) criteria for determining essential project components.

Sec. 8. Minnesota Statutes 1992, section 446A.02, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] For the purposes of sections 446A.01 to 446A.09 this chapter, the terms in this section have the meanings given them.

Sec. 9. Minnesota Statutes 1992, section 446A.02, is amended by adding a subdivision to read:

Subd. 1a. [AGENCY.] "Agency" means the Minnesota pollution control agency.

5580

Sec. 10. Minnesota Statutes 1993 Supplement, 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 the pollution control agency, the <u>commissioner of the department of agriculture</u>, and three additional members appointed by the governor from the general public with the advice and consent of the senate the commissioner of the department of health.

Sec. 11. Minnesota Statutes 1992, section 446A.03, subdivision 3, is amended to read:

Subd. 3. [MEMBERSHIP TERMS: <u>DELEGATION</u>.] The membership terms, compensation, removal, and filling of vacancies of public members of the authority are as provided in section 15.0575. <u>In addition to any powers or authority to delegate that members have as commissioners, they may delegate their responsibilities as members of the authority for reviewing and approving financing of eligible projects that have been certified to the authority to the commissioner of the department of trade and economic development.</u>

Sec. 12. Minnesota Statutes 1992, section 446A.07, subdivision 4, is amended to read:

Subd. 4. [INTENDED USE PLAN.] The pollution control agency shall annually prepare and submit to the United States Environmental Protection Agency an intended use plan. The plan must identify the intended uses of the amounts available to the water pollution control revolving fund, including a list of wastewater treatment <u>and storm water</u> projects and <u>all</u> other eligible activities to be funded during the fiscal year. <u>Information regarding eligible activities must be submitted to the agency by the appropriate state agency or department within 30 days of written notification by the agency.</u> The agency may not submit the plan until it has received the review and comment of the authority or until 30 days have elapsed since the plan was submitted to the authority, whichever occurs first.

Sec. 13. Minnesota Statutes 1992, section 446A.07, subdivision 6, is amended to read:

Subd. 6. [AWARD AND TERMS OF LOANS.] The authority shall award loans to those municipalities and other entities certified by the agency-or shall provide funding for the appropriate state agency or department to make loans for eligible activities certified by the agency provided the use of funds and the terms and conditions of the loans must be are in conformance with the Federal Water Pollution Control Act, this section, and rules of the agency, and authority adopted under this section.

Sec. 14. Minnesota Statutes 1992, section 446A.07, subdivision 8, is amended to read:

Subd. 8. [OTHER USES OF REVOLVING FUND.] The water pollution control revolving fund may be used as provided in title VI of the Federal Water Pollution Control Act, including the following uses:

(1) to buy or refinance the debt obligation of governmental units for treatment works where debt was incurred and construction begun after March 7, 1985, at or below market rates;

(2) to guarantee or purchase insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loan guarantees, loans, or set-aside for similar revolving funds established by a governmental unit other than state agencies, or state agencies under sections 103F.725, subdivision 1a, 116J.403, 116J.617, and 462A.05;

(5) to earn interest on fund accounts; and .

(6) to pay the reasonable costs incurred by the authority and the agency of administering the fund and conducting activities required under the Federal Water Pollution Control Act, including water quality management planning under section 205(j) of the act and water quality standards continuing planning under section 303(e) of the act.

Amounts spent under clause (6) may not exceed the amount allowed under the Federal Water Pollution Control Act.

Sec. 15. Minnesota Statutes 1992, section 446A.07, subdivision 9, is amended to read:

Subd. 9. [PAYMENTS.] Payments from the fund must be made in accordance with the applicable state and federal law governing the payments, except that with the exception of payments made under sections 103F.725, subdivision 1a, 116J.403, 116J.617, and 462A.05, no payment for a project may be made to a governmental unit until and unless the authority has determined the total estimated cost of the project and ascertained that financing of the project is assured by:

(1) a loan authorized by state law or the appropriation of proceeds of bonds or other money of the governmental unit to a fund for the construction of the project; and

(2) an irrevocable undertaking, by resolution of the governing body of the governmental unit, to use all money made available for the project exclusively for the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction fund of additional money or the proceeds of additional bonds to be issued by the governmental unit.

Sec. 16. Minnesota Statutes 1992, section 446A.07, subdivision 11, is amended to read:

Subd. 11. [RULES OF THE AGENCY.] The agency shall adopt rules relating to the procedure for preparation of the annual intended use plan, <u>including procedures for listing eligible activities that will be administered by a state agency or department</u> and other matters that the agency considers necessary for proper loan administration.

Sec. 17. Minnesota Statutes 1992, section 446A.071, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT OF THE PROGRAM.] (a) The authority shall establish the wastewater infrastructure funding program to provide supplemental assistance, as provided in rules of the authority, to municipalities that receive loans or other assistance from the water pollution control revolving fund under section 446A.07 for wastewater treatment projects excluding storm water projects.

(b) The authority may secure funds for the wastewater infrastructure funding program through state appropriations; any source identified in section 446A.04 which may be designated by the authority for the purposes of this section; and any federal funding appropriated by Congress that may be used for the purposes of this section.

(c) The authority may set aside up to ten percent of the money appropriated to the wastewater infrastructure funding program for wastewater projects that are necessary to accommodate economic development projects.

Sec. 18. [446A.081] [DRINKING WATER REVOLVING FUND.]

Subdivision 1. [DEFINITIONS.] (a) For the purposes of this section, the terms in this subdivision have the meanings given them.

(b) "Act" means the federal Drinking Water Infrastructure Financing Act.

(c) "Department" means the department of health.

Subd. 2. [ESTABLISHMENT OF FUND.] The authority shall establish a drinking water revolving fund to provide loans and other forms of financial assistance authorized by the act, as determined by the authority under the rules adopted under this section for the purposes and eligible costs authorized under the act. The fund must be credited with repayments. The act requires that the fund corpus must be managed so as to be available in perpetuity for the financing of drinking water systems in the state. At a minimum, 15 percent of the funds received each federal fiscal year shall be available solely for providing loans to public water systems which regularly serve fewer than 10,000 individuals.

<u>Subd. 3.</u> [STATE FUNDS.] <u>A state matching fund is established to be used in compliance with federal matching requirements specified in the act.</u>

<u>Subd. 4.</u> [CAPITALIZATION GRANT AGREEMENT.] <u>The authority shall enter into an agreement with the</u> administrator of the United States <u>Environmental Protection Agency to receive capitalization grants for the fund.</u> The authority and the department may exercise the powers necessary to comply with the requirements specified in the agreement.

<u>Subd. 5.</u> [INTENDED USE PLAN.] The authority shall annually prepare and submit to the United States Environmental Protection Agency an intended use plan. The plan must identify the intended uses of the amounts available to the drinking water revolving loan fund. The department shall provide a prioritized list of drinking water projects and other eligible activities to be considered for funding by the authority. The plan may be amended by the authority and include additional eligible projects proposed by the department.

5582

Subd. 6. [APPLICATIONS.] Applications by municipalities, privately owned public water systems, and eligible entities identified in the annual intended use plan for loans from the fund must be made to the authority on the forms prescribed by the rules of the authority and the rules of the department adopted under this section. The authority shall forward the application to the department within ten days of receipt. The department shall approve those applications that appear to meet the criteria in the act, this section, and the rules of the department or the authority.

<u>Subd. 7.</u> [AWARD AND TERMS OF LOANS.] <u>The authority shall award loans to those municipalities</u>, privately owned public water systems, and other eligible entities approved by the department, provided that the applicant is able to comply with the terms and conditions of the authority loan, which must be in conformance with the act, this section, and the rules of the authority adopted under this section.

<u>Subd. 8.</u> [LOAN CONDITIONS.] (a) When making loans from the drinking water revolving fund, the authority shall comply with the conditions of the act, including the criteria in paragraphs (b) to (e).

(b) Loans must be made at or below market interest rates, including zero interest loans, for terms not to exceed 20 years.

(c) The annual principal and interest payments must begin no later than one year after completion of the project. Loans must be amortized no later than 20 years after project completion.

(d) <u>A loan recipient must identify and establish a dedicated source of revenue for repayment of the loan, and provide for a source of revenue to properly operate, maintain, and repair the water system.</u>

(e) The fund must be credited with all payments of principal and interest on all loans, except the costs as permitted under section 446A.04, subdivision 5, paragraph (a).

Subd. 9. [OTHER USES OF FUND.] The drinking water revolving loan fund may be used as provided in the act, including the following uses:

(1) to buy or refinance the debt obligations, at or below market rates, of public water systems for drinking water systems, where such debt was incurred after the date of enactment of the act, for the purposes of construction of the necessary improvements to comply with the national primary drinking water regulations under the federal Safe Drinking Water Act;

(2) to purchase or guarantee insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loans or loan guarantees for similar revolving funds established by a governmental unit or state agency;

(5) to earn interest on fund accounts; and

(6) to pay the reasonable costs incurred by the authority and the department for conducting activities as authorized and required under the act up to the limits authorized under the act.

Subd. 10. [PAYMENTS.] Payments from the fund to borrowers must be in accordance with the applicable state and federal laws governing such payments, except no payment for a project may be made to a borrower until and unless the authority has determined that the total estimated cost of the project and the financing of the project are assured by:

(1) a loan authorized by state law or appropriation of proceeds of bonds or other money of the borrower to a fund for the construction of the project; and

(2) an irrevocable undertaking, by resolution of the governing body of the borrower, to use all money made available for the project exclusively for the project, and to pay any additional amount by which the cost of the project exceeds the estimate by the appropriation to the construction fund of additional money or proceeds of additional bonds to be issued by the borrower.

Subd. 11. [RULES OF THE AUTHORITY.] The commissioner of trade and economic development shall adopt rules containing the procedures for the administration of the authority's duties as provided by this section that include: setting of interest rates, which shall take into account the financial need of the applicant; the amount of project financing to be provided; the collateral required for public drinking water systems and for privately owned public water systems; dedicated sources of revenue or income streams to ensure repayment of loans; and the requirements to ensure proper operation, maintenance, and repair of the water systems financed by the authority.

<u>Subd.</u> 12. [RULES OF THE DEPARTMENT.] <u>The department shall adopt rules relating to the procedures for administration of the department's duties under the act and this section. The department and the commissioner of the department of trade and economic development may adopt a single set of rules for the program.</u>

Sec. 19. Minnesota Statutes 1992, section 446A.11, subdivision 1, is amended to read:

Subdivision 1. [POWERS.] In implementing the purposes and the programs transferred to the authority by section 446A.10, subdivision 2 described in this chapter, the authority has the powers in this section.

Sec. 20. Minnesota Statutes 1992, section 446A.12, subdivision 1, is amended to read:

Subdivision 1. [BONDING AUTHORITY.] The authority may issue negotiable bonds in a principal amount that the authority determines necessary to provide sufficient funds for achieving its purposes, including the making of loans and purchase of securities, the payment of interest on bonds of the authority, the establishment of reserves to secure its bonds, the payment of fees to a third party providing credit enhancement, and the payment of all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers, but not including the making of grants. Bonds of the authority may be issued as bonds or notes or in any other form authorized by law. The principal amount of bonds issued and outstanding under this section at any time may not exceed \$250,000,000 \$350,000.000.

Sec. 21. Minnesota Statutes 1992, section 446A.15, subdivision 6, is amended to read:

Subd. 6. [CERTIFICATION AND BUDGET REQUEST.] To assure the payment of the principal of and interest on bonds of the authority issued prior to January 1, 1994, and the continued maintenance of all debt service reserve funds created and established for that payment, the authority shall annually determine and certify to the governor, on or before December 1, the following amounts:

(1) the amount then needed to restore each debt service reserve fund <u>securing in whole or in part the payment of principal of and interest on bonds of the authority issued prior to January 1, 1994</u>, to the minimum amount required by the resolution or indenture establishing the fund, but not exceeding the maximum amount of principal and interest to become due and payable in any later year on all bonds <u>issued prior to January 1, 1994</u>, that are then outstanding and secured by the fund; and

(2) the amount determined by the authority to be needed in the immediately ensuing fiscal year, with other funds pledged and estimated to be received during that year, for the payment of the principal and interest due and payable in that year on all then outstanding bonds secured by a debt service reserve fund securing in whole or in part the payment of principal of and interest on bonds of the authority issued prior to January 1, 1994, the amount of which is then less than the minimum amount agreed, but not exceeding the maximum amount of principal and interest to become due and payable in the immediately ensuing fiscal year on bonds prior to January 1, 1994.

The governor shall include in the proposed biennial budget for the following fiscal year, or in a supplemental budget if the biennial budget has previously been approved, the amounts certified by the authority in accordance with this subdivision.

Sec. 22. [REPEALER.]

Minnesota Statutes 1992, section 446A.08, is repealed.

Sec. 23. [EFFECTIVE DATE.]

Sections 1 to 22 are effective on the day following final enactment."

## THURSDAY, MARCH 24, 1994

5585

Delete the title and insert:

"A bill for an act relating to water; providing financial assistance for the clean water partnership program; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; amending Minnesota Statutes 1992, sections 103F.725, by adding a subdivision; 103F.745; 103F.761, subdivision 2; 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 446A; repealing Minnesota Statutes 1992, section 446A.08."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2770, A bill for an act relating to counties; Hennepin; changing the personnel system to a human resources system; making other changes to the system; amending Minnesota Statutes 1992, sections 383B.26; 383B.27; 383B.28; 383B.29; 383B.31; 383B.32, subdivisions 2, 3, and 4; 383B.34, subdivision 2; 383B.37, subdivision 1; 383B.38, subdivision 1; 383B.39; and 383B.41; repealing Minnesota Statutes 1992, sections 383B.33, subdivision 1; 383B.38, subdivisions 2, 3, and 4; and 383B.40.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2784, A bill for an act relating to real estate; authorizing title insurance companies governed by chapter 68A, or their appointed agents to discharge, release, or satisfy mortgages; amending Minnesota Statutes 1992, section 507.40.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [507.401] [TITLE INSURANCE COMPANIES; CERTIFICATES OF RELEASE OF MORTGAGE.]

Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.

(b) <u>"Mortgage" means a mortgage or mortgage lien on an interest in real property in this state given to secure a</u> loan in the original principal amount of \$500,000 or less.

(c) "Mortgagee" means:

(1) the grantee of a mortgage; or

(2) if a mortgage has been assigned of record, the last person to whom the mortgage has been assigned of record.

(d) "Mortgage servicer" means the last person to whom a mortgagor or the mortgagor's successor in interest has been instructed by a mortgage to send payments on a loan secured by a mortgage. A person transmitting a payoff statement is the mortgage servicer for the mortgage described in the payment statement.

(e) "Mortgagor" means the grantor of a mortgage.

# (f) "Payoff statement" means a statement of the amount of:

(1) the unpaid balance of a loan secured by a mortgage, including principal, interest, and any other charges properly due under or secured by the mortgage; and

(2) interest on a per day basis for the unpaid balance.

(g) "Record" means to record with the county recorder or file with the registrar of titles.

(h) "Title insurance company" means a corporation or other business entity authorized and licensed to transact the business of insuring titles to interests in real property in this state under chapter 68A.

Subd. 2. [CERTIFICATE OF RELEASE.] An officer or duly appointed agent of a title insurance company may, on behalf of a mortgagor or a person who acquired from the mortgagor title to all or a part of the property described in a mortgage, execute a certificate of release that complies with the requirements of this section and record the certificate of release in the real property records of each county in which the mortgage is recorded if: (i) a satisfaction or release of the mortgage has not been executed and recorded within 60 days after the date payment in full of the loan secured by the mortgage was sent in accordance with a payoff statement furnished by the mortgage or the mortgage servicer, and (ii) the title insurance company, its officer or agent has sent to the last known address of the mortgage servicer, at least 30 days prior to executing the certificate of release, written notice of its intention to execute and record a certificate of release in accordance with this section after the expiration of the 60-day period.

Subd. 3. [CONTENTS.] <u>A certificate of release executed under this section must contain substantially all of the following:</u>

(1) the name of the mortgagor, the name of the original mortgagee, and, if applicable, the mortgage servicer, the date of the mortgage, the date of recording, and volume and page or document number in the real property records where the mortgage is recorded, together with similar information for the last recorded assignment of the mortgage;

(2) a statement that the mortgage was in the original principal amount of \$500,000 or less;

(3) a statement that the person executing the certificate of release is an officer or a duly appointed agent of a title insurance company authorized and licensed to transact the business of insuring titles to interests in real property in this state under chapter 68A;

(4) a statement that the certificate of release is made on behalf of the mortgagor or a person who acquired title from the mortgagor to all or a part of the property described in the mortgage;

(5) a statement that the mortgage or mortgage servicer provided a payoff statement which was used to make payment in full of the unpaid balance of the loan secured by the mortgage;

(6) a statement that payment in full of the unpaid balance of the loan secured by the mortgage was made in accordance with the written or verbal payoff statement, and received by the mortgage or mortgage servicer, as evidenced by one or more of the following in the records of the title insurance company or its agent;

(i) a bank check, certified check, escrow account check from the title company or title insurance agent or attorney trust account check that has been negotiated by the mortgagee or mortgage servicer; or

(ii) other documentary evidence of payment to the mortgagee or mortgage servicer;

(7) a statement that more than 60 days have elapsed since the date payment in full was sent;

(8) a statement that after the expiration of the 60-day period referred to in subdivision 2, the title insurance company, its officer or agent, sent to the last known address of the mortgagee or mortgage servicer, at least 30 days prior to executing the certificate of release, notice in writing of its intention to execute and record a certificate of release in accordance with this section, with an unexecuted copy of the proposed certificate of release attached to the written notice; and

(9) a statement that the title insurance company, its officer or agent, has not received notification in writing of any reason why the certificate of release should not be executed and recorded after the expiration of the 30-day notice period referred to in subdivision 2.

5586

<u>Subd. 4.</u> [EXECUTION.] (a) <u>A certificate of release authorized by subdivision 2 must be executed and acknowledged as required by law in the case of a deed and may be executed by a duly appointed agent of a title insurance company, but such delegation to an agent by a title insurance company shall not relieve the title insurance company of any liability for damages caused by its agent for the wrongful or erroneous execution of a certificate of release.</u>

(b) The appointment of agent must be executed and acknowledged as required by law in the case of a deed and must state:

(1) the title insurance company as the grantor;

(2) the identity of the person, partnership, or corporation authorized to act as agent to execute and record certificates of release provided for in this section on behalf of the title insurance company;

(3) that the agent has the full authority to execute and record certificates of release provided for in this section on behalf of the title insurance company;

(4) the term of appointment of the agent; and

(5) that the agent has consented to and accepts the terms of the appointment.

(c) A single appointment of agent may be recorded in each county in each recording or filing office. A separate appointment of agent shall not be necessary for each certificate of release. For registered land the appointment of agent shall be shown as a memorial on each certificate of title on which a mortgage to be released by a certificate of release under this section is a memorial. The appointment of agent may be rerecorded where necessary to establish authority of the agent, but such authority shall continue until a revocation of appointment is recorded in the office of the county recorder, or registrar of titles, where the appointment of agent was recorded.

Subd. 5. [EFFECT.] For purposes of releasing the mortgage, a certificate of release containing the information and statements provided for in subdivision 3 and executed as provided in this section is prima facie evidence of the facts contained in it, is entitled to be recorded with the county recorder or registrar of titles, and operates as a release of the mortgage described in the certificate of release. The county recorder and the registrar of titles shall rely upon it to release the mortgage. Recording of a wrongful or erroneous certificate of release by a title insurance company or its agent shall not relieve the mortgage. In addition to any other remedy provided by law, a title insurance company wrongfully or erroneously recording a certificate of release under this section shall be liable to the mortgage for actual damage sustained due to the recordings of the certificate of release.

Subd. 6. [RECORDING.] If a mortgage is recorded in more than one county and a certificate of release is recorded in one of them, a certified copy of the certificate of release may be recorded in another county with the same effect as the original. In all cases, the certificate of release shall be entered and indexed as satisfactions of mortgage are entered and indexed.

Subd. 7. [APPLICATION.] This section applies only to a mortgage in the original principal amount of \$500,000 or less.

# Sec. 2. [EXPIRATION.]

Section 1 expires July 31, 1996, but real property released from a mortgage by a certificate of release recorded on or before July 31, 1996, continues to be released after July 31, 1996."

#### Delete the title and insert:

"A bill for an act relating to real estate; authorizing title insurance companies governed by chapter 68A, or their appointed agents to execute certificates of release of mortgages; proposing coding for new law in Minnesota Statutes, chapter 507."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2799, A bill for an act relating to securities; face-amount certificate companies, open-end management companies, and unit investment trusts; providing for the calculation of registration fees and uniform expiration, renewal, and reporting provisions; amending Minnesota Statutes 1992, sections 80A.12, subdivisions 2, 9, 10, and by adding a subdivision; 80A.13, subdivision 1; and 80A.28, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1992, section 80A.12, subdivision; repealing Minnesota Statutes 1992, section 80A.12, subdivision; repealing Minnesota Statutes 1992, section 80A.12, subdivision 9.

Reported the same back with the following amendments:

Page 1, line 22, delete "do" and insert "does" and delete "investment" and insert "management"

Page 2, lines 17, 26, and 34, delete "investment" and insert "management"

Page 2, line 36, delete the second "investment" and insert "management"

Page 3, line 2, delete "investment" and insert "management"

Pages 3 to 5, delete section 5

Page 5, line 34, delete "<u>\$50</u>" and insert "<u>\$25</u>"

Page 6, delete section 8, and insert:

"Sec. 7. [EFFECTIVE DATE.]

This act is effective July 1, 1995."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "80A.13, subdivision 1;"

Page 1, line 9, delete the semicolon and insert a period

Page 1, delete lines 10 and 11

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2842, A bill for an act relating to the city of Mankato; allowing the city to exercise the powers of a port authority; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2855, A bill for an act relating to health; MinnesotaCare; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center

for health care electronic data interchange; providing standards for the Minnesota health care identification card; proposing coding for new law in Minnesota Statutes, chapter 62J.

Reported the same back with the following amendments:

Page 7, delete lines 15 to 18 and insert:

"(b) The unique identification number assigned by the health care financing administration shall be used as the unique identification number for individual health care providers. Providers who do not currently have a unique identification number shall request one from the health care financing administration."

Page 7, delete lines 23 to 25

Page 8, line 28, after the period, insert "<u>This provision does not require that patients provide their social security</u> numbers, and does not require group purchasers or providers to demand that patients provide their social security numbers."

Page 9, line 1, delete "encrypted" and insert "unencrypted"

Page 9, line 3, after the period, insert "The encryption algorithm and hardware used must not use clipper chip technology."

Page 16, line 9, delete "60].50 to 60].61" and insert "62].50 to 62].54, subdivision 3, and 62].56 to 62].59"

Page 16, line 16, after the period, insert "The <u>commissioner shall not promulgate any rules requiring patients to</u> provide their social security numbers unless and until federal laws are modified to allow or require such action, nor shall the commissioner promulgate rules which allow medical record, claims, or other treatment or clinical data to be included on the health care identification card, except as specifically provided in this chapter."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2877, A bill for an act relating to housing; establishing a pilot project for housing homeless persons in severe weather; appropriating money.

Reported the same back with the following amendments:

Page 1, lines 12 and 13, delete "counties" and insert "shelter providers"

Page 2, lines 4, 11, and 28, delete "counties" and insert "shelter providers"

Page 2, line 9, delete "1" and insert "15"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services/Health and Housing Finance Division.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2984, A bill for an act relating to insurance; health plans; prohibiting provisions that grant the health carrier a subrogation right, except where the covered person has been fully compensated from another source; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2990, A bill for an act relating to insurance; township mutual fire insurance; allowing companies to issue policies in combination with the policies of other insurers; proposing coding for new law in Minnesota Statutes, chapter 67A.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3041, A bill for an act relating to metropolitan government; providing for the ownership, financing, and use of certain sports facilities; permitting the issuance of bonds and other obligations; appropriating money; amending Minnesota Statutes 1992, sections 473.551; 473.552; 473.566; 473.561; 473.564, subdivision 2; 473.572; 473.581; 473.592; 473.595; and 473.596; proposing coding for new law in Minnesota Statutes, chapters 240A; and 473; repealing Minnesota Statutes 1992, sections 473.564, subdivision 1; and 473.571.

Reported the same back with the following amendments:

Page 9, line 23, before "The" insert "(a)"

Page 9, after line 30, insert:

"(b) Any long-term lease, use or other agreement entered into by the Minnesota amateur sports commission with the commission under paragraph (a) must also provide for a release of the Minnesota amateur sports commission from its commitment under the agreement and permit it to agree to a per event use fee when the bonds issued for the metrodome under section 473.581 have been retired.

(c) No long-term lease, use or other agreement entered into by the Minnesota amateur sports commission under paragraph (a) may commit the amateur sports commission to paying more than \$750,000 per year plus an annual adjustment not greater than the percentage change in the consumer price index for urban consumers as prepared by the United States bureau of labor statistics."

Page 13, line 16 to page 18, line 19, reinstate the stricken language and delete the new language

Page 28, line 2, delete "to its"

Page 28, line 3, delete everything before the period

Page 28, line 11, after "commission" insert "and council"

Page 28, line 13, after "council," insert "their staff members,"

Page 29, delete line 18

Page 29, line 19, delete "of the"

Page 30, line 7, after "(a)," insert "exclusive of any original issue discount,"

Page 30, line 8, after "<u>\$.....</u>" insert "<u>plus such amount as the council determines necessary to pay the costs of issuance, fund reserves for operation and debt service, and pay for any bond insurance or other credit enhancement." and delete ", including any capital"</u>

Page 30, delete line 9

Page 30, line 11, delete "in the proportions that the commission may determine"

Page 30, line 15, after "land" insert "and the related purposes referred to in this subdivision" and after "bonds" insert "pursuant to subdivision 2, clause (a),"

Page 30, line 32, after "whole" insert "the council and"

Page 31, line 34, after "satisfy" insert "the council and" and delete "its" and insert "the council's"

Page 32, line 2, delete ", to acquire or remodel and to furnish the" and insert "for the purposes for which they are issued."

Page 32, delete lines 3 and 4

Page 38, line 36, before "commission" insert "metropolitan sports facilities"

With the recommendation that when so amended the bill be re-referred to the Committee on Governmental Operations and Gambling without further recommendation.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 3100, A resolution memorializing the President and Congress to maintain funding for the low-income home energy assistance program and to continue its operation in Minnesota.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 662, 985, 1416, 1899, 2028, 2067, 2139, 2296, 2363, 2513, 2572, 2623, 2705, 2770, 2784, 2799, 2984, 2990 and 3100 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Swenson, Lieder and Johnson, V., introduced:

H. F. No. 3119, A bill for an act relating to appropriations; transferring \$65,000,000 from the general fund to the highway user tax distribution fund for fiscal year 1995; appropriating money to the commissioner of transportation for state road operations, county state-aid highways, and municipal state-aid streets.

The bill was read for the first time and referred to the Committee on Taxes.

Kahn, Krueger, Krinkie, Kinkel and Kalis introduced:

H. F. No. 3120, A bill for an act relating to military affairs; expediting payment to forces ordered to active duty; amending Minnesota Statutes 1992, section 192.52.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Ness, Kelso, Lasley, Ozment and Olson, K., introduced:

H. F. No. 3121, A bill for an act relating to education; requiring the commissioner of education to implement regional facilities planning; establishing a regional facilities planning advisory council; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Rest introduced:

H. F. No. 3122, A bill for an act relating to public finance; changing procedures for allocating bonding authority; amending Minnesota Statutes 1992, sections 474A.02, subdivisions 8a, 13a, and 23a; 474A.03, subdivision 1; 474A.04, subdivision 1a; 474A.061, subdivision 4; 474A.091, subdivisions 3 and 5; and 474A.131, subdivision 3, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 474A.047, subdivision 1; and 474A.061, subdivision 2a.

The bill was read for the first time and referred to the Committee on Taxes.

Kahn, Krueger, Krinkie, Kinkel and Kalis introduced:

H. F. No. 3123, A bill for an act relating to public employees; prohibiting reemployment of certain early retirees; amending Minnesota Statutes 1992, section 356.70, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Erhardt, Vickerman and Smith introduced:

H. F. No. 3124, A bill for an act relating to government data practices; classifying data; making driver's license and motor vehicle registration data private with certain exceptions; amending Minnesota Statutes 1992, sections 13.69, subdivision 1; and 171.12, subdivision 7; Minnesota Statutes 1993 Supplement, section 168.346.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Onnen introduced:

H. F. No. 3125, A bill for an act relating to taxation; motor vehicle excise; allowing certain fire trucks to qualify for the in lieu tax on collector vehicles; amending Minnesota Statutes 1992, sections 297B.02, subdivision 3; and 297B.025, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Johnson, R., and Kinkel introduced:

H. F. No. 3126, A bill for an act relating to education; clarifying post-secondary enrollment options to include pupils at certain American Indian schools; amending Minnesota Statutes 1992, section 123.3514, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

5593

#### Ozment introduced:

H. F. No. 3127, A bill for an act relating to crime prevention; sentencing; requesting the sentencing guidelines commission to consider creating an aggravating factor.

The bill was read for the first time and referred to the Committee on Judiciary.

#### Evans introduced:

H. F. No. 3128, A bill for an act relating to education; providing for alternative activities for school age children; expanding parental involvement; providing for training in working with children with special needs; providing for violence prevention activities; appropriating money; amending Minnesota Statutes 1992, sections 121.88, subdivision 10; and 126.69, subdivision 1; Minnesota Statutes 1993 Supplement, sections 121.882, subdivision 2b; 124.2711, subdivision 5; 124.2713, subdivision 5; 124.2716, subdivision 2; 124A.29, subdivision 1; and 126.70, subdivision 2a.

The bill was read for the first time and referred to the Committee on Education.

### Mosel and Kalis introduced:

H. F. No. 3129, A bill for an act relating to municipal contracts; allowing awards of contracts to certain bidders; amending Minnesota Statutes 1992, section 471.345, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Evans and Mahon introduced:

H. F. No. 3130, A bill for an act relating to health; establishing an exception to the nursing home moratorium; modifying special provisions for moratorium exceptions; appropriating money; amending Minnesota Statutes 1992, section 256B.431, subdivision 17; Minnesota Statutes 1993 Supplement, section 144A.071, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services/Health and Housing Finance Division.

#### Swenson, Limmer, Steensma and Brown, C., introduced:

H. F. No. 3131, A bill for an act relating to public safety; increasing to 21 years the minimum age for eligibility to possess a pistol or semiautomatic military-style assault weapon; clarifying provisions regarding transfer and possession of pistols and semiautomatic military-style assault weapon; substituting the term "handgun" for the term "pistol"; amending Minnesota Statutes 1992, sections 624.712, subdivisions 2, 3, and 4; 624.7131, subdivisions 2, 7, 8, and 11; and 624.714, subdivisions 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 13; Minnesota Statutes 1993 Supplement, sections 624.711; 624.712, subdivisions 6, 7, and 8; 624.713; 624.7131, subdivisions 1, 4, and 10; 624.7132, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, 12, 13, 14, 15, and 16; and 624.714, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 624; repealing Minnesota Statutes 1993 Supplement, sections 624.7132, subdivisions 7 and 10.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelley; Johnson, A.; Vellenga; Kelso and Greiling introduced:

H. F. No. 3132, A bill for an act relating to education; increasing the number of years that a referendum may be authorized; allowing school boards to convert net tax capacity referendum levies to market value referendum levies; extending the expiration date of existing referendum authority; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Laws 1993, chapter 224, article 1, section 37.

The bill was read for the first time and referred to the Committee on Education.

Peterson; Cooper; Wenzel; Johnson, V., and Anderson, I., introduced:

H. F. No. 3133, A bill for an act relating to ethanol; increasing the cap on ethanol development payments to ethanol producers; extending expiration of payments for ethanol development; increasing minimum oxygen content of gasoline; eliminating tax credit for agricultural alcohol gasoline; amending Minnesota Statutes 1992, sections 41A.09, subdivision 5; and 296.02, subdivision 7; Minnesota Statutes 1993 Supplement, section 41A.09, subdivision 3; and 239.791, subdivision 1.

The bill was read for the first time and referred to the Committee on Agriculture.

#### Carruthers, Vellenga, Bishop, Pugh and Milbert introduced:

H. F. No. 3134, A bill for an act relating to civil actions; barring perpetrators of crimes from recovering for injuries sustained during criminal conduct; proposing coding for new law in Minnesota Statutes, chapter 611A.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble introduced:

H. F. No. 3135, A bill for an act relating to retirement; permitting the purchase of service credit for St. Paul bureau of health service.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Kahn, Krueger, Krinkie, Kinkel and Kalis introduced:

H. F. No. 3136, A bill for an act relating to attorneys-at-law; prohibiting fees for public bond counsel from being based primarily on the amount of bonds sold; proposing coding for new law in Minnesota Statutes, chapter 481.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

Garcia, Jefferson, Carruthers, Pauly and Morrison introduced:

H. F. No. 3137, A bill for an act relating to metropolitan government; increasing the amount of obligations the metropolitan council may issue for certain transit purposes; amending Minnesota Statutes 1992, section 473.39, subdivision 1b.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Rest, Kahn, Abrams and Krueger introduced:

H. F. No. 3138, A bill for an act relating to state and local revenues; providing for state financial management reform; modifying proposed property tax notices; appropriating money; amending Minnesota Statutes 1992, sections 16A.11, by adding a subdivision; and 124.196; Minnesota Statutes 1993 Supplement, sections 16A.04, subdivision 1; 16A.11, subdivision 1; and 275.065, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 16A; and 275.

The bill was read for the first time and referred to the Committee on Taxes.

## Nelson introduced:

H. F. No. 3139, A bill for an act relating to military affairs; appropriating money for capital improvements at the armory in Detroit Lakes.

The bill was read for the first time and referred to the Committee on Capital Investment.

Evans introduced:

H. F. No. 3140, A bill for an act relating to occupations and professions; providing for continuing education requirements for cosmetologists; proposing coding for new law in Minnesota Statutes, chapter 155A.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Long; Olson, M.; Rest; Munger and Ozment introduced:

H. F. No. 3141, A bill for an act relating to taxation; sales and use; providing a tax exemption on construction materials for corrugated recycling facilities; amending Minnesota Statutes 1992, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Solberg introduced:

H. F. No. 3142, A bill for an act relating to conciliation court; defining consumer credit transactions; amending Minnesota Statutes 1993 Supplement, section 491A.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Sekhon introduced:

H. F. No. 3143, A bill for an act relating to consumer protection; regulating deceptive trade practices related to environmental marketing claims; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Knight introduced:

H. F. No. 3144, A bill for an act relating to taxation; individual income; allowing a subtraction for personal exemptions; amending Minnesota Statutes 1992, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Krueger, Nelson and Tunheim introduced: .

H. F. No. 3145, A bill for an act relating to public administration; creating regional telecommunications network; providing grants for telecommunications planning; requiring reports to the legislature; appropriating money.

. The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Peterson, Reding and Cooper introduced:

H. A. No. 35, A proposal to study retirement annuities paid to public school teachers.

The advisory was referred to the Committee on Governmental Operations and Gambling.

[77TH DAY

## 5596

## **MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 2015.

#### PATRICK E. FLAHAVEN, Secretary of the Senate

# FIRST READING OF SENATE BILLS

S. F. No. 2015, A bill for an act relating to metropolitan government; providing for a regional administrator and a management team; imposing organizational requirements; imposing duties; clarifying existing provisions and making conforming changes; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivision 7; 15A.082, subdivision 3; 16B.58, subdivision 7; 116.16, subdivision 2; 116.182, subdivision 1; 161.173; 161.174; 169.781, subdivision 1, 169.791, subdivision 5; 169.792, subdivision 11, 221.022; 221.041, subdivision 4, 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.03, subdivision 1; 352.75; 422A.01, subdivision 9; 422A.101, subdivision 2a; 471A.02, subdivision 8; 473.121, subdivisions 5a and 24; 473.123, subdivisions 1, 2a, and 4; 473.129; 473.13, subdivision 4; 473.146, subdivisions 1 and 4; 473.149, subdivision 3; 473.1623, subdivision 2; 473.164; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.223; 473.303, subdivisions 2, 3a, 4, 4a, 5, and 6; 473.371, subdivision 1; 473.375, subdivisions 11, 12, 13, 14, and 15; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, 7, and 8; 473.385; 473.386, subdivisions 1, 2, 3, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.388, subdivisions 2, 3, 4, and 5; 473.39, subdivisions 1, 1a, 1b, and by adding a subdivision; 473.391; 473.392; 473.394; 473.399, as amended; 473.405, subdivisions 1, 3, 4, 5, 9, 10, 12, and 15; 473.408, subdivisions 1, 2, 2a, 4, 6, and 7; 473.409; 473.411, subdivisions 3 and 4; 473.415, subdivisions 1, 2, and 3; 473.416; 473.418; 473.42; 473.436, subdivisions 2, 3, and 6; 473.446, subdivisions 1, 1a, 2, 3, and 7; 473.448; 473.449; 473.504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473.511, subdivisions 1, 2, 3, and 4; 473.512, subdivision 1; 473.513; 473.515, subdivisions 1, 2, and 3, 473.5155, subdivisions 1 and 3, 473.516, subdivisions 2, 3, 4, and 5, 473.517, subdivisions 1, 2, 3, 6, and 9; 473.519; 473.521, subdivisions 1, 2, 3, and 4; 473.523, subdivisions 1 and 2; 473.535; 473.541, subdivision 2; 473.542; 473.543, subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.561; 473.595, subdivision 3; 473.605, subdivision 2; 473.823, subdivision 3; and 473.852, subdivisions 8 and 10; Minnesota Statutes 1993 Supplement, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 115.54; 174.32, subdivision 2; 216C.15, subdivision 1; 221.025; 221.031, subdivision 3a; 275.065, subdivisions 3 and 5a; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.64, subdivision 7a; 400.08, subdivision 3; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 1; 473.386, subdivision 2a; 473.3994, subdivision 10; 473.3997; 473.4051; 473.407, subdivisions 1, 2, 3, 4, 5, and 6; 473.411, subdivision 5; 473.446, subdivision 8; and 473.516, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 14a, 15, and 21; 473.122; 473.123, subdivisions 3, 5, and 6; 473.141, as amended; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.373, as amended; 473.375, subdivisions 1, 2, 3, 4, 5, 6, 7, 10, 16, 17, and 18; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404, as amended; 473.405, subdivisions 2, 6, 7, 8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; 473.543, subdivision 5; and 473.553, subdivision 4a; Minnesota Statutes 1993 Supplement, section 473.3996, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

# CONSENT CALENDAR

H. F. No. 2080, A bill for an act relating to agriculture; providing for uniformity of certain food laws with federal regulations; amending Minnesota Statutes 1992, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104.

The bill was read for the third time and placed upon its final passage.

# THURSDAY, MARCH 24, 1994

5597

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	Dempsey	Huntley	Leppik	Nelson	Rest	Tunheim
Anderson, R.	Dorn	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Asch	Erhardt	Jaros	Limmer	Olson, E.	Rice	Van Engen
Battaglia	Evans	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Bauerly	Farrell	Jennings	Long	Olson, M.	Rukavina	Vickerman
Beard	Finseth	Johnson, A.	Lourey	Onnen	Sarna	Wagenius
Bergson	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Weaver
Bertram	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Wejcman
Bettermann	Girard	Kahn	Macklin	Orfield	Simoneau	Wenzel
Bishop	Goodno	Kalis	Mahon	Osthoff	Skoglund	Winter
Brown, K.	Greenfield	Kelley	McCollum	Ostrom	Smith	Wolf
Carlson	Greiling	Kelso	McGuire	Ozment	Solberg	Worke
Clark	Gruenes	Kinkel	Milbert	Pauly	Stanius	Workman
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Cooper	Hasskamp	Knight	Morrison	° Pelowski	Sviggum	•
Dauner	Haukoos	Koppendrayer	Mosel	Perlt	Swenson	
Davids	Hausman	Krinkie	Munger	Peterson	Tomassoni	
Dawkins	Holsten	Krueger	Murphy	Pugh	Tompkins	
Dehler	Hugoson	Lasley	Neary	Reding	Trimble	

The bill was passed and its title agreed to.

H. F. No. 2314, A bill for an act relating to waste reduction; amending various statutes to be consistent with recent law relating to distribution of reports and materials to legislators; amending Minnesota Statutes 1992, sections 144.672, subdivision 2; 144.70, subdivision 1; 458A.08; and 473.445, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids	Dehler Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greenling Gruenes Gutknecht Hasskamp Haukoos Hausman	Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knight Koppendrayer Krinkie	Lasley Leppik Lieder Limmer Long Lourey Luther Lynch Macklin Mahon McCollum McCollum McColure Milbert Molnau Morrison Mosel Munger	Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perit Petson	Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni	Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, I.
Davids	Hausman	Krinkie	Munger	Peterson	Tomassoni	•
Dawkins	Holsten	Krueger	Murphy	Pugh	Trimble	

The bill was passed and its title agreed to.

H. F. No. 2435, A bill for an act relating to animals; changing procedures concerning certain abandoned animals; amending Minnesota Statutes 1992, section 346.37, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Neary	Reding	Trimble
Anderson, R.	Dempsey	Huntley	Leppik	Nelson	Rest	Tunheim
Asch	Dorn	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Battaglia	Erhardt	Jaros	Limmer	Olson, E.	Rice	Van Engen
Bauerly	Evans	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Farrell	Jennings	Long	Olson, M.	Rukavina	Vickerman
Bergson	Finseth	Johnson, A.	Lourey	Onnen	Sama	Wagenius
Bertram	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Weaver
Bettermann	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Wejcman
Bishop	Girard	Kahn	Macklin	Orfield	Simoneau	Wenzel
Brown, K.	Goodno	Kalis	Mahon	Osthoff	Skoglund	Winter
Carlson	Greenfield	Kelley	McCollum	Ostrom	Smith	Wolf
Carruthers	Greiling	Kelso	McGuire	Ozment	Solberg	Worke
Clark	Gruenes	Kinkel	Milbert	Pauly	Stanius	Workman
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Cooper	Hasskamp	Knight	Morrison	Pelowski	Sviggum	-
Dauner	Haukoos	Koppendrayer	Mosel	Perlt	Swenson	
Davids	Hausman	Krinkie	Munger	Peterson	Tomassoni	

The bill was passed and its title agreed to.

Holsten

S. F. No. 2040, A bill for an act relating to family law; clarifying pension plan obligations; amending Minnesota Statutes 1992, section 518.581, subdivision 2.

Pugh

Tompkins

Murphy

The bill was read for the third time and placed upon its final passage.

Krueger

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:

<b>A 1</b>	<b>D.11</b>	<b>TT</b> <sup>1</sup>			Durt	<b>T</b>
Abrams	Dehler	Hugoson	Lasley	Murphy	Pugh	Tompkins
Anderson, R.	Dempsey	Huntley	Leppik	Neary	Reding	Trimble
Asch	Dom	Jacobs	Lieder	Nelson	Rest	Tunheim
Battaglia	Erhardt	Jaros	Limmer	Ness	Rhodes	Van Dellen
Bauerly	Evans	Jefferson	Lindner	Olson, E.	Rice	Van Engen
Beard	Farrell	Jennings	Long	Olson, K.	Rodosovich	Vellenga
Bergson	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Frerichs	Johnson, R.	Luther	Onnen	Sama	Wagenius
Bettermann	Garcia	Johnson, V.	Lynch	Opatz	Seagren	Weaver
Brown, C.	Girard	Kahn	Macklin	Orenstein	Sekhon	Wejcman
Brown, K.	Goodno	Kalis	Mahon	Orfield	Simoneau	Wenzel
Carlson	Greenfield	Kelley	Mariani	Osthoff	Skoglund	Winter
Carruthers	Greiling	Kelso	McCollum	Ostrom	Smith	Wolf
Clark	Gruenes	Kinkel	McGuire	Ozment	Solberg	Worke
Commers	Gutknecht	Klinzing	Milbert	Pauly	Stanius	Workman
Cooper	Hasskamp	Knight	Molnau	Pawlenty.	Steensma	Spk. Anderson, I.
Dauner	Haukoos	Koppendrayer	Morrison	Pelowski	Sviggum	
Davids	Hausman	Krinkie	Mosel	Perlt	Swenson	
Dawkins	Holsten	Krueger	Munger	Peterson	Tomassoni	

The bill was passed and its title agreed to.

Dawkins

### THURSDAY, MARCH 24, 1994

H. F. No. 2646, A bill for an act relating to agriculture; expanding the restricted seed potato growing area; amending Minnesota Statutes 1992, section 21.1196, subdivision 1.

The bill was read for the third 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	Dawkins	Holsten	Krueger	Munger	Peterson	Tomassoni
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Pugh	Tompkins
Asch	Dempsey	Huntley	Leppik	Neary	Reding	Trimble
Battaglia	Dorn	Jacobs	Liêder	Nelson	Rest	Tunheim
Bauerly	Erhardt	Jaros	Limmer	Ness	Rhodes	Van Dellen
Beard	Evans	Jefferson	Lindner	Olson, E.	Rice	Van Engen
Bergson	Farrell	Jennings	Long	Olson, K.	Rodosovich	Vellenga
Bertram	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Vickerman
Bettermann	Frerichs	Johnson, R.	Luther	Onnen	Sarna	Wagenius
Bishop	Garcia	Johnson, V.	Lynch	Opatz	Seagren	Weaver
Brown, C.	Girard	Kahn	Macklin	Orenstein	Sekhon	Wejcman
Brown, K.	Goodno	Kalis	Mahon	Orfield	Simoneau	Wenzel
Carlson	Greenfield	Kelley	Mariani	Osthoff	Skoglund	Winter
Carruthers	Greiling	Kelso	McCollum	Ostrom	Smith	Wolf
Clark	Gruenes	<u>Kinkel</u>	McGuire	Ozment	Solberg	Worke
Commers	Gutknecht	Klinzing	Milbert	Pauly	Stanius	Workman
Cooper	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Dauner	Haukoos	Koppendrayer	Morrison	Pelowski	Sviggum	
Davids	Hausman	Krinkie	Mosel	Perlt	Swenson	

The bill was passed and its title agreed to.

## REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Carruthers, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for today, Thursday, March 24, 1994:

S. F. No. 1691; H. F. Nos. 2099 and 1374; S. F. No. 2086; and H. F. Nos. 2330, 1659, 1936, 2200, 2237, 2360, 2497, 2058, 2591 and 2772.

### SPECIAL ORDERS

S. F. No. 1691 was reported to the House.

Hasskamp moved to amend S. F. No. 1691 as follows:

Page 66, after line 25, insert:

#### "ARTICLE 5

#### TERMINATION OF TIME SHARE INTEREST

Section 1. Minnesota Statutes 1992, section 508.58, subdivision 2, is amended to read:

Subd. 2. [EXAMINER OF TITLES DIRECTIVE.] Any person who has become the owner in fee of registered land, or any part of the land, pursuant to a mortgage foreclosure by action under chapter 581 is entitled to a new certificate of title for the land described in the sheriff's certificate of sale or so much of the land as may be described in the certificate of title, after the redemption period expires. The registrar shall enter the new certificate of title and issue a new owner's duplicate certificate only pursuant to the court order provided in subdivision 1 or upon the written directive of the examiner of titles as to the legal sufficiency of the mortgage foreclosure proceeding. The directive of the examiner of titles also must specify the instruments the registrar shall omit from the new certificate of title by virtue of the foreclosure.

At the request of a registered owner or other person in interest, the examiner of titles by a written directive may direct the registrar of titles to show by memorial on a certificate of title that a contract for the conveyance of a time share interest, as defined in section 515B.1-103(32), has been terminated in accordance with chapter 559. The directive also must specify the instruments the registrar shall omit from the next certificate of title because of the cancellation."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 1691, A bill for an act relating to real property; clarifying and making technical corrections to statutory provisions relating to real property; allowing the examiner of titles in Olmsted county to be compensated as are examiners in counties of fewer than 75,000 population; amending Minnesota Statutes 1992, sections 14.03, subdivision 3; 83.26, subdivision 2; 500.19, subdivision 4; 507.09; 507.332; 508.12, subdivision 1; 508.13; 508.23, subdivision 1; 508.35; 508.37, subdivision 1a; 508.38; 508.45; 508.47, subdivision 5; 508.51; 508.52; 508.68; 508.70; 508.71, subdivision 4; 508A.22, subdivision 1; 508A.35; 508A.45; 508A.45; 508A.47, subdivision 5; 508A.51; 508A.52; 508A.52; 508A.55; 508A.68; 508A.71, subdivision 4; 559.21, subdivisions 3, 4, and 8; and 580.12; Minnesota Statutes 1993 Supplement, section 256B.0595, by adding a subdivision; 508.71, subdivision 7; 515B.1-102; 515B.1-103; 515B.1-105; 515B.1-116; 515B.2-104; 515B.2-105; 515B.2-110; 515B.2-119; 515B.3-113; 515B.3-116; and 515B.3-117; proposing coding for new law in Minnesota Statutes, chapters 508; and 508A.

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	Dawkins	Holsten	Krueger	Munger	Peterson	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Pugh	Trimble
Asch	Dempsey	Huntley	Leppik	Neary	Reding	Tunheim
Battaglia	Dom	Jacobs	Lieder	Nelson	Rest	Van Dellen
Bauerly	Erhardt	Jaros	Limmer	Ness	Rhodes	Van Engen
Beard	Evans	Jefferson	Lindner	Olson, E.	Rice	Vellenga
Bergson	Farrell	Jennings	Long	Olson, K.	Rodosovich	Vickerman
Bertram	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Wagenius
Bettermann	Frerichs	Johnson, R.	Luther	Onnen	Sarna	Waltman
Bishop	Garcia	Johnson, V.	Lynch	Opatz	Seagren	Weaver
Brown, C.	Girard	Kahn	Macklin	Orenstein	Sekhon	Wejcman
Brown, K.	Goodno	Kalis	Mahon	Orfield	Simoneau	Wenzel
Carlson	Greenfield	Kelley	Mariani	Osthoff	Skoglund	Winter
Carruthers	Greiling	Kelso	McCollum	Ostrom	Solberg	Wolf
Clark	Gruenes	Kinkel	McGuire	Ozment	Stanius	Worke
Commers	Gutknecht	Klinzing	Milbert	Pauly	Steensma	Workman
Cooper	Hasskamp	Knight	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Dauner	Haukoos	Koppendrayer	Morrison	Pelowski	Swenson	•
Davids	Hausman	Krinkie	Mosel	Perlt '	Tomassoni	
1.7						

The bill was passed, as amended, and its title agreed to.

H. F. No. 2099 was reported to the House.

Wejcman, Kahn, Garcia, Orenstein, Trimble and Clark moved to amend H. F. No. 2099 as follows:

5600

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 144.218, is amended by adding a subdivision to read:

Subd. 5. [FOLLOWING SURGERY.] After surgery for transsexualism, if an individual presents a court order for name change and a written statement from the surgeon who performed the operation, a new certificate shall be registered and the prior certificate shall be confidential as defined in section 13.02, subdivision 3, and shall not be disclosed except upon court order."

Renumber sections and amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Swenson and Pugh moved to amend H. F. No. 2099 as follows:

Page 2, after line 7, insert:

"Sec. 2. Minnesota Statutes 1992, section 259.11, is amended to read:

259.11 [ORDER; FILING COPIES.]

(a) Upon meeting If the requirements of section 259.10 are met, the court shall grant the application unless it finds that there is an intent to defraud or mislead or in the case of the change of a minor child's name, the court finds that such name change is not in the best interests of the child. The court may require a hearing if needed to make its finding. The court shall set forth in the order the name and age of the applicant's spouse and each child of the applicant, if any, and shall state a description of the lands, if any, in which the applicant and the spouse and children, if any, claim to have an interest. The court administrator shall file such order, and record the same in the judgment book. If lands be described therein, a certified copy of the order shall be filed for record, by the applicant, with the county recorder of each county wherein any of the same are situated. Before doing so the court administrator shall present the same to the county auditor who shall enter the change of name in the auditor's official records and note upon the instrument, over an official signature, the words "change of name recorded." Any such order shall not be filed, nor any certified copy thereof be issued, until the applicant shall have paid to the county recorder and court administrator shall be denied on the basis of the marital status of the applicant.

(b) When a person applies for a name change, the court shall determine whether the person has been convicted of a felony in this or any other state. If so, the court shall, within ten days after the name change application is granted, report the name change to the bureau of criminal apprehension. The person whose name is changed shall also report the change to the bureau of criminal apprehension within ten days. The court granting the name change application must explain this reporting duty in its order. Any person required to report the person's name change to the bureau of criminal apprehension who fails to report the name change as required under this paragraph is guilty of a gross misdemeanor."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Orenstein moved to amend H. F. No. 2099, as amended, as follows:

Page 2, after line 7, insert:

"Sec. 2. Minnesota Statutes 1993 Supplement, 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) No fee is required under this section from a person petitioning for a change of name under section 259.10, if:

(1) the petition is filed within one year of the person's marriage or marriage dissolution; and

(2) the person is changing the name all or in part to include the name of the person's spouse or to include the person's prior name.

(e) 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."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "waiving filing fees in certain cases;"

Page 1, line 4, before the period, insert "; Minnesota Statutes 1993 Supplement, section 357.021, subdivision 1a"

The motion prevailed and the amendment was adopted.

H. F. No. 2099, A bill for an act relating to change of name; altering procedural requirements for a change of name application; waiving filing fees in certain cases; amending Minnesota Statutes 1992, sections 259.10; and 259.11; Minnesota Statutes 1993 Supplement, section 357.021, subdivision 1a.

5602

## 77TH DAY]

### THURSDAY, MARCH 24, 1994

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 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Huntley	Lieder	Ness	Rice	Van Engen
Anderson, R.	Dom	Jacobs	Limmer	Olson, E.	Rodosovich	Vellenga
Asch	Erhardt	Jefferson	Long	Oison, K.	Rukavina	Vickerman
Battaglia	Evans	Jennings	Lourey	Onnen	Sama	Wagenius
Bauerly	Farrell	Johnson, A.	Luther	Opatz	Seagren	Waltman
Beard	Finseth	Johnson, R.	Lynch	Orenstein	Sekhon	Weaver
Bergson	Frerichs	Johnson, V.	Macklin	Orfield	Simoneau	Wejcman
Bertram	Garcia	Kahn	Mahon	Osthoff	Skoglund	Wenzel
Bettermann	Girard	Kalis	Mariani	Ostrom	Smith	Winter
Bishop	Goodno	Kelley	McCollum	Ozment	Solberg	Wolf
Brown, K.	Greenfield	Kelso	McGuire	Pauly	Stanius	Worke
Carlson	Greiling	Kinkel	Milbert	Pawlenty	Steensma	Workman
Carruthers	Gruenes	Klinzing	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Clark	Gutknecht	Knight	Morrison	Perlt	Swenson	-
Commers	Hasskamp	Koppendrayer	Mosel	Peterson	Tomassoni	
Cooper	Haukoos	Krinkie	Munger	Pugh	Tompkins	•
Dauner	Hausman	Krueger	Murphy	Reding	Trimble	
Davids	Holsten	Lasley	Neary	Rest	Tunheim	· · · ·
Dawkins	Hugoson	Leppik	Nelson	Rhodes	Van Dellen	

Those who voted in the negative were:

Dehler Lindner Olson, M.

The bill was passed, as amended, and its title agreed to.

H. F. No. 1374 was reported to the House.

Johnson, A., moved to amend H. F. No. 1374, the first engrossment, as follows:

Page 1, line 9, delete "assess" and insert "report on"

Page 1, line 13, delete "evaluate" and insert "report on"

Page 1, after line 15, insert: "(3) report on youth apprenticeship programs in occupations or at worksites defined as hazardous under state or federal rules;"

Page 1, line 16, delete "(3)" and insert "(4)"

The motion prevailed and the amendment was adopted.

H. F. No. 1374, A bill for an act relating to employment; requiring the department of labor and industry to study and report recommendations on child labor.

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 25 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Bauerly
Asch	Beard
Battaglia	Bergson

Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Cooper Dauner Dawkins Dempsey Dorn Evans Farrell

### JOURNAL OF THE HOUSE

### [77TH DAY

Finseth	Jennings	Leppik	Morrison	Pauly	Sekhon	Wagenius
Garcia	Johnson, A.	Lieder	Mosel	Pawlenty	Simoneau	Waltman
Goodno	Johnson, R.	Limmer	Munger	Pelowski	Skoglund	Wejcman
Greenfield	Johnson, V.	Long	Murphy	Perlt	Smith	Wenzel
Greiling	Kahn	Lourey	Neary	Peterson	Solberg	Winter
Gutknecht	Kalis	Luther	Olson, K.	Pugh	Steensma	Wolf
Hasskamp	Kelley	Lynch	Onnen	Reding	Swenson	Workman
Hausman	Kelso	Macklin	Opatz	Rest	Tomassoni	Spk. Anderson, I.
Holsten	Kinkel	Mahon	Orenstein	Rhodes	Tompkins	-1
Huntley	Klinzing	Mariani	Orfield	Rice	Trimble	1
lacobs	Knight	McCollum	Osthoff	Rodosovich	Tunheim	<b>`</b>
Jaros	Krueger	McGuire	Ostrom	Rukavina	Van Engen	
Jefferson	Lasley	Milbert	Ozment	Sarna	Vellenga	
-					0	

Those who voted in the negative were:

Abrams	Erhardt	Haukoos	Lindner	Olson, E.	Sviggum	Worke
Commers	Frerichs	Hugoson	Molnau	Olson, M.	Van Dellen	
Davids	Girard	Koppendrayer	Nelson	Seagren	Vickerman	
Dehler	Gruenes	Koppendrayer Krinkie	Nelson Ness	Seagren Stanius	Weaver	

The bill was passed, as amended, and its title agreed to.

S. F. No. 2086 was reported to the House.

Cooper moved to amend S. F. No. 2086 as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 147.34, subdivision 1, is amended to read:

Subdivision 1. [DELEGATION OF AUTHORITY TO PRESCRIBE, <u>DISPENSE</u>, AND ADMINISTER DRUGS AND MEDICAL DEVICES.] (a) A supervising physician may delegate to a physician assistant who is registered with the board of medical practice and certified by the National Commission on Certification of Physician Assistants and who is under the supervising physician's supervision, the authority to prescribe, <u>dispense</u>, and administer legend drugs and medical devices, subject to the requirements in this section and other requirements established by the commissioner of health in rules. <u>The authority to dispense includes, but is not limited to, the authority to receive and dispense sample drugs</u>. <u>This authority to dispense extends only to those drugs described in the written agreement developed under paragraph (b)</u>.

(b) The agreement between the physician assistant and supervising physician and any alternate supervising physicians must include a statement by the supervising physician regarding delegation or nondelegation of the functions of prescribing, dispensing, and administering of legend drugs and medical devices to the physician assistant. The statement must include a protocol indicating categories of drugs for which the supervising physician delegates prescriptive and dispensing authority. The delegation must be appropriate to the physician assistant's practice and within the scope of the physician assistant's training. The commissioner of health shall identify categories of drugs, if any, for which delegated prescribing is and dispensing are inappropriate. Physician assistants who have been delegated the authority to prescribe, dispense, and administer legend drugs and medical devices shall provide evidence of current certification by the National Commission on Certification of Physician Assistants or its successor agency when registering or reregistering as physician assistants. Supervising physicians shall retrospectively review, on a daily basis, the prescribing, dispensing, and administering of legend drugs and medical devices by physician assistants, when this authority has been delegated to the physician assistant as part of the delegation agreement between the physician and the physician assistant. During each on-site visit required under Minnesota Rules, the supervising physician shall document by signature and date that the prescriptive and dispensing practice of the physician assistant has been reviewed.

(c) The commissioner of health shall establish by rule:

(1) a system of identifying physician assistants eligible to prescribe and dispense drugs and medical devices;

(2) a method of determining the categories of prescription drugs and medical devices that each physician assistant is allowed to prescribe <u>and dispense</u>; and

(3) a system of transmitting to pharmacies a listing of physician assistants eligible to prescribe prescription drugs and medical devices and the types of drugs and medical devices they are allowed to prescribe.

Sec. 2. Minnesota Statutes 1992, section 148.235, is amended by adding a subdivision to read:

<u>Subd.</u> 3. [DISPENSING AUTHORITY.] <u>An advanced practice nurse who is authorized under this section to prescribe drugs is authorized to dispense drugs subject to the same requirements established for the prescribing of drugs. This authority to dispense extends only to those drugs described in the written agreement entered into under this section. The authority to dispense includes, but is not limited to, the authority to receive and dispense sample drugs.</u>

Sec. 3. Minnesota Statutes 1993 Supplement, section 151.01, subdivision 23, is amended to read:

Subd. 23. [PRACTITIONER.] "Practitioner" means a licensed doctor of medicine, licensed doctor of osteopathy duly licensed to practice medicine, licensed doctor of dentistry, licensed doctor of optometry, licensed podiatrist, or licensed veterinarian. For purposes of sections 151.15, subdivision 4, 151.37, subdivision 2, paragraph (b), and 151.461, "practitioner" also means a physician assistant authorized to prescribe, dispense, and administer under section 147.34, or an advanced practice nurse authorized to prescribe, dispense, and administer under section 148.235.

Sec. 4. Minnesota Statutes 1992, section 151.37, subdivision 2, is amended to read:

Subd. 2. (a) A licensed practitioner in the course of professional practice only, may prescribe, administer, and dispense a legend drug, and may cause the same to be administered by a nurse or intern under the practitioner's direction and supervision, and may cause a person who is an appropriately certified and, registered, or licensed health care professional to prescribe, dispense, and administer the same within the expressed legal scope of the person's practice as defined in Minnesota Statutes.

(b) A licensed practitioner that dispenses for profit a legend drug that is to be administered orally, is ordinarily dispensed by a pharmacist, and is not a vaccine, must file with the practitioner's licensing board a statement indicating that the practitioner dispenses legend drugs for profit, the general circumstances under which the practitioner dispenses for profit, and the types of legend drugs generally dispensed. It is unlawful to dispense legend drugs for profit after July 31, 1990, unless the statement has been filed with the appropriate licensing board. For purposes of this paragraph, "profit" means (1) any amount received by the practitioner in excess of the acquisition cost of a legend drug for legend drugs that are purchased in prepackaged form, or (2) any amount received by the practitioner in excess of the acquisition cost of a legend drug plus the cost of making the drug available if the legend drug requires compounding, packaging, or other treatment. The statement filed under this paragraph is public data under section 13.03. This paragraph does not apply to a licensed doctor of veterinary medicine or a registered pharmacist. Any person other than a licensed practitioner with the authority to prescribe, dispense, and administer a legend drug under paragraph (a) shall not dispense for profit. To dispense for profit does not include dispensing by a community health clinic when the profit from dispensing is used to meet operating expenses.

Sec. 5. Minnesota Statutes 1992, section 151.37, subdivision 2a, is amended to read:

Subd. 2a. A supervising physician may delegate to a physician assistant who is registered with the board of medical practice and certified by the National Commission on Certification of Physician Assistants and who is under the supervising physician's supervision, the authority to prescribe, <u>dispense</u>, and administer legend drugs and medical devices, subject to the requirements in section 147.34 and other requirements established by the commissioner of health in rules."

The motion prevailed and the amendment was adopted.

S. F. No. 2086, A bill for an act relating to health; extending dispensing authority to physician assistants and advanced practice nurses; amending Minnesota Statutes 1992, sections 147.34, subdivision 1; 148.235, by adding a subdivision; and 151.37, subdivisions 2 and 2a; Minnesota Statutes 1993 Supplement, section 151.01, subdivision 23.

The bill was read for the third time, as amended, and placed upon its final passage.

# JOURNAL OF THE HOUSE

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	Dehler	Hugoson	Lasley	Neary	Reding	Tunheim
Anderson, R.	Dempsey	Huntley	Leppik	Nelson	Rest	Van Dellen
Asch	Dom	Jacobs	Lieder	Ness	Rhodes	Van Engen
Battaglia	Erhardt	Jaros	Limmer	Olson, E.	Rice	Vellenga
Bauerly	Evans	Jefferson	Lindner	Olson, K.	Rodosovich	Vickerman
Beard	Farrell	Jennings	Long	Olson, M.	Rukavina	Wagenius
Bergson	Finseth	Johnson, A.	Lourey	Onnen	Sarna	Waltman
Bertram	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Weaver
Bettermann	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Wejcman
Bishop	Girard	Kahn	Macklin	Orfield	Simoneau	Wenzel
Brown, K	Goodno	Kalis	Mahon	Osthoff	Skoglund	Winter
Carlson	Greenfield	Kelley	Mariani	Ostrom	Smith	Wolf
Carruthers	Greiling	Kelso	McGuire	Ozment	Solberg	Worke
Clark	Gruenes	Kinkel	Milbert .	Pauly	Steensma	Workman
Commers	Gutknecht	Klinzing	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Cooper	Hasskamp	Knight	Morrison	Pelowski	Swenson	
Dauner	Haukoos	Koppendrayer	Mosel	Perlt	Tomassoni	
Davids	Hausman	Krinkie	Munger	Peterson	Tompkins	
Dawkins	Holsten	Krueger	Murphy	Pugh	Trimble	

Those who voted in the negative were:

McCollum

The bill was passed, as amended, and its title agreed to.

H. F. No. 2330, A bill for an act relating to Anoka county; authorizing county to sell tax-forfeited land by sealed bid.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram	Dehler Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs	Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R.	Lasley Leppik Lieder Limmer Lindner Long Lourey Luther	Murphy Neary Nelson Ness Olson, E. Olson, M. Onnen Opatz	Reding Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon	Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver
			_ ~			
Bettermann	Garcia	Johnson, V.	Lynch	Orenstein	Simoneau	Wejcman
Bishop	Girard	Kahn	Macklin	Orfield	Skoglund	Wenzel
Brown, K.	Goodno	Kalis	Mahon	Osthoff	Smith	Winter
Carlson	Greenfield	Kelley	Mariani	Ostrom	Solberg	Wolf
Carruthers	Greiling	Kelso	McCollum	Ozment	Stanius	Workman
Clark	Gruenes	Kinkel	McGuire	Pauly	Steensma	Spk. Anderson, I.
Commers	Gutknecht	Klinzing	Milbert	Pawlenty	Sviggum	-
Cooper	Hasskamp	Knight	Molnau	Pelowski	Swenson	
Dauner	Haukoos	Koppendrayer	Morrison	Perlt	Tomassoni	
Davids	Hausman	Krinkie	Mosel	Peterson	Tompkins	
Dawkins	Holsten	Krueger	Munger	Pugh	Trimble	

The bill was passed and its title agreed to.

5606

H. F. No. 1659, A bill for an act relating to probate; updating article 2 on intestacy, wills, and donative transfers; correcting a reference; recodifying the Minnesota multiparty accounts act; amending Minnesota Statutes 1992, sections 524.1-201; 524.2-101; 524.2-102; 524.2-103; 524.2-104; 524.2-105; 524.2-106; 524.2-108; 524.2-109; 524.2-109; 524.2-101; 524.2-111; 524.2-113; 524.2-114; 524.2-301; 524.2-302; 524.2-502; 524.2-504; 524.2-505; 524.2-507; 524.2-508; 524.2-508; 524.2-509; 524.2-509; 524.2-509; 524.2-509; 524.2-509; 524.2-509; 524.2-509; 524.2-509; 524.2-602; 524.2-603; 524.2-603; 524.2-604; 524.2-605; 524.2-606; 524.2-607; 524.2-609; and 524.2-701; proposing coding for new law in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1992, sections 524.2-112; 524.2-201; 524.2-202; 524.2-203; 524.2-204; 524.2-206; 524.2-207; 524.2-503; 524.2-610; 524.2-612; 524.3-905; 525.15; 525.151; 525.22; 525.221; and 525.223.

The bill was read for the third 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	Dawkins	Holsten	Krueger	Munger	Peterson	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Pugh	Trimble
Asch	Dempsey	Huntley	Leppik	Neary	Reding	Tunheim
Battaglia	Dom	Jacobs	Lieder	Nelson	Rest	Van Dellen
Bauerly	Erhardt	Jaros	Limmer	Ness	Rhodes	Van Engen
Beard	Evans	Jefferson	Lindner	Olson, E.	Rodosovich	Vellenga
Bergson	Farrell	Jennings	Long	Olson, K.	Rukavina	Vickerman
Bertram	Finseth	Johnson, A.	Lourey	Olson, M.	Sama	Wagenius
Bettermann	Frerichs	Johnson, R.	Luther	Onnen	Seagren	Waltman
Bishop	Garcia	Johnson, V.	Lynch	Opatz	Sekhon	Weaver
Brown, C.	Girard	Kahn	Macklin	Orenstein	Simoneau	Wejcman
Brown, K.	Goodno	Kalis	Mahon	Orfield	Skoglund	Wenzel
Carlson	Greenfield	Kelley	Mariani	Osthoff	Smith	Winter
Carruthers	Greiling	Kelso	McCollum	Ostrom	Solberg	Wolf
Clark	Gruenes	Kinkel	McGuire	Ozment	Stanius	Worke
Commers	Gutknecht	Klinzing	Milbert	Pauly	Steensma	Workman
Cooper	Hasskamp	Knight	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Dauner	Haukoos	Koppendrayer	Morrison	Pelowski	Swenson	• .
Davids	Hausman	Krinkie	Mosel	Perlt	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 1936, A bill for an act relating to game and fish; requiring return to the water of fish snagged in certain waters; amending Minnesota Statutes 1993 Supplement, section 97C.331.

The bill was read for the third 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	Clark	Garcia	Jaros	Krinkie	McCollum	Onnen
Anderson, R.	Commers	Girard	Jefferson	Krueger	McGuire	Opatz
Asch	Cooper	Goodno	Jennings	Lasley	Milbert	Orenstein
Battaglia	Dauner	Greenfield	Johnson, A.	Leppik	Molnau	Orfield
Bauerly	Davids	Greiling	Johnson, R.	Lieder	Morrison	Osthoff
Beard	Dawkins	Gruenes	Johnson, V.	Limmer	Mosel	Ostrom
Bergson	Dehler	Gutknecht	Kahn	Lindner	Munger	Ozment
Bertram	Dempsey	Hasskamp	Kalis	Long	Murphy	Pauly
Bettermann	Dom	Haukoos	Kelley	Lourey	Neary	Pawlenty
Bishop	Erhardt	Hausman	Kelso	Luther	Nelson	Pelowski
Brown, C.	Evans	Holsten	Kinkel	Lynch	Ness	Perlt
Brown, K.	Farrell	Hugoson	Klinzing	Macklin	Olson, E.	Peterson
Carlson	Finseth	Huntley	Knight	Mahon	Olson, K.	Pugh
Carruthers	Frerichs	Jacobs	Koppendrayer	Mariani	Olson, M.	Reding

### JOURNAL OF THE HOUSE

Rest	Sarna	Smith	Swenson
Rhodes	Seagren	Solberg	Tomassoni
Rice	Sekhon	Stanius	Tompkins
Rodosovich	Simoneau	Steensma	Trimble
Rukavina	Skoglund	Sviggum	Tunheim

Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

Carruthers moved that the remaining bills on Special Orders for today be continued. The motion prevailed.

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

# MOTIONS AND RESOLUTIONS

Opatz moved that his name be stricken as an author on H. F. No. 2223. The motion prevailed.

Long moved that the name of Opatz be added as an author on H. F. No. 2367. The motion prevailed.

Tompkins moved that her name be stricken as an author on H. F. No. 2666. The motion prevailed.

Sviggum moved that the name of Workman be added as an author on H. F. No. 2792. The motion prevailed.

Bettermann moved that the name of Brown, K., be added as an author on H. F. No. 2820. The motion prevailed.

Cooper moved that the name of Peterson be stricken and the name of Greenfield be added as an author on H. F. No. 3007. The motion prevailed.

Milbert moved that the name of Pugh be added as an author on H. F. No. 3018. The motion prevailed.

Steensma moved that the name of Cooper be added as an author on H. F. No. 3103. The motion prevailed.

Farrell moved that the name of Winter be shown as chief author on H. F. No. 3108. The motion prevailed.

Clark moved that the name of Orenstein be added as an author on H. F. No. 3112. The motion prevailed.

Dehler moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Wednesday, March 23, 1994, when the vote was taken on the final passage of H. F. No. 2143." The motion prevailed.

Kahn moved that H. F. No. 2296, now on Technical General Orders, be re-referred to the Committee on Governmental Operations and Gambling. The motion prevailed.

Leppik moved that H. F. No. 3010 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Orfield moved that H. F. No. 2126 be recalled from the Committee on Environment and Natural Resources Finance and be re-referred to the Committee on Governmental Operations and Gambling. The motion prevailed.

Vellenga moved that H. F. No. 2232 be recalled from the Committee on Education and be re-referred to the Committee on Judiciary. The motion prevailed.

Orenstein moved that H. F. No. 2816 be recalled from the Committee on Governmental Operations and Gambling and be re-referred to the Committee on Judiciary. The motion prevailed.

5608

Simoneau moved that H. F. No. 2922 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Krueger moved that H. F. No. 2223 be returned to its author. The motion prevailed.

Wejcman moved that H. F. No. 2716 be returned to its author. The motion prevailed.

# ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 28, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 28, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

5610

# STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION — 1994

# SEVENTY-EIGHTH DAY

## SAINT PAUL, MINNESOTA, MONDAY, MARCH 28, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by the Reverend Dr. Donald Meisel, House Chaplain.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids Dawkins

Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger

Lasley Leppik Lieder Limmer Lindner Long Lourev Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison Mosel Munger Murphy

Neary Nelsón Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding

Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble Tunheim

Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Wolf Worke Worke Workman Spk. Anderson, I.

Van Dellen

A quorum was present.

Dehler

Dom

Delmont

Dempsey

Erhardt

**Evans** 

Farrell

Finseth

Frerichs

Garcia

Girard

Goodno

Greiling

Gruenes

Greenfield

Gutknecht

Hasskamp

Haukoos

Hausman

Holsten

The Chief Clerk proceeded to read the Journal of the preceding day. Luther 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**

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 664, A bill for an act relating to education; modifying the teacher retirement program to provide an incentive for experienced teachers to participate in job sharing; proposing coding for new law in Minnesota Statutes, chapter 125.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 354.66, subdivision 2, is amended to read:

Subd. 2. A teacher in the public elementary schools, secondary schools, or technical colleges or in the community college system or the state university system of the state who has 20 <u>three</u> years or more of allowable service in the fund or 20 <u>three</u> years or more of full-time teaching service in Minnesota public elementary schools, secondary schools, or technical colleges or in the community college system or the state university system, or a teacher in the community college system or state university system who has attained at least age 55 and has ten years or more of allowable service in the fund or ten years or more of full time teaching service as described in this subdivision, may, by agreement with the board of the employing district, be assigned to teaching service within the district in a part-time teaching position.

Sec. 2. Minnesota Statutes 1992, section 354.66, subdivision 4, is amended to read:

Subd. 4. [RETIREMENT CONTRIBUTIONS.] Notwithstanding any provision to the contrary in this chapter relating to the salary figure to be used for the determination of contributions or the accrual of service credit, a teacher assigned to a part-time position <del>pursuant to</del> <u>under</u> this section shall continue to make employee contributions to and to accrue allowable service credit in the retirement fund during the period of part-time employment on the same basis and in the same amounts as would have been paid and accrued if the teacher had been employed on a full-time basis provided that, prior to June 30 each year, or within 30 days after notification by the association of the amount due, whichever is later, the member and the employing board make that portion of the required employer contribution to the retirement fund, in any proportion which they may agree upon, that is based on the difference between the amount of compensation that would have been paid if the teacher had been employed on a full-time basis and the amount of compensation actually received by the teacher for the services rendered in the part-time assignment. The employing unit shall make that portion of the required employer contributions to the retirement fund on behalf of the teacher that is based on the amount of compensation actually received by the teacher for the services rendered in the part-time assignment in the manner described in section 354.43, subdivision 3. If the teacher has 20 years or more of allowable service in the fund or 20 years or more of full-time teaching service, as described in subdivision 2, the employer shall make the full employer contribution to the fund based on the compensation that would have been paid if the teacher had been employed on a full-time basis. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354.42. Full accrual of allowable service credit and employee contributions for part-time teaching service pursuant to this section and section 354A.094 shall not continue for a period longer than ten years.

Sec. 3. Minnesota Statutes 1992, section 354A.094, subdivision 3, is amended to read:

Subd. 3. A teacher in the public schools of a city of the first class who has 20 <u>three</u> years or more allowable service in the applicable retirement fund association or 20 <u>three</u> years or more of full-time teaching service in Minnesota public elementary schools, secondary schools, and technical colleges may, by agreement with the board of the employing district, be assigned to teaching service within the district in a part-time teaching position.

Sec. 4. Minnesota Statutes 1992, section 354A.094, subdivision 4, is amended to read:

Subd. 4. [RETIREMENT CONTRIBUTIONS.] Notwithstanding any provision to the contrary in this chapter or the articles of incorporation or bylaws of an association relating to the salary figure to be used for the determination of contributions or the accrual of service credit, a teacher assigned to a part-time position pursuant to under this section shall continue to make employee contributions to and to accrue allowable service credit in the applicable association during the period of part-time employment on the same basis and in the same amounts as would have been paid and accrued if the teacher had been employed on a full-time basis provided that, prior to June 30 each year the member and the employing board make that portion of the required employer contribution to the applicable association in any proportion which they may agree upon, that is based on the difference between the amount of compensation that would have been paid if the teacher had been employed on a full-time basis and the amount of compensation actually received by the teacher for services rendered in the part-time assignment. The employer contributions to the applicable association on behalf of the teacher shall be based on the amount of compensation actually received by the teacher for the services rendered in the part-time assignment in the manner described in section 354.43, subdivisions 1 and 5 subdivision 3. If the teacher has 20 years or more of allowable service in the association or 20 years or more of full-time teaching service, as described in subdivision 3, the employer shall make the full employer contribution to the fund, based on the compensation that would have been paid if the teacher had been employed on a full-time basis. The employee and employer contributions shall be based upon the rates of contribution prescribed by section 354A.12. Full membership, accrual of allowable service credit and employee contributions for part-time teaching service by a teacher pursuant to this section and section 354.66 shall not continue for a period longer than ten years.

5613

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective July 1, 1994, and apply to teaching service after that date."

Delete the title and insert:

"A bill for an act relating to education; modifying certain teacher retirement programs to encourage experienced teachers to participate in job sharing; amending Minnesota Statutes 1992, sections 354.66, subdivisions 2 and 4; and 354A.094, subdivisions 3 and 4."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 942, A bill for an act relating to traffic regulation; revising the crime of reckless driving; replacing the crime of careless driving with an inattentive driving offense; providing penalties; amending Minnesota Statutes 1992, section 169.13, subdivisions 1 and 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 169.14, subdivision 1, is amended to read:

Subdivision 1. [BASIC RULE; <u>INATTENTIVE</u> <u>DRIVING</u>.] No person shall drive a vehicle on a highway at a speed greater than is reasonable and prudent under the conditions and having regard to. Every driver is responsible for becoming and remaining aware of the actual and potential hazards then existing on the highway and must use due care in operating a vehicle. In every event speed shall be so restricted as may be necessary to avoid colliding with any person, vehicle or other conveyance on or entering the highway in compliance with legal requirements and the duty of all persons to use due care.

#### Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1994, and applies to offenses committed on or after that date."

Delete the title and insert:

"A bill for an act relating to traffic regulations; requiring every driver to use due care in operating a motor vehicle; amending Minnesota Statutes 1992, section 169.14, subdivision 1."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1108, A bill for an act relating to transportation; appropriating money for a study of Rochester airport and for a study of high speed rail. Reported the same back with the following amendments:

Page 1, after line 12, insert:

"Subd. 2. [HIGH SPEED RAIL STUDY.] The commissioner of transportation shall conduct a study to determine the economic benefit to the city of Rochester and southeastern Minnesota from high speed rail, in conjunction with phase II of the high speed rail study."

Page 1, line 13, delete "2" and insert "3"

Page 1, line 16, delete "3" and insert "4"

Page 1, line 19, delete "4" and insert "5"

Pages 1 and 2, delete section 2

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1844, A bill for an act relating to highways; designating trunk highway marked No. 212 as the Minnesota Veterans Memorial Highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1884, A bill for an act relating to housing; requiring a report to the legislature evaluating emergency weather procedures in manufactured home parks; appropriating money.

Reported the same back with the following amendments:

Page 1, line 6, delete "MANUFACTURED HOME PARK"

Page 1, line 11, after "study" insert "public safety in" and delete "procedures and facilities" and insert "conditions"

Page 1, delete lines 12 to 16 and insert "housing manufactured or constructed without basements. The study must identify areas with adequate evacuation and shelter plans to protect residents of housing manufactured or constructed without basements."

Page 1, line 19, after the first "of" insert "manufactured home" and after "residents" insert ", residents of other housing without basements,"

Page 1, line 20, delete everything after the period

Page 1, delete lines 21 to 23

Page 2, line 2, delete "bringing"

Page 2, delete lines 3 and 4, and insert "improving resident and public safety during emergency weather conditions,"

Amend the title as follows:

Page 1, line 3, after "evaluating" insert "public safety and"

Page 1, line 4, delete everything before the semicolon and insert "housing without basements"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1909, A bill for an act relating to retirement; local police and salaried firefighters relief associations; requiring continuation of surviving spouse benefits upon remarriage; amending Minnesota Statutes 1992, section 423A.17.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

### "ARTICLE 1

### CONTINUATION OF SURVIVING SPOUSE BENEFITS UPON REMARRIAGE"

Page 1, line 19, before "a" insert "the governing body of a municipality may mandate the applicable local police or salaried firefighters relief association to provide that"

Page 1, lines 23 and 24, reinstate the stricken language

Page 1, line 25, reinstate the stricken language and delete the new language

Page 2, line 2, reinstate the stricken language and delete the new language

Page 2, line 3, reinstate the stricken language

Page 2, line 4, reinstate "described in paragraph (a) is made"

Page 2, line 14, delete the new language and insert "<u>The change must be made by a municipal resolution adopted</u> by a majority vote of the municipality. The resolution must"

Page 2, lines 18 and 19, delete the new language

Page 2, after line 21, insert:

#### "ARTICLE 2

#### CONFORMING CHANGE TO THE CONSOLIDATION LAW

Section 1. Minnesota Statutes 1993 Supplement, section 353B.11, subdivision 6, is amended to read:

Subd. 6. [DISCONTINUATION; SURVIVING SPOUSE BENEFIT.] (a) Except as specified in paragraph (b) or (c), a surviving spouse benefit terminates upon the death or the subsequent marriage of the person entitled to receive or receiving a surviving spouse benefit. (b) A surviving spouse benefit terminates upon the subsequent marriage of the person entitled to receive or receiving a surviving spouse benefit but recommences at the appropriate amount without any retroactive payments in the event of the termination of the subsequent marriage for any reason for the former members of the following consolidating relief associations:

(1) Albert Lea firefighters relief association;

(2) Duluth firefighters relief association;

(3) Minneapolis fire department relief association;

(4) St. Paul fire department relief association; and

(5) St. Paul police relief association.

(e) For all consolidating relief associations, a surviving spouse benefit shall terminate terminates only upon the death of the person entitled to receive or receiving a surviving spouse benefit. for the former members of the following consolidating relief associations:

(1) Albert Lea police relief association;

(2) Anoka police relief association;

(3) Bloomington-police relief association;

(4) Buhl police relief association;

(5) Chisholm fire department relief association;

(6) Chisholm police-relief association;

(7) Crookston fire department relief-association;

(8) Duluth police relief association;

(9) Faribault fire department relief association;

(10) Hibbing firefighters relief association;

(11) Hibbing police relief association;

(12) Mankato fire department relief association;

(13) Red Wing fire department relief association;

(14) Red Wing police relief association;

(15) Rochester fire department relief association;

(16) Rochester police relief association;

(17) St. Cloud fire department relief association;

(18) St. Louis Park fire department relief association;

(19) St. Louis Park police relief association;

(20) South St. Paul firefighters relief association;

(21) South St. Paul police relief association;

5616

(22) West St. Paul firefighters relief association;

(23) Winona fire department relief association; and

(24) Winona police relief association.

Sec. 2. [EFFECTIVE DATE.]

(a) Section 1 is effective on the day following final enactment.

(b) Section 1 applies to any consolidation account under Minnesota Statutes, chapter 353B, established before the date of final enactment as well as any account established after that date and applies to any person who formerly was receiving surviving spouse benefits from a consolidation account or a local relief association and who had those benefits discontinued solely by virtue of remarriage.

(c) Nothing in this article authorizes the payment of a benefit amount to an estate."

Amend the title as follows:

Page 1, line 3, after "associations" insert "and consolidation accounts"

Page 1, line 6, after "423A.17" insert "; Minnesota Statutes 1993 Supplement, section 353B.11, subdivision 6"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1917, A bill for an act relating to metropolitan government; providing for financial assistance and capital expenditures of the regional transit board; amending Minnesota Statutes 1992, sections 473.375, subdivision 13; and 473.39, subdivision 1b.

Reported the same back with the following amendments:

Page 1, delete lines 11 to 19, and insert:

"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, <u>unless the operators provide service under a contract</u> with the board or recipients of financial assistance under sections 473.371 to 473.449."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1918, A bill for an act relating to licensing; requiring implementation of a system of consolidated business licensing; requiring the state to provide citizens with electronic access to state agencies for the purpose of obtaining certain licenses and permits; proposing coding for new law in Minnesota Statutes, chapters 16B; and 116J.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [BUREAU OF BUSINESS LICENSES EXPANSION.]

Subdivision 1. [DEFINITIONS.] For purposes of this section the following terms have the meanings given them:

(1) "commissioner" means the commissioner of the department of trade and economic development;

(2) "bureau" means the bureau of business licenses established by Minnesota Statutes, sections 116].73 to 116].86; and

(3) "license" has the meaning given it in Minnesota Statutes, section 116J.70, subdivision 2.

<u>Subd. 2.</u> [EXPANSION OF SERVICES.] The commissioner, working in conjunction with other agency heads as necessary, shall expand the services and operations of the bureau and the scope of the master application procedure in accordance with this section. Other agency heads shall cooperate with and assist the commissioner upon request.

<u>Subd. 3.</u> [NUMBER AND KIND OF LICENSES.] The <u>commissioner shall determine the feasibility of increasing</u> the number and kind of licenses available through the bureau, including licenses required and issued by the federal government and local units of government. The commissioner shall particularly address licenses relating to product characteristics, business transactions, market access and competition, environmental standards, use of natural resources, use and development of technology, and tax collection.

<u>Subd. 4.</u> [MASTER APPLICATION PROCEDURE.] <u>The commissioner shall expand the master application</u> procedure for each regulated industry to enable an applicant for business licenses to submit a single application. The applicant shall pay all fees to the bureau, which would then transmit information and individual fees to the agencies issuing the licenses. The commissioner, in conjunction with the heads of agencies issuing licenses, shall also determine how a single document may be issued incorporating all the licenses for which an applicant has applied. The commissioner shall further seek to facilitate and encourage the acceptance of applications, the transmission of information among agencies, and the issuance of licenses by electronic means, including terminals installed at locations accessible to the public outside normal business hours.

<u>Subd. 5.</u> [STATEWIDE EXPANSION.] <u>The commissioner shall expand the operations of the bureau throughout</u> the state by establishing branch offices, as feasible, in state-owned or state-leased buildings or in offices of local governmental units as well as by electronic means.

<u>Subd. 6.</u> [HEARINGS AND INSPECTIONS.] <u>The commissioner shall seek to coordinate further any hearings or</u> inspections occurring or required in connection with the issuance of licenses. To the extent feasible, the commissioner shall attempt to establish a procedure in which a single hearing or inspection could be conducted with respect to all licenses for which an applicant has applied.

Subd. 7. [SCHEDULE AND DEADLINES.] The commissioner, any time after the effective date of this section, may implement any expansion of the bureau and the master application procedure for which no further statutory authority is required. By January 15, 1995, the commissioner shall report to the governor and the legislature. The report must include:

(1) a summary of activities already taken in accordance with this section;

(2) recommendations for further statutory changes necessary to achieve the purposes of this section;

(3) a timetable for completion of activities in accordance with this section; and

(4) budget recommendations to achieve the purposes of this section.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1994."

Delete the title and insert:

"A bill for an act relating to licensing; requiring the bureau of business licenses to expand services of the bureau; requiring a report to the governor and the legislature."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1919, A bill for an act relating to manufactured homes; clarifying certain language governing application fees with in park sales; amending Minnesota Statutes 1992, section 327C.07, subdivisions 1, 2, 3, and 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1927, A bill for an act relating to public employment; requiring a Medicare coverage referendum for certain public employees.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [MEDICARE REFERENDUM.]

Notwithstanding Minnesota Statutes, sections <u>355.07</u> and <u>355.90</u>, <u>subdivision 1</u>, to the contrary, the commissioner of employee relations shall conduct an individual choice Medicare coverage referendum under Minnesota Statutes, section <u>355.90</u>, for all city of Karlstad hospital employees who are members of the public employees retirement association and who do not have coverage under the federal old age, survivors, and disability insurance program. The referendum must be conducted before January 1, 1995. For each person who selects Medicare coverage in a referendum, coverage is effective on the first of the month next following the referendum.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective upon the approval of the Karlstad city council and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to public employment; authorizing a Medicare coverage referendum for certain city of Karlstad hospital employees."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1928, A bill for an act relating to motor vehicles; authorizing special license plates for vehicles owned by volunteer ambulance drivers; amending Minnesota Statutes 1992, section 168.12, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 1976, A bill for an act relating to highways; designating the Laura Ingalls Wilder historic highway; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2005, A bill for an act relating to traffic regulations; authorizing peace officers to stop drivers and issue citations for seat belt violations without first observing a moving violation; amending Minnesota Statutes 1993 Supplement, section 169.686, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2034, A bill for an act relating to transportation; changing eligibility requirements for distribution of funds from the town road account; amending Minnesota Statutes 1993 Supplement, section 162.081, subdivision 4.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 161.082, subdivision 2a, is amended to read:

Subd. 2a. [TOWN BRIDGES AND CULVERTS; TOWN ROAD ACCOUNT.] (a) An amount equal to 25 percent of the county turnback account must be expended, within counties having two or more towns or having no organized towns, on (1) town road bridge structures, or county highway bridge structures in counties having no organized towns, that are ten feet or more in length, and on (2) town road culverts that replace existing town road bridges, or county highway bridges in counties having no organized towns.

(b) 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 <u>or county is</u> eligible for financial assistance from the town bridge account. Financial assistance shall be requested by resolution of the county board and shall be limited to:

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, or county board in a county having no organized towns, 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.

5620

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

Page 2, line 11, delete "Section 1 is" and insert "Sections 1 and 2 are"

Page 2, line 13, delete "1" and insert "2"

Page 2, line 15, delete "1" and insert "2"

Amend the title as follows:

Page 1, line 4, after "account" insert "and town bridge account"

Page 1, line 5, delete "section" and insert "sections 161.082, subdivision 2a; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2054, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands in the Gordy Yaeger wildlife management area in Olmsted county; appropriating money.

Reported the same back with the following amendments:

Page 1, line 10, delete "natural resources" and insert "administration"

Page 1, line 16, delete "appropriated to" and insert "to be deposited in"

Page 1, line 17, delete "commissioner" and insert "general fund and are appropriated to the commissioner of natural resources"

Page 1, line 23, after the period, insert "The conveyance must provide that the land reverts to the state if it is not used for public purposes."

Page 2, line 4, after the period, insert "The conveyance must provide that the land reverts to the state if it is not used for public purposes."

Amend the title as follows:

Page 1, line 3, delete "natural resources" and insert "administration"

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.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2057, A bill for an act relating to partition fences; requiring the department of natural resources to share in the expense of partition fences; amending Minnesota Statutes 1992, section 344.03, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2094, A bill for an act relating to highways; designating bridge as Missing Children's Bridge of Hope; amending Minnesota Statutes 1992, section 161.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2105, A bill for an act relating to veterans; extending eligibility for special veterans' license plates to allied veterans; amending Minnesota Statutes 1992, section 168.123, subdivisions 1 and 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2125, A bill for an act relating to water resources; authorizing planning, design, and engineering work on the proposed Lewis and Clark rural water system; designating a lead state agency to negotiate with federal authorities; appropriating money.

Reported the same back with the following amendments:

Page 1, line 16, delete "<u>negotiate</u>" and insert "<u>coordinate state water policy issues</u> and <u>respond</u> to proposals to <u>establish</u>"

Page 1, lines 23 and 24, delete "; PLANNING, DESIGN, AND ENGINEERING GRANT"

Page 2, line 2, delete "planning, design, and " and insert "activities described in paragraph (b), clauses (1) to (4)."

Page 2, delete lines 3 and 4

Page 2, line 6, delete "to" and insert "for approval by"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2135, A bill for an act relating to manufactured home parks; prohibiting manufactured home parks from prohibiting senior citizens from keeping pet dogs, cats, and birds on the park premises; amending Minnesota Statutes 1992, section 327.27, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, before "pet" insert "house"

Amend the title as follows:

Page 1, line 4, before "pet" insert "house"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2158, A bill for an act relating to pollution; requiring that cities and counties adopt ordinances complying with pollution control agency rules regarding individual sewage treatment systems; requiring the agency to license sewage treatment professionals; requiring rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2159, A bill for an act relating to limited liability companies; providing for the application of workers' compensation and unemployment compensation laws; amending Minnesota Statutes 1992, sections 176.041, subdivision 1; and 268.04, subdivision 7, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 176.041, subdivision 1a; and 268.04, subdivision 12.

Reported the same back with the following amendments:

Pages 1 to 5, delete sections 1, 2, and 3

Page 5, line 17, delete "Sec. 4." and insert "Section 1."

Page 5, line 22, reinstate the stricken "any member of a limited liability company who"

Page 5, line 24, after the stricken "company" insert "is a servant under the law of master and servant" and reinstate the stricken semicolon

Page 5, line 25, reinstate the stricken "(c)"

Page 6, line 1, reinstate the stricken "(d)" and delete "(c)"

Page 18, delete section 5, and insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective January 1, 1995."

Renumber the sections in sequence and correct the internal references

Delete the title and insert:

"A bill for an act relating to limited liability companies; providing for the application of unemployment compensation laws; amending Minnesota Statutes 1993 Supplement, section 268.04, subdivision 12."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2183, A bill for an act relating to transportation; regulating the transportation of hazardous material and hazardous waste; making technical changes; specifying that certain federal regulations do not apply to cargo tanks under 3,000 gallons used in the intrastate transportation of gasoline; establishing a uniform registration and permitting program for transporters of hazardous material and hazardous waste; defining terms; establishing requirements for applications; describing methods for calculating fees; specifying treatment of application data; establishing enforcement authority and administrative penalties; providing for suspension or revocation of registration and permits; providing for base state agreements; preempting and suspending conflicting programs; providing for the deposit and use of fees and grants; establishing exemptions; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; and 221.033, subdivision 1 and 2b; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1992, section 221.033, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 28, after "Data" insert "submitted under section 4, subdivision 9, and"

Page 1, line 31, delete everything after "9" and insert a period

Page 1, delete lines 32 and 33

Page 2, line 15, after "paragraphs" insert "(b), (c),"

Page 2, line 16, after "(c)," insert "(d)(1)," and after "(f)," insert "(g),"

Page 2, line 18, after "if" insert "before providing transportation under this subdivision"

Page 2, delete line 19

Page 2, line 20, before the first "the" insert "(1)"

Page 2, after line 28, insert:

"(b) A cargo tank operated under this subdivision must:

(1) be visually inspected annually by a person authorized to perform such inspections under Code of Federal Regulations, title 49, section 180.409, and a copy of the annual inspection must be kept in the vehicle; and

(2) be visually inspected monthly by the operator in a manner prescribed by the commissioner, and a copy of each monthly inspection must be kept at the operator's principal place of business for at least one year beyond the date of the inspection.

(c) No person may operate a cargo tank described in this subdivision that (1) violates paragraph (a) or (b), or (2) leaks gasoline from any portion of the tank that regularly contains gasoline."

Page 2, line 29, delete "(b)" and insert "(d)"

Page 6, line 15, after the period, insert "<u>A registration is valid for one year from the date a notice of registration</u> form is issued and a permit is valid for three years from the date issued or until a carrier fails to renew its registration, whichever occurs first."

Page 6, after line 26, insert:

"(d) A permit under this subdivision becomes a license under section 221.035, subdivision 1, on August 1, 1996, and is subject to the provisions of section 221.035 until it expires."

Page 6, line 31, after the first "the" insert "total"

Page 6, line 32, delete "intends to register" and insert "operates"

Page 7, line 11, after the period, insert "If a carrier operates more than one fleet under the international registration plan, the carrier must add all miles traveled by all vehicles in all fleets to calculate its mileage. A Minnesota carrier who operates in an adjacent state under a reciprocal agreement with that state must include the miles operated under the agreement as miles traveled in Minnesota in calculating mileage under this clause."

Page 8, after line 35, insert:

"Subd. 7a. [RAIL AND WATER CARRIERS.] (a) A carrier of hazardous material by rail or water who is required to comply with Code of Federal Regulations, title 49, sections 107.601 to 107.620, shall file with the commissioner a complete and accurate copy of its current registration statement, on the form described in Code of Federal Regulations, title 49, section 107.608, and a copy of its current federal certificate of registration. The fee for filing the registration statement is \$250. If the carrier is required to pay a fee under section 299K.095, the commissioner shall credit the actual amount paid by the carrier during the previous 12 months toward payment of the fee required in this subdivision, not to exceed \$250 annually.

(b) Upon a carrier's compliance with this subdivision, the commissioner shall issue a certificate of registration to the carrier. A certificate of registration must bear an effective date and show the carrier's Minnesota hazardous material transportation registration number. A certificate of registration is valid for one year from the date it is issued and must be kept at the carrier's principal place of business.

(c) A carrier whose name, principal place of business, or business telephone number has changed during the time a certificate of registration is effective, shall notify the commissioner of the change by submitting an amended registration statement not later than 30 days after the change. Upon receiving an amended registration statement, the commissioner shall issue an amended certificate of registration. There is no fee for filing an amended registration statement or for issuing an amended certificate of registration."

Page 11, line 23, delete "SUSPENSION OF OTHER STATE PROGRAMS" and insert "HAZARDOUS WASTE LICENSES"

Page 11, line 27, delete everything after the period, and insert "<u>A person who is licensed under section 221.035 need</u> not obtain a permit under subdivision 4 or 5 until the person's license has expired."

Page 11, delete lines 28 to 36

Page 12, delete lines 1 to 8, and insert:

"Subd. 16. [REVOLVING ACCOUNT.] (a) The commissioner shall deposit in a separate account in the trunk highway fund all federal funds received for implementing, administering, and enforcing this section. Money in the account is appropriated to the commissioner for those purposes."

Page 12, line 18, after "waste" insert "jointly"

Page 12, line 19, after the first "the" insert "commissioner of transportation and the"

Page 12, after line 20, insert:

"Sec. 5. Minnesota Statutes 1993 Supplement, section 221.036, subdivision 1, is amended to read:

Subdivision 1. [ORDERS.] The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of (1) section 221.021; (2) <u>section 221.033</u>, <u>subdivision 2b</u>; (3) section 221.041, subdivision 3; (2) (4) section 221.081; (4) (5) section 221.151; (5) (6) section 221.171; (6) (7) section 221.141; (7) (8) section 221.035, a material term or condition of a license issued under that section; or rules of the board or commissioner relating to the transportation of hazardous waste, motor carrier operations, insurance, or tariffs and accounting. An order must be issued as provided in this section.

Sec. 6. Minnesota Statutes 1993 Supplement, section 221.036, subdivision 3, is amended to read:

Subd. 3. [AMOUNT OF PENALTY; CONSIDERATIONS.] (a) The commissioner may issue an order assessing a penalty of up to \$5,000 for all violations of section 221.021, 221.041, subdivision 3; 221.081; 221.141; 221.151; or 221.171, or rules of the board or commissioner relating to motor carrier operations, insurance, or tariffs and accounting, identified during a single inspection, audit, or investigation.

(b) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations of section <u>221.033</u>, <u>subdivision 2b</u>, or 221.035, and rules adopted under that section those sections, identified during a single inspection or audit.

(c) In determining the amount of a penalty, the commissioner shall consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order."

Page 12, line 25, delete "5" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 20, before "proposing" insert "Minnesota Statutes 1993 Supplement, section 221.036, subdivisions 1 and 3;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2198, A bill for an act relating to housing projects; providing for a housing bond credit enhancement program administered by the metropolitan council; authorizing the metropolitan council to provide additional security for bonds issued for qualifying housing projects; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 2, line 20, delete "the highest" and after "develop" insert "or redevelop"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2234, A bill for an act relating to natural resources; personnel working on certain projects; terms and conditions of certain 1993 appropriations; amending Minnesota Statutes 1992, section 116P.09, subdivision 4; Laws 1993, chapter 172, section 14, subdivisions 4, 11, and 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 116P.05, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] (a) The commission shall recommend a budget plan for expenditures from the environment and natural resources trust fund and shall adopt a strategic plan as provided in section 116P.08.

(b) The commission shall recommend expenditures to the legislature from the Minnesota future resources fund under section 116P.13.

(c) It is a condition of acceptance of the appropriations made from the Minnesota future resources fund, Minnesota environment and natural resources trust fund, and oil overcharge money under section 4.071, subdivision 2, that the 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.

(d) The peer review panel created under section 116P.08 must also review, comment, and report to the commission on research proposals applying for an appropriation from the Minnesota resources fund and from oil overcharge money under section 4.071, subdivision 2.

(e) The commission may adopt operating procedures to fulfill its duties under sections 116P.01 to 116P.13.

Sec. 2. Minnesota Statutes 1992, section 116P.08, subdivision 6, is amended to read:

Subd. 6. [PEER REVIEW.] (a) Research proposals must include a stated purpose, timeline, potential outcomes, and an explanation of the need for the research. All research proposals must be reviewed by a peer review panel before receiving an appropriation from the trust fund.

(b) In conducting research proposal reviews, the peer review panel shall:

(1) comment on the methodology proposed and whether it can be expected to yield appropriate and useful information and data;

(2) comment on the need for the research and about similar existing information available, if any; and

(3) comment on whether the research proposed meets the categories of subdivision 1; and

(4) report to the commission and advisory committee on clauses (1) to (3) and (2).

.(c) The peer review panel also must review completed research proposals that have received an appropriation from the trust fund and comment and report upon whether the project reached the intended goals.

Sec. 3. Minnesota Statutes 1992, section 116P.08, subdivision 7, is amended to read:

Subd. 7. [PEER REVIEW PANEL MEMBERSHIP.] (a) The peer review panel must consist of at least five but not more than 11 members who are knowledgeable in general research methods, including but not limited to in the areas of air quality research, water research, forest research, fish and wildlife management research, environmental health research, and soil conservation research environment and natural resources. Not more than two members of the panel may be employees of state agencies in <u>Minnesota</u>.

(b) Members of the peer review panel shall be selected by the commission and serve four year staggered terms according to section 15.059. The commission may select additional temporary members for any research proposal deemed to be too technical for adequate peer review by the panel in paragraph (a). Members of the peer review panel The commission shall elect select a chair every two years who shall be responsible for convening meetings of the panel as often as is necessary to fulfill its duties as prescribed in this section. Compensation of panel members is governed by section 15.059, subdivision 3.

Sec. 4. Minnesota Statutes 1992, section 116P.09, subdivision 4, is amended to read:

Subd. 4. [PERSONNEL.] Persons who are employed by a state agency to work on a project and are paid by an appropriation from the trust fund or Minnesota future resources fund are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been spent, their positions must be canceled and the approved complement of the agency reduced accordingly. Part-time employment of persons for a project is authorized. The use of classified employees is authorized when approved as part of the work program required by section 116P.05, subdivision 2, paragraph (c).

Sec. 5. Minnesota Statutes 1993 Supplement, section 116P.11, is amended to read:

## 116P.11 [AVAILABILITY OF FUNDS FOR DISBURSEMENT.]

(a) The amount biennially available from the trust fund for the budget plan developed by the commission consists of the interest earnings generated from the trust fund. Interest Earnings generated from the trust fund shall equal the amount of interest on debt securities and dividends on equity securities. Gains and losses arising from the sale of securities shall be apportioned as follows:

(1) if the sale of securities results in a net gain during a fiscal year, the gain shall be apportioned in equal installments over the next ten fiscal years to offset net losses in those years. If any portion of an installment is not needed to recover subsequent losses identified in paragraph (b), it shall be added to the principal of the fund; and

(2) if the sale of securities results in a net loss during a fiscal year, the net loss shall be recovered from the gains in paragraph (a) apportioned to that fiscal year. If such gains are insufficient, any remaining net loss shall be recovered from interest and dividend income in equal installments over the following ten fiscal years.

(b) For funding projects through until fiscal year 1997, the following additional amounts are available from the trust fund for the budget plans developed by the commission:

(1) for the 1991-1993 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1990 and 1991;

(2) for the 1993-1995 biennium, up to 20 percent of the revenue deposited in the trust fund in fiscal year 1992 and up to 15 percent of the revenue deposited in the fund in fiscal year 1993;

(3) for the 1993-1995 biennium, up to 25 percent of the revenue deposited in the trust fund in fiscal years 1994 and 1995, to be expended only for capital investments in parks and trails; and

(4) for the 1995-1997 biennium, up to ten percent of the revenue deposited in the fund in fiscal year 1996.

(c) Any appropriated funds not encumbered in the biennium in which they are appropriated cancel and must be credited to the principal of the trust fund.

Sec. 6. Laws 1993, chapter 172, section 14, subdivision 4, is amended to read:

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.

(c) Operational Implications of Alternate Transit Bus Fuels

#### 78,000

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.

(d) The Bus, Bike, or Car Pool (B-BOP) Challenge

### 150,000

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 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.

(e) Tree and Grass Production for Ethanol

## 380,000

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 an agreement by January 1, 1994, with Minnesota Power Company to purchase biomass.

Sec. 7. Laws 1993, chapter 172, section 14, subdivision 11, is amended to read:

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.

(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.

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

## 228,000 175,000

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) develop an enhanced water budgeting computer model (\$100,000) and to install ground water level observation wells around White Bear Lake (\$75,000). This appropriation is available until June 30, 1996.

(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

5630

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.

(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.

Sec. 8. [APPROPRIATION.]

\$300,000 is appropriated 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. \$150,000 is contingent on a match of \$300,000 of nonstate funds by October 1, 1994.

Sec. 9. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

### Delete the title and insert:

"A bill for an act relating to natural resources; personnel working on certain projects; terms and conditions of certain 1993 appropriations; appropriating money; amending Minnesota Statutes 1992, sections 116P.05, subdivision 2; 116P.08, subdivisions 6 and 7; and 116P.09, subdivision 4; Minnesota Statutes 1993 Supplement, section 116P.11; Laws 1993, chapter 172, section 14, subdivisions 4 and 11."

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.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2244, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Roseau county.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2249, A bill for an act relating to agricultural businesses; providing an interest buy-down program for farmers and small businesses; authorizing a protein analysis equipment lease pilot program; providing supplemental funding for certain emergency employment programs; creating a crop disaster insurance program; increasing funding for the farm advocates program, agricultural resource centers, farm and small business management programs at technical colleges, and the Farmers' Legal Action Group; expanding research on grain diseases, soybean varieties, and genetics; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17B.

Reported the same back with the following amendments:

Page 2, line 12, delete "established in the"

Page 2, line 13, delete "guidelines adopted" and insert "announced"

Page 4, line 27, delete "ADOPTION" and insert "ANNOUNCEMENT" and delete "GUIDELINES" and insert "PROCEDURES"

Page 4, line 29, delete "adopt and make available to the public guidelines" and insert "announce procedures"

Page 4, line 30, delete everything after the period

Page 4, delete line 31

Page 6, line 8, delete "5," and insert "6,"

Page 8, after line 12, insert:

#### "ARTICLE 5

## CORN PRODUCER CHECKOFF FEES

Section 1. Minnesota Statutes 1992, section 17.63, is amended to read:

17.63 [REFUND OF FEES.]

(a) Any producer, except

(1) a producer of potatoes in area number one, as listed in section 17.54, subdivision 9, or;

(2) a producer of paddy wild rice; or

(3) a producer of corn,

may, by the use of forms to be provided by the commissioner and upon presentation of such proof as the commissioner requires, have the checkoff fee paid pursuant to sections 17.51 to 17.69 fully or partially refunded, provided the checkoff fee was remitted on a timely basis. The request for refund must be received in the office of the commissioner within the time specified in the promotion order following the payment of the checkoff fee. In no event shall these requests for refund be accepted more often than 12 times per year. Refund shall be made by the commissioner and council within 30 days of the request for refund provided that the checkoff fee sought to be refunded has been received. Rules governing the refund of checkoff fees for all commodities shall be formulated by the commissioner, shall be fully outlined in the promotion order, and shall be available for the information of all producers concerned with the referendum.

(b) Notwithstanding the provisions of paragraph (a) that prohibit checkoff refunds to producers of corn, the commissioner must shall, not later than June 30, 1994, implement procedures to allow partial refund requests from corn producers who have checked off and must allow for assignment of payment to certify by signature assignment of partial refund payments to the Minnesota corn growers association for purposes of paying annual membership dues or fees if the Minnesota corn research and promotion council requests such action by the commissioner.

(c) The Minnesota corn research and promotion council shall not elect to impose membership on any individual producer not requesting a partial refund or assignment of payment to the association."

Page 8, line 13, delete "5" and insert "6"

5632

MONDAY, MARCH 28, 1994

Amend the title as follows:

Page 1, line 7, delete "program" and insert "study; limiting corn producer checkoff refunds"

Page 1, line 12, after the second semicolon, insert "amending Minnesota Statutes 1992, section 17.63;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2269, A bill for an act relating to retirement; teachers retirement association; requiring a special hearing to determine the retirement annuity accrual date for Elwin Leverington.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TEACHERS RETIREMENT ASSOCIATION; EFFECTIVE DATE FOR RETIREMENT ANNUITY ACCRUAL.]

(a) Elwin Leverington of Roseau, Minnesota, must have his retirement effective date revised under paragraph (b), must have his retirement annuity recomputed under paragraph (c), is entitled to a back payment of omitted postretirement adjustment amounts under paragraph (d), and must have additional retirement reserves appropriated on his behalf under paragraph (e).

(b) Notwithstanding any provision of law to the contrary, Elwin Leverington must be considered to have retired effective July 1, 1982, and to have accrued a retirement annuity from that date.

(c) Notwithstanding any provision of law to the contrary, Elwin Leverington must have his future retirement annuity amount increased to account for the adjustment paid to other eligible annuitants from the Minnesota postretirement investment fund on January 1, 1984, and the compounding effect of subsequent postretirement adjustments through the date of enactment to function as his new base retirement annuity for postretirement adjustments after the date of enactment.

(d) Elwin Leverington is entitled to a lump sum payment of postretirement adjustment amounts omitted by virtue of the failure to receive the January 1, 1984, postretirement adjustment under Minnesota Statutes, section 11A.18, including the compounding effect of subsequent postretirement adjustments for the period January 1, 1984, through the date of enactment.

(e) The amount of the required reserves for the recomputed retirement annuity for transfer to the Minnesota postretirement investment fund under paragraph (c) and the amount of the lump sum back payment under paragraph (d) are appropriated from the teachers retirement fund.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment."

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon, and insert "determining"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2277, A bill for an act relating to the environment; providing for the continuation of certain environmental advisory boards; amending Minnesota Statutes 1992, sections 115A.072, subdivision 1; and 115A.12.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Clark from the Committee on Housing to which was referred:

H. F. No. 2308, A bill for an act relating to cities; Saint Paul; providing for a rental tax equity pilot project.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [RENTAL TAX EQUITY; SAINT PAUL PILOT PROJECT.]

<u>Subdivision 1.</u> [PILOT; TERM.] <u>A pilot project for rental tax equity in the city of Saint Paul is established. The program begins for property taxes payable in 1995 and ends with property taxes payable in 1999. The program is available to owners of single- and two-family nonhomestead property.</u>

<u>Subd. 2.</u> [PRIMARY OBJECTIVE.] The pilot project's primary objective is to help stabilize costs for the conscientious, industrious landlord who is already providing safe, decent, and affordable housing. The property tax reduction provided by the program is intended to give an incentive to other landlords to improve their tenant-occupied property and still offer affordable housing.

Sec. 2. [PROPERTY TAX TREATMENT.]

(a) Notwithstanding Minnesota Statutes, section 273.13, or any other law to the contrary, single- and two-family nonhomestead property located in the city of Saint Paul and existing on the effective date of this act, that, on the effective day of this act, is otherwise classified under Minnesota Statutes, section 273.13, subdivision 25, paragraph (b), clause (1), and that meets the requirements of sections 1 to 9, is classified as class 1a property under Minnesota Statutes, section 273.13, subdivision 22, paragraph (a), for purposes of determining the property tax payable on the property.

(b) The value of improvements made under section 3, paragraphs (d) and (g), to property classified under paragraph (a) must be excluded from the valuation of the property for assessment purposes under Minnesota Statutes, section 273.11, subdivision 1. The assessor shall note the qualifying value of each improvement on the property's assessment records and the sum of those amounts must be subtracted from the market value of the property each year until the valuation exclusion terminates, or the landlord withdraws the property from the program. The qualifying value must be added back in the first assessment year following the termination or withdrawal.

(c) The city shall provide the county treasurer with a list of buildings certified for participation in the Saint Paul rental equity program described in this act, and a list of the names of the tenants who lived in each building at the time of certification.

(d) The program is not a housing or building code enforcement program.

(e) Participation in the program is voluntary.

Sec. 3. [PROGRAM STEPS.]

(a) <u>A landlord who owns eligible property and who wishes to participate must arrange for a certified evaluator</u> who is licensed by the city of Saint Paul to evaluate the property.

(b) The landlord must notify the tenant of the evaluation so that the tenant may be present if the tenant wishes.

(c) The evaluator must evaluate the property using program guidelines adopted by resolution of the Saint Paul city council prior to implementation of the program under this act.

(d) If the evaluator determines that repairs are necessary, the landlord must make the repairs and call for a reinspection by the evaluator. If the evaluator identifies life or safety hazards, the evaluator must notify appropriate city officials, who shall take immediate action to require and enforce repair of the life or safety hazard items.

(e) The evaluator must reinspect the property to see if the program guidelines have been followed.

(f) The evaluator must submit a report on the property's evaluation to the appropriate city officials, the landlord, and the tenant. A filing fee must be paid at the time the report is submitted to the city.

(g) Appropriate city officials must review the report and approve it or issue orders for further repair. In so doing, city staff members may make an on-site review. The landlord may withdraw from the program at any time without making required repairs except those for life or safety hazards, which may be otherwise required.

(h) A landlord who chooses to participate must complete an application for certification by November 1 of the year before the first taxes payable year in which the property would qualify.

(i) An owner may apply this program to no more than ten nonhomestead, single- or two-family, tenant-occupied properties.

Sec. 4. [APPEALS.]

(a) The board of equalization must serve as a board of review to hear appeals relating to the value of improvements and properties. Procedures for board actions and for appeals from board decisions are as provided for other matters decided by the board of equalization.

(b) The city may appoint a board of appeals to hear disputes regarding qualification and recertification for the program. The board shall meet to hear appeals under sections 1 to 9 between November 1 and December 1 each year of the program.

## Sec. 5. [RECERTIFICATION.]

Each year during the term of the project, a participant from the previous year must apply to the city by November 1 to be recertified. Before recertifying a property, the city must provide each tenant with an opportunity to evaluate the condition of the property. The city must recertify the participant's property if there are no violations of the program guidelines, or no reported tenant concerns with the condition of the property, an evaluator must reinspect the property, order repairs if necessary, and reinspect before the property may be recertified. The participant may appeal a denial of recertification to the board of review.

Sec. 6. [CITY FEES.]

The landlord must pay the housing evaluator a fee, as determined by the city, for the initial inspection and necessary reinspections. The evaluator must pay a filing fee, as determined by the city, to file the evaluator's report. The evaluator may be reimbursed by the landlord for this fee. The landlord must pay the city a fee, as determined by the city, to apply for recertification. If additional inspections are required, a reinspection fee, as determined by the city, must be paid by the landlord.

Sec. 7. [PROPERTY TAX REFUNDS.]

Notwithstanding Minnesota Statutes, section 290A.03, subdivision 11, for purposes of calculating a claimant's property tax refund, in the case of a claimant who resides in a unit certified for participation in the Saint Paul rental equity project under this act, the claimant's "rent constituting property taxes paid" for property taxes payable in 1995 to 1999 shall be the rent constituting property tax as defined in Minnesota Statutes, section 290A.03, subdivision 11, for the unit in the year preceding the year in which the unit was certified for the Saint Paul rental equity project.

An owner or managing agent of a unit certified for participation in the Saint Paul rental equity project shall indicate that the unit was certified for participation on the rent certificate prescribed in Minnesota Statutes, section 290A.19, paragraph (a). In the event that the owner or managing agent fails to provide a rent certificate and the renter obtains a statement from the county treasurer, as prescribed in Minnesota Statutes, section 290A.19, paragraph (c), the county treasurer shall also indicate on the statement if the building was certified for participation in the Saint Paul rental equity project. If the building was certified for participation, the county treasurer shall include on the statement the amount of property tax on the parcel in the year preceding certification for the Saint Paul rental equity project.

Sec. 8. [GENERAL FUND; REPLACEMENT OF REVENUE.]

Payment from the general fund shall be made as provided in this section for the purpose of replacing revenue lost as a result of the reduction of property taxes provided in this act.

The Ramsey county auditor shall certify each year to the commissioner of revenue the amount of reduction resulting from this act. This certification shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of Minnesota Statutes, section 275.29. The commissioner of revenue shall review the certifications to determine their accuracy and make changes in the certification as necessary or return a certification to the county auditor for corrections.

Based on current year tax data reported in the abstracts of tax lists, the commissioner of revenue shall annually determine the taxing district distribution of the amounts certified. The commissioner of revenue shall pay to each taxing district its total payment for the year in equal installments on or before July 15 and December 15 of each year.

The reimbursement paid under this section in 1995 is limited to \$2,000,000.

Sec. 9. [LIMITED MARKET VALUE.]

For purposes of determining limited market value under Minnesota Statutes, section 273.11, subdivision 1a, the term "assessment" in that subdivision means the value prior to any exclusion for improvements under section 2, paragraph (b).

Sec. 10. [REPORT TO THE LEGISLATURE.]

By January 15, 1995, the Saint Paul city council shall provide a report to the committee on housing and the committee on taxes and tax laws of the senate and the tax committee of the house of representatives on the program. The report must include the program guidelines, housing costs, rents, and the extent of participation in the program for the payable 1995 tax year.

Sec. 11. [EFFECTIVE DATE.]

<u>Sections 1 to 9 are effective the day following final enactment and apply to property taxes payable in years 1995</u> to 1999 on nonhomestead, single- and two-family rental properties existing on the effective date."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2309, A bill for an act relating to highways; changing highway description; amending Minnesota Statutes 1992, section 161.115, subdivision 224.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2347, A bill for an act relating to taxation; motor fuels; providing for the disposition of unrefunded gasoline tax attributable to off-highway motorcycle use; amending Minnesota Statutes 1992, section 296.16, subdivision 1; Minnesota Statutes 1993 Supplement, section 84.794, subdivision 1.

5637

Reported the same back with the following amendments:

Page 2, lines 22 and 27, delete "..." and insert "0.046"

Page 2, after line 29, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1994. Section 2 applies to gasoline received or produced in or brought into this state on and after that date."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2358, A bill for an act relating to taxation; motor fuels; providing for the disposition of unrefunded gasoline tax attributable to off-road vehicle use; amending Minnesota Statutes 1992, section 296.16, subdivision 1; Minnesota Statutes 1993 Supplement, section 84.803, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2359, A bill for an act relating to public safety; making technical corrections; allowing special, coded license plates to be issued, following impoundment of former plates, to licensed driver identified by vehicle's registered owner; requiring department of public safety to keep records for five years of cancellations and disqualifications of drivers' licenses, unless rescinded; classifying offenses of following too closely and erratic lane change as serious traffic offenses for purposes of disqualifying driver from operating commercial motor vehicle; requiring same waiting period for Minnesota limited driver's license whether offense was committed in Minnesota or in another state; amending Minnesota Statutes 1992, sections 168.042, subdivision 12; 171.12, subdivisions 1, 3, and 3a; 171.165, subdivision 4; and 260.151, subdivision 1; Minnesota Statutes 1993 Supplement, sections 171.22, subdivision 1; 171.29, subdivision 2; and 171.30, subdivision 2a.

Reported the same back with the following amendments:

Page 1, after line 21, insert:

"Section 1. Minnesota Statutes 1992, section 168.012, is amended by adding a subdivision to read:

<u>Subd. 1d.</u> [STATE LOTTERY VEHICLES.] Unmarked passenger vehicles used by the state lottery for the purpose of conducting security or criminal investigations or ensuring that lottery retailers are in compliance with law and with their contracts are not required to display tax-exempt number plates, but must be registered and must display passenger vehicle license plates. The registrar shall furnish the license plates to the director of the state lottery at cost. On applying for initial registration or renewal of a registration under this subdivision, the director of the state lottery must certify, on a form prescribed by the registrar and signed by the director, that the vehicles will be used exclusively for the purposes of this subdivision."

Page 2, after line 7, insert:

"Sec. 3. Minnesota Statutes 1993 Supplement, section 171.06, subdivision 4, is amended to read:

Subd. 4. [APPLICATION, FILING; FEE RETAINED FOR EXPENSES.] Any applicant for an instruction permit, a driver's license, restricted license, or duplicate license may file an application with a court administrator of the district court or at a state office. The administrator or state office shall receive and accept the application. To cover all expenses involved in receiving, accepting, or forwarding to the department applications and fees, the court

administrator of the district court may retain a county fee of \$3.50 for each application for a Minnesota identification card, instruction permit, duplicate license, driver license, or restricted license. The amount allowed to be retained by the court administrator of the district court shall be paid into the county treasury and credited to the general revenue fund of the county. Before the end of the first working day following the final day of an established reporting period, the court administrator shall forward to the department all applications and fees collected during the reporting period, less the amount herein allowed to be retained for expenses. The court administrators of the district courts may appoint agents to assist in accepting applications, but the administrators shall require every agent to forward to the administrators by whom the agent is appointed all applications accepted and fees collected by the agent, except that an agent may shall retain the county fee to cover the agent's expenses involved in receiving, accepting or forwarding the applications and fees. The court administrators shall be responsible for the acts of agents appointed by them and for the forwarding to the department of all applications accepted and those fees collected by agents and by themselves as are required to be forwarded to the department."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "exempting state lottery from registration tax for license plates on vehicles used for conducting security or criminal investigations; requiring district court agents to retain filing fee for receiving and forwarding drivers' license applications and fees;"

Page 1, line 16, after "sections" insert "168.012, by adding a subdivision;"

Page 1, line 19, after "sections" insert "171.06, subdivision 4;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2362, A bill for an act relating to animals; changing the definition of a potentially dangerous dog; changing the identification tag requirements for a dangerous dog; amending Minnesota Statutes 1992, sections 347.50, subdivision 3; and 347.51, subdivision 7.

Reported the same back with the following amendments:

Page 1, line 14, after "person" insert ", including a person on a bicycle,"

Page 1, line 25, after the period, insert "<u>The tag must be of a plastic material, must be between 1.5 and 2 inches in diameter, and must contain the uniform dangerous dog symbol designed under section 347.51, subdivision 2a, with the same yellow background, red symbol, and black dog."</u>

Delete page 1, line 26 to page 2, line 3

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2365, A bill for an act relating to traffic regulations; making technical changes; requiring that transportation for students in Head Start programs be by school bus; removing requirement for auxiliary low beam lights to be removed or covered when snowplow blade removed; requiring seat belts for commercial motor vehicles;

## MONDAY, MARCH 28, 1994

allowing transportation within state of raw farm and forest products exceeding maximum weight limitation by not more than three percent; amending Minnesota Statutes 1992, sections 169.448, subdivision 3; 169.743; and 169.851, subdivisions 3 and 5; Minnesota Statutes 1993 Supplement, sections 169.47, subdivision 1; 169.522, subdivision 1; 169.56, subdivision 5; and 169.686, subdivision 1.

Reported the same back with the following amendments:

Page 1, delete lines 17 to 22 and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 169.122, subdivision 5, is amended to read:

Subd. 5. [EXCEPTION.] This section does not apply to the possession or consumption of alcoholic beverages by passengers in:

(1) a bus operated under a charter as defined in section 221.011, subdivision 20; or

(2) a vehicle providing limousine service as defined in section 168.011, subdivision 35 221.84, subdivision 1."

Page 5, delete section 7

Page 5, line 25, delete "three" and insert "ten"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete everything before "removing"

Page 1, line 11, delete everything after "sections"

Page 1, line 12, delete "subdivisions 3 and" and insert "subdivision"

Page 1, line 13, after "sections" insert "169.122, subdivision 5;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2371, A bill for an act relating to unemployment compensation; establishing a self-employment assistance program; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [STUDY.]

The department of jobs and training and the unemployment advisory committee shall study the self-employment assistance program permitted under federal law and recommend an appropriate program to the legislature by January 15, 1995. The department shall consult with the department of trade and economic development,

representatives of the technical college system, business organizations, organizations presently assisting individuals in starting their own business, and local economic development groups. The department shall encourage input from interested legislators and representatives of other interested groups."

Delete the title and insert:

"A bill for an act relating to unemployment compensation; requiring a study of self-employment assistance programs."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2375, A bill for an act relating to local economic development; authorizing the city of Minneapolis to establish a jobs park.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITY OF MINNEAPOLIS; NORTH WASHINGTON INDUSTRIAL PARK REDEVELOPMENT PROJECT.]

<u>Subdivision 1.</u> [AUTHORIZATION; SPECIAL RULES.] <u>With respect to a hazardous substance subdistrict to be</u> <u>established by the Minneapolis community development agency and the city of Minneapolis within the North</u> <u>Washington industrial park redevelopment project in the city of Minneapolis</u>:

(1) In addition to the authorized uses of tax increment revenues provided at Minnesota Statutes, section 469.176, subdivision 4e, either the city of Minneapolis or the Minneapolis community development agency may use tax increment revenues derived from the hazardous substance subdistrict to acquire property within the hazardous substance subdistrict.

(2) At any time on or after approval of the tax increment financing plan with respect to the hazardous substance subdistrict, the Minneapolis community development agency may elect to designate any tax increment revenues from the hazardous substance subdistrict to be tax increment revenues generated solely from the hazardous substance subdistrict.

(3) A parcel described in the tax increment financing plan or plan amendment may be designated and certified for inclusion in the hazardous substance subdistrict without approval of a development action response plan.

(4) The provisions of Minnesota Statutes, section 273.1399, do not apply to the hazardous substance subdistrict.

(5) In addition to the authorized uses of tax increment revenues provided at Minnesota Statutes, sections 469.174 to 469.179, as amended, the Minneapolis community development agency may use tax increment revenues to provide jobs training or job training grants to businesses located or to be located at the jobs park within the North Washington industrial park.

Subd. 2. [EXEMPTION FROM SALES TAX.] <u>Minnesota Statutes, sections 297A.01 to 297A.44, do not apply to the</u> purchase of any machinery or equipment to be located on real property within the hazardous substance subdistrict to be located within North Washington industrial park redevelopment project.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective upon compliance by the governing body of the city of Minneapolis with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to the city of Minneapolis; authorizing special rules for hazardous substance subdistrict; providing for exemption from sales tax."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2384, A bill for an act relating to traffic regulations; establishing Minnesota child passenger restraint and education account to assist families in financial need to obtain child passenger restraint systems; amending Minnesota Statutes 1992, section 169.685, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 169.685, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [169.687] [CHILD RESTRAINT DISTRIBUTION AND EDUCATION PROGRAM.]

The commissioner of public safety shall establish and implement a child passenger restraint distribution and education program. As part of the program the commissioner shall (1) conduct a public education campaign on the need for, and proper use of, child passenger restraint systems, and (2) take action, including grants to appropriate county agencies, to provide child passenger restraint systems to families with household income that is at or below the poverty line established by the United States Office of Management and Budget in accordance with the most recent state population figures established by the United States Department of Commerce, Bureau of the Census. The commissioner may spend not more than \$..... in fiscal year 1995 for the purposes of this section. The commissioner may receive donations, including donations of child passenger restraint systems, for the purposes of this section.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective July 1, 1994."

Delete the title and insert:

"A bill for an act relating to highway safety; directing the commissioner of public safety to establish and implement a child passenger restraint distribution and education program; proposing coding for new law in Minnesota Statutes, chapter 169."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2386, A bill for an act relating to agriculture; establishing certification and labeling program to identify milk and milk products free of recombinant bovine growth hormone; amending regulations regarding use and clarification of recombinant bovine somatotropin; appropriating money; amending Minnesota Statutes 1992, sections 32.103; 151.01, subdivision 28; 151.15, subdivision 3; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 32.

Reported the same back with the following amendments:

Page 1, line 25, delete everything after the period

Page 1, delete lines 26 to 28

Page 2, delete lines 1 to 6

Page 4, line 3, delete "producer," and after "plant" delete the comma

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2410, A bill for an act relating to natural resources; sale of native tree seed and tree planting stock; terms and conditions governing the leasing of state timber lands; amending Minnesota Statutes 1992, sections 89.36, subdivision 3; 89.37, by adding a subdivision; 90.101, subdivision 2; 90.151, subdivision 1; 90.161, subdivisions 1 and 2; 90.191, subdivision 2; and 90.193; Minnesota Statutes 1993 Supplement, sections 90.101, subdivision 1; and 90.121; repealing Minnesota Statutes 1992, section 90.151, subdivisions 13 and 14.

Reported the same back with the following amendments:

Page 2, line 7, after "<u>private</u>" insert "<u>Minnesota</u>" and before the period insert "<u>when supplies of seed from</u> geographically adapted sources are not available from private Minnesota seed dealers"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sama from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2415, A bill for an act relating to economic development; clarifying applications and criteria for Minnesota companies to participate in the international business partnership program; amending Minnesota Statutes 1992, section 116J.974.

Reported the same back with the following amendments:

Page 2, line 14, strike "an" and insert "the"

Page 2, line 16, delete the new language and after "governments" insert a semicolon

Page 2, line 17, delete the new language and strike ". An international partnership"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2416, A bill for an act relating to insurance; providing liability coverage for lead abatement through the Minnesota joint underwriting association; amending Minnesota Statutes 1992, section 621.02, subdivisions 1 and 3.

Reported the same back with the following amendments:

Page 3, after line 3, insert:

"Sec. 3. [EXPIRATION.]

The amendments made by sections 1 and 2 expire June 30, 1995."

Page 3, line 4, delete "3" and insert "4"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2418, A bill for an act relating to drivers' licenses; allowing commissioner of public safety to determine driver's test taken for license reinstatement; amending Minnesota Statutes 1992, section 171.29, subdivision 1.

Reported the same back with the following amendments:

Page 1, lines 17 to 19, delete the new language

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2426, A bill for an act relating to traffic regulations; allowing any city to establish citizen enforcement programs to enforce vehicle parking laws relating to the physically disabled; amending Minnesota Statutes 1993 Supplement, section 169.346, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 22, after the period, insert "<u>A citizen volunteer while performing duties in a program established under</u> this section is an agent of the city for purposes of section 466.02."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "specifying that citizen volunteers are agents of the city for liability purposes;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2433, A bill for an act relating to the city of Duluth; authorizing the issuance of general obligation bonds to finance improvements to the Duluth entertainment convention center.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2436, A bill for an act relating to youth and young adult corps; authorizing insurance and education awards to members and former members; amending Minnesota Statutes 1992, section 84.0887, by adding subdivisions.

Reported the same back with the following amendments:

Page 2, line 12, delete "three" and insert "seven"

Page 2, line 13, after "tuition" insert ", related educational expenses,"

Amend the title as follows:

Page 1, line 3, delete "and former"

Page 1, line 4, delete "members"

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.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2457, A bill for an act relating to transportation; increasing money set aside from the county state-aid highway and municipal state-aid street funds to the disaster accounts and research accounts; changing composition of disaster account boards; providing that remaining money from research accounts lapse to the appropriate funds after two years; amending Minnesota Statutes 1992, sections 162.06, subdivisions 3 and 4; and 162.12, subdivisions 3 and 4.

Reported the same back with the following amendments:

Page 4, after line 19, insert:

"Sec. 5. [APPROPRIATION.]

\$8,500,000 is appropriated from the trunk highway fund to the commissioner of transportation for state road operations, including field operations and program delivery, to be available until June 30, 1995.

Sec. 6. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2508, A bill for an act relating to motor vehicles; making technical corrections; taxing commuter vans as buses for vehicle registration purposes; allowing holder of personalized license plates to have priority for those plates in next registration period as long as holder keeps registration current; providing for temporary 60-day permits while waiting for special ready reserve license plates or special collegiate license plates; requiring vehicle dealers to file information relating to temporary registration permits issued to new purchasers; requiring drive-away in transit license plates and insurance for transporting vehicles; regulating vehicle dealers; requiring that parking certificate for disabled person hang from rearview mirror; specifying parking certificate expiration times for persons with permanent and temporary disabilities; providing for administrative hearings regarding deputy registrars; requiring secured parties to be notified when a dealer buys a late model or high value salvage vehicle; amending Minnesota Statutes 1992, sections 168.011, subdivision 7; 168.013, subdivision 1f, and by adding a subdivision; 168.053, subdivision 1; 168.054; 168.09, subdivision 7; 168.092, subdivision 2; 168.12, subdivision 2a; 168.126, subdivision 1; 168.27, subdivisions 1, 12, 13, 15, 16, and 17; 168.33, subdivision 2; 168A.11, subdivision 2, 168A.153, subdivision 2; 169.345, subdivision 1; and 325F.662, subdivision 3; Minnesota Statutes 1993 Supplement, section 169.345, subdivision 3.

Reported the same back with the following amendments:

Page 2, after line 4, insert:

"Sec. 2. Minnesota Statutes 1992, section 168.012, is amended by adding a subdivision to read:

Subd. 1d. [STATE LOTTERY VEHICLES.] Unmarked passenger vehicles used by the state lottery for the purpose of conducting security or criminal investigations or ensuring that lottery retailers are in compliance with law and with their contracts are not required to display tax-exempt number plates, but must be registered and must display passenger vehicle license plates. The registrar shall furnish the license plates to the director of the state lottery at cost. On applying for initial registration or renewal of a registration under this subdivision, the director of the state lottery must certify, on a form prescribed by the registrar and signed by the director, that the vehicles will be used exclusively for the purposes of this subdivision."

Page 20, after line 2, insert:

"Sec. 22. Minnesota Statutes 1993 Supplement, section 171.06, subdivision 4, is amended to read:

Subd. 4. [APPLICATION, FILING; FEE RETAINED FOR EXPENSES.] Any applicant for an instruction permit, a driver's license, restricted license, or duplicate license may file an application with a court administrator of the district court or at a state office. The administrator or state office shall receive and accept the application. To cover all expenses involved in receiving, accepting, or forwarding to the department applications and fees, the court administrator of the district court may retain a county fee of \$3.50 for each application for a Minnesota identification card, instruction permit, duplicate license, driver license, or restricted license. The amount allowed to be retained by the court administrator of the district court shall be paid into the county treasury and credited to the general revenue fund of the county. Before the end of the first working day following the final day of an established reporting period, the court administrator shall forward to the department all applications and fees collected during the reporting period, less the amount herein allowed to be retained for expenses. The court administrators of the district courts may appoint agents to assist in accepting applications, but the administrators shall require every agent to forward to the administrators by whom the agent is appointed all applications accepted and fees collected by the agent, except that an agent may shall retain the county fee to cover the agent's expenses involved in receiving, accepting or forwarding the applications and fees. The court administrators shall be responsible for the acts of agents appointed by them and for the forwarding to the department of all applications accepted and those fees collected by agents and by themselves as are required to be forwarded to the department."

Page 21, after line 1, insert:

"Sec. 24. [299F.013] [FUEL DISPENSING.]

Any rule of the commissioner of public safety that adopts provisions of the uniform fire code relating to flammable and combustible liquids must permit the dispensing of class I and class II liquids from a fuel-dispensing system supplied by exterior aboveground tanks, for operations not open to the public. The following dispensing operations are permitted:

(1) dispensing of class I liquids from one tank having a capacity of up to 560 gallons having the dispenser located on or adjacent to the tank;

(2) dispensing of class II liquids from up to two tanks having a capacity of up to 1,000 gallons each and having the dispenser located on or adjacent to the tank.

Dispensing operations authorized under this section are subject to all other applicable requirements of the uniform fire code."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "exempting license plates on state lottery vehicles from registration tax when used for security or criminal investigation purposes;"

Page 1, line 19, after the semicolon, insert "requiring district court agents to retain filing fee for receiving and forwarding drivers' license applications and fees;"

Page 1, line 21, after the semicolon, insert "providing exemption from uniform fire code for dispensing certain flammable liquids;"

Page 1, line 22, after the semicolon, insert "168.012, by adding a subdivision;"

Page 1, line 30, delete "section" and insert "sections"

Page 1, line 31, before the period, insert "; and 171.06, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 299F"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2511, A bill for an act relating to railroads; authorizing rail carriers to participate in loan guarantee program; defining terms; amending eligibility requirements; amending Minnesota Statutes 1992, sections 222.55; 222.56, subdivisions 5, 6, and by adding subdivisions; 222.57; and 222.58, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 222.55, is amended to read:

## 222.55 [RAIL USER AND RAIL CARRIER LOAN GUARANTEE PROGRAM; PURPOSE.]

In order to aid rail users in obtaining credit for participation in contracts for rail line <u>and rolling stock</u> rehabilitation, <u>acquisition, or installation</u> and for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service, <u>and to aid rail carriers in the rehabilitation of locomotives and the acquisition and rehabilitation of rolling stock</u>, there is established a rail user <u>and rail carrier</u> loan guarantee program to provide state money in guarantee of loans made according to the provisions of sections 222.55 to 222.62.

Sec. 2. Minnesota Statutes 1992, section 222.56, subdivision 5, is amended to read:

Subd. 5. [LOAN.] "Loan" means a loan or advance of credit <u>provided by a financial institution</u> to a rail user <u>or rail</u> <u>carrier</u> for participation in contracts for rail line <u>or rolling stock</u> rehabilitation, <u>acquisition</u>, <u>or installation</u>, <u>a rail carrier</u> <u>for rehabilitation of locomotives</u> or for paying the costs of capital improvements necessary to improve rail service or reduce the impact of discontinuance of rail service.

Sec. 3. Minnesota Statutes 1992, section 222.56, subdivision 6, is amended to read:

Subd. 6. [PERSONAL GUARANTEE.] "Personal Guarantee" means a personal or corporate obligation to pay the loan.

Sec. 4. Minnesota Statutes 1992, section 222.56, is amended by adding a subdivision to read:

Subd. 8. [RAIL CARRIER.] "Rail carrier" means a common carrier by rail engaged in rail transportation of people, goods, or products for hire.

Sec. 5. Minnesota Statutes 1992, section 222.56, is amended by adding a subdivision to read:

<u>Subd. 9.</u> [ROLLING STOCK.] "<u>Rolling stock</u>" means <u>rail cars</u>, <u>machinery</u>, and <u>equipment used by a rail carrier to</u> <u>move people</u>, <u>goods</u>, <u>and products</u>, <u>but does not include maintenance of way equipment or tools used in the</u> <u>maintenance or upgrade of track</u>.

Sec. 6. Minnesota Statutes 1992, section 222.57, is amended to read:

222.57 [RAIL USER AND RAIL CARRIER LOAN GUARANTEE ACCOUNT.]

There is created a rail user <u>and rail carrier</u> loan guarantee account as a separate account in the rail service improvement account, which shall be used by the commissioner for carrying out the provisions of sections 222.55 to 222.62 with respect to loans insured under section 222.58. The commissioner may transfer to the rail user <u>and rail carrier</u> loan guarantee account from money otherwise available in the rail service improvement account whatever amount is necessary to implement the rail user loan guarantee program and may withdraw any amount from the rail user <u>and rail carrier</u> loan guarantee account that is not required to insure outstanding loans as provided in section 222.60, subdivision 1.

Sec. 7. Minnesota Statutes 1992, section 222.58, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY REQUIREMENTS.] A loan is eligible for insurance under this section under the following conditions:

(a) The loan shall be in an original principal amount, bear an interest rate, contain complete amortization provisions, and have a maturity satisfactory under such terms as the commissioner may prescribe by rule.

(b) The proceeds of the loan shall be used solely for

(i) (1) participation in contracts for capital investment loans for rail line rehabilitation, or acquisition, or installation;

(ii) (2) capital improvement projects designed to improve rail service or reduce the economic impact of discontinuance of rail service. The projects, and may include but are not limited to construction or improvement of short segments of rail line such as side track, team track, and connections between existing lines; and construction and improvement of loading, unloading, storage, and transfer facilities, and rail facilities of the rail user users or rail carriers;

(3) rehabilitation of locomotives owned by rail carriers primarily in operation on railroad lines within the state;

(4) rehabilitation or acquisition of rolling stock owned or acquired by rail users or rail carriers operating or doing business primarily within the state; or

(5) costs of technical and inspection services related to the rehabilitation of locomotives or rolling stock.

(c) The loan agreement shall contain such terms and provisions with respect to any other matters as the commissioner may prescribe.

(d) The borrower provides a personal guarantee and collateral for the loan which is acceptable to the commissioner as sufficient security to protect the interests of the state."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2522, A bill for an act relating to natural resources; authorizing departmental sponsored competition in natural resources conservation related activities; 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.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2523, A bill for an act relating to occupations and professions; requiring that concrete and masonry workers be licensed as residential contractors; amending Minnesota Statutes 1993 Supplement, sections 326.83, subdivisions 7, 19, and by adding a subdivision; 326.842; and 326.94, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2526, A bill for an act relating to transportation; providing that cities with a combined population of at least 5,000 may qualify for municipal state aid if certain conditions are met; amending Minnesota Statutes 1992, section 162.09, subdivision 4.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2552, A bill for an act relating to taxation; exempting passenger restraint systems for children from the sales and use tax and the motor vehicle excise tax; amending Minnesota Statutes 1992, sections 297A.25, by adding a subdivision; and 297B.01, subdivision 8.

Reported the same back without recommendation.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2577, A bill for an act relating to employment; establishing a retraining and targeted training grants program for certain workers; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 2, line 13, delete "and" and insert:

"(5) evidence that the proposal has the support and involvement of labor; and"

Page 2, line 14, delete "(5)" and insert "(6)"

Page 3, line 1, delete "and" and insert:

"(6) evidence that the proposal has the support and involvement of labor; and"

Page 3, line 2, delete "(6)" and insert "(7)"

Page 3, line 18, delete ", in consultation with"

Page 3, line 19, delete "the governor's job training council,"

Page 3, line 20, after "grants" insert ", if approved by the governor's job training council,"

Page 3, line 23, after "match" insert "of at least one for one"

Page 3, line 29, delete "or" and insert "and"

Page 3, after line 33, insert:

"Subd. 7. [LIMITATION.] No more than five percent of the amount available under section 268.022, subdivision 2, paragraph (e), may be used for the grants authorized under this section. The funds shall be used from the allocation under section 268.022, subdivision 2, paragraph (e), clause (2)."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2605, A bill for an act relating to transportation; bonding; abolishing requirement that electorate approve bonds in excess of tax limitations for airports and authorizing issuance by 60 percent vote of governing body; allowing taxes to be levied by local governing body to pay bond principal or interest; allowing one municipality to issue bonds on behalf of other municipalities in a joint agreement; amending Minnesota Statutes 1992, sections 360.036, subdivisions 2 and 3; 360.037, subdivision 2; and 360.042, subdivision 10.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2625, A bill for an act relating to the metropolitan waste control commission; reducing the salary range of the chair; providing for a part-time chair; amending Minnesota Statutes 1992, sections 15A.081, subdivision 7; and 473.503.

Reported the same back with the following amendments:

Page 2, line 13, before the period, insert ", unless the metropolitan waste control commission is abolished by house file 2276 or senate file 2015 if enacted into law"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2630, A bill for an act relating to traffic regulations; increasing from \$500 to \$1,000 the threshold level of reportable motor vehicle accidents; amending Minnesota Statutes 1993 Supplement, section 169.09, subdivision 7.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2634, A bill for an act relating to transportation; requiring understandable notice of requirements for appealing town road damage awards; amending Minnesota Statutes 1992, section 164.07, subdivision 6.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2638, A bill for an act relating to metropolitan waste control commission; authorizing the commission to enter into agreements to implement total watershed management; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Page 1, line 8, after "commission" insert "with the approval of the metropolitan council"

Page 1, line 20, after "Carver," insert "Dakota,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2648, A bill for an act relating to traffic regulations; applying inspection requirements for commercial motor vehicles to school buses; amending Minnesota Statutes 1992, section 169.781, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. [APPROPRIATIONS; SUMMARY.]

Except as otherwise provided in this act, the sums set forth in the columns designated "fiscal year 1994" and "fiscal year 1995" are appropriated from the general fund, or other named fund, to the agencies for the purposes specified in this act and are added to appropriations for the fiscal years ending June 30, 1994, and June 30, 1995, in Laws 1993, chapter 266, or other named law.

APPROPRIATIONS Available for the fiscal Year Ending June 30 1994 1995

## Sec. 2. REGIONAL TRANSIT BOARD

\$6,300,000 is to fund regular route transit service.

\$2,500,000 is to fund special transportation service (metro mobility).

\$2,550,000 is to fund community-based transit service and administration.

\$25,100,000

APPROPRIATIONS Available for the fiscal Year Ending June 30 1994 1995

\$5,600,000 is to implement the Vision for Transit.

\$3,900,000 is to fund the metropolitan transit commission operations.

\$1,000,000 is for the downtown Minneapolis travel demand management organization's Nicollet Mall shuttle, if matched by the city of Minneapolis.

\$3,250,000 is for the metropolitan transit commission to implement high-speed bus service.

### Sec. 3. TRANSPORTATION

(a) \$3,500,000 is added to the appropriation in Laws 1993, chapter 266, section 2, subdivision 3, paragraph (a), and is to maintain existing transit service in greater Minnesota and to expand transit service to areas of the state without service.

(b) \$112,000 is added to the appropriation in Laws 1993, chapter 266, section 2, subdivision 3, paragraph (b), for transit administration.

Any unencumbered balance from the appropriation in Laws 1993, chapter 266, section 2, subdivision 3, for fiscal year 1994 is available for the same purposes in fiscal year 1995."

Page 2, after line 12, insert:

"Sec. 5. Minnesota Statutes 1992, section 473.39, is amended by adding a subdivision to read:

<u>Subd.</u> 1c. [OBLIGATIONS; 1995-1998.] The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not to exceed \$90,000,000, which may be used by the transit commission for transit vehicles and capital improvements, and related costs including the cost of issuance and sale of obligations.

Sec. 6. [APPLICATION.]

Sections 2 and 5 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 7. [EFFECTIVE DATE.]

This act is effective July 1, 1994."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "traffic regulations" and insert "transportation"

Page 1, line 4, after the semicolon, insert "appropriating money for transit; authorizing issuance of debt instruments for transit purposes;" and delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; and 473.39, by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2666, A bill for an act relating to local government; prohibiting the adoption of certain zoning ordinances by municipalities and counties; amending Minnesota Statutes 1992, sections 394.25, by adding a subdivision; and 462.357, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. [366.151] [CERTAIN ORDINANCES; MANUFACTURED HOMES.]

A town board must not enact, amend, or enforce a zoning ordinance that has the effect of altering the existing density, lot-size requirements, or manufactured home setback requirements in any manufactured home park constructed before January 1, 1995, if the manufactured home park, when constructed, complied with the then existing density, lot-size and setback requirements, or if the manufactured home park did not so comply, the town board nevertheless permitted the construction of the manufactured home park and the manufactured home park has operated for three years without commencement of an enforcement action by the town."

Page 1, line 14, delete "unless" and insert "if"

Page 2, line 1, delete "unless" and insert "if"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "and" and insert a comma

Page 1, line 4, before the semicolon, insert ", and towns"

Page 1, line 6, before the period, insert ", proposing coding for new law in Minnesota Statutes, chapter 366"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2691, A bill for an act relating to natural resources; making violations of rules governing ecologically harmful species misdemeanors; amending Minnesota Statutes 1992, section 84.9691.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 18.317, as amended by Laws 1993, chapter 235, section 1, is amended to read:

18.317 [WATER TRANSMITTED HARMFUL UNDESIRABLE EXOTIC SPECIES AQUATIC PLANTS OR WILD ANIMALS.]

Subdivision 1. [TRANSPORTATION PROHIBITED.] Except as provided in subdivision 2, a person may not transport Eurasian or Northern water milfoil, myriophyllum spicatum or exalbescens, zebra mussels, or other water transmitted harmful exotic species <u>undesirable exotic aquatic plants or wild animals</u> identified by the commissioner of natural resources on a road or highway, as defined in section 160.02, subdivision 7, or on forest roads.

5652

Subd. 1a. [PLACEMENT PROHIBITED.] A person may not intentionally place ecologically harmful exotic species undesirable exotic aquatic plants or wild animals, as defined in section 84.967, in public waters within the state.

Subd. 2. [EXCEPTION.] A person may transport Eurasian or Northern water milfoil, myriophyllum spicatum or exalbescens, or other water transmitted harmful exotic species <u>undesirable</u> exotic aquatic plants or wild animals identified by the commissioner of natural resources for disposal as part of a harvest or control activity <u>conducted</u> <u>under permit or as specified by the commissioner</u>.

Subd. 3. [LAUNCHING OF WATERCRAFT WITH EURASIAN OR NORTHERN WATER MILFOIL OR OTHER HARMFUL SPECIES PROHIBITED.] (a) A person may not place a trailer or launch a watercraft with Eurasian or Northern water milfoil, zebra mussels, or other water transmitted harmful exotic species <u>undesirable exotic aquatic</u> <u>plants or wild animals</u> identified by the commissioner of natural resources <u>as</u> attached <u>onto the trailer or watercraft</u> into waters of the state. A conservation officer or other licensed peace officer may order the removal of Eurasian or Northern water milfoil, zebra mussels, or other water transmitted harmful exotic species <u>undesirable exotic aquatic</u> <u>plants or wild animals</u> identified by the commissioner of natural resources from a trailer or watercraft before being placed or launched into waters of the state.

(b) For purposes of this section, the meaning of watercraft includes a float plane and "waters of the state" has the meaning given in section 103G.005, subdivision 17.

(c) A commercial harvester shall clean aquatic plant harvesting equipment of all aquatic vegetation at a suitable location before launching the equipment in another body of water.

Subd. 3a. [INSPECTION OF WATERCRAFT AND EQUIPMENT.] Licensed watercraft and associated equipment, including weed harvesters, that are removed from any waters of the state that the commissioner of natural resources identifies as being contaminated with Eurasian water milfoil, zebra mussels, or other water transmitted exotic harmful species <u>undesirable exotic aquatic plants or wild animals</u> identified by the commissioner of natural resources, shall be randomly inspected between May 1 and October 15 for a minimum of 10,000 hours by personnel authorized by the commissioner of natural resources. Beginning in calendar year 1994, a minimum of 20,000 hours of random inspections must be conducted per year.

Subd. 4. [ENFORCEMENT.] This section may be enforced by conservation officers under sections 97A.205 and, 97A.211, and 97A.221, subdivision 1, paragraph (a), clause (1), and other licensed peace officers.

Subd. 5. [PENALTY.] A person who violates subdivision 1, 1a, 3, or 3a is guilty of a misdemeanor. A person who refuses to obey the order of a peace officer or conservation officer to remove Eurasian or Northern water milfoil, <u>zebra</u> mussels, or <u>undesirable exotic aquatic plants</u> or <u>wild animals</u> from a trailer or watercraft is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1992, section 84.966, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] For the purpose of this section, "purple loosestrife" means lythrum salicaria, lythrum virgatum, or combinations thereof.

Sec. 3. Minnesota Statutes 1992, section 84.967, is amended to read:

84.967 [ECOLOGICALLY HARMFUL SPECIES; DEFINITION.]

Subdivision 1. [SCOPE.] For the purposes of sections 84.967 to 84.9691 84.9692, the following terms have the meanings given them.

<u>Subd. 2.</u> [ECOLOGICALLY HARMFUL EXOTIC SPECIES.] "Ecologically harmful exotic species" means nonnative aquatic plants or wild animals that can naturalize, have high propagation potential, are highly competitive for limiting factors, and cause <u>or may cause</u> displacement of, or otherwise threaten, native plants or native animals in their natural communities.

<u>Subd. 3.</u> [LIMITED INFESTATION OF EURASIAN WATER MILFOIL.] "Limited infestation" means an infestation of Eurasian water milfoil that occupies less than 20 percent of the littoral area of a water body up to a maximum of 75 acres, excluding water bodies where mechanical harvesting is used to manage Eurasian water milfoil or where no Eurasian water milfoil control is planned.

# JOURNAL OF THE HOUSE

Sec. 4. Minnesota Statutes 1992, section 84.968, subdivision 2, is amended to read:

Subd. 2. [REPORT.] The commissioner of natural resources shall by January 1 each year submit a report on ecologically harmful exotic species to the legislative committees having jurisdiction over environmental and natural resource issues. The report must include:

(1) detailed information on expenditures for administration, education, eradication, inspections, and research;

(2) an analysis of the effectiveness of management activities conducted in the state, including chemical eradication, harvesting, educational efforts, and inspections;

(3) information on the participation of other state agencies, local government units, and interest groups in control efforts;

(4) information on management efforts in other states;

(5) information on the progress made by species; and

(6) an estimate of future management needs; and

(7) an analysis of the financial impact on persons who transport weed harvesters of the prohibition in section 18.317, subdivision -1.

Sec. 5. Minnesota Statutes 1992, section 84.9691, is amended to read:

84.9691 [RULEMAKING.]

(a) The commissioner of natural resources may adopt emergency and permanent rules restricting the introduction, propagation, use, possession, and spread of ecologically harmful exotic species in the state, as outlined in section 84.967. The emergency rulemaking authority granted in this paragraph expires July 1, 1994.

(b) The commissioner shall adopt rules to identify bodies of water with limited infestation of Eurasian water milfoil. The areas that are infested shall be marked and prohibited for use.

(c) A violation of a rule adopted under this section is a misdemeanor.

Sec. 6. Minnesota Statutes 1993 Supplement, section 84.9692, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY TO ISSUE.] After appropriate training, conservation officers, peace officers, and other staff designated by the commissioner may issue warnings or citations to persons who:

(1) unlawfully transport ecologically harmful exotic species on a public road;

(2) place a trailer or launch a watercraft with ecologically harmful species attached into waters of the state;

(3) operate a watercraft in a marked Eurasian water milfoil limited infestation area; or

(4) damage, remove, or sink a buoy marking a Eurasian water milfoil infestation area.

Sec. 7. Minnesota Statutes 1993 Supplement, section 84.9692, subdivision 2, is amended to read:

Subd. 2. [PENALTY AMOUNT.] A citation issued under this section may impose up to the following penalty amounts:

(1) \$50 for transporting visible Eurasian water milfoil on a public road in each of the following locations:

(i) the exterior of the watercraft below the gunwales including the propulsion system;

(ii) any surface of a watercraft trailer;

(iii) any surface of a watercraft interior of the gunwales;

5655

(iv) any water container including live wells, minnow buckets, or coolers which hold water; or

(v) any other area where visible Eurasian water milfoil is found not previously described in items (i) to (iv);

(2) \$150 for transporting visible zebra mussels on a public road;

(3) \$300 for transporting live ruffe or live rusty crayfish on a public road;

(4) for attempting to launch or launching into noninfested waters a watercraft with visible Eurasian water milfoil or adult zebra mussels attached, \$500 for a first offense and \$1,000 for a second or subsequent offense;

(5) \$100 for operating a watercraft in a marked Eurasian water milfoil <u>limited</u> infestation area other than as provided by law;

(6) \$150 for intentionally damaging, moving, removing, or sinking a milfoil buoy; or

(7) \$150 for launching or attempting to launch into infested waters a watercraft with visible Eurasian water milfoil or visible zebra mussels attached.

Sec. 8. Minnesota Statutes 1992, section 86B.401, subdivision 11, is amended to read:

Subd. 11. [SUSPENSION FOR NOT REMOVING EURASIAN OR-NORTHERN WATER MILFOIL OR OTHER HARMFUL UNDESIRABLE EXOTIC SPECIES.] The commissioner, after notice and an opportunity for hearing, may suspend for a period of not more than one year the license of a watercraft if the owner or person in control of the watercraft or its trailer refuses to comply with an inspection order of a conservation officer or other licensed peace officer or an order to remove Eurasian or Northern water milfoil, myriophyllum spicatum or exalbescens, zebra mussels, or other ecologically harmful undesirable exotic plant and wild animal species identified by the commissioner from the watercraft or its trailer as provided in section 18.317, subdivision 3.

Sec. 9. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to waters; prohibiting transportation or placement of undesirable exotic aquatic plants or wild animals; defining terms; penalty for rule violation; amending Minnesota Statutes 1992, sections 18.317, as amended; 84.966, subdivision 1; 84.967; 84.968, subdivision 2; 84.9691; and 86B.401, subdivision 11; Minnesota Statutes 1993 Supplement, section 84.9692, subdivisions 1 and 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2726, A bill for an act relating to insurance; accident and health; regulating assignments of benefits; amending Minnesota Statutes 1992, section 72A.201, subdivisions 3 and 4.

Reported the same back with the following amendments:

Page 3, line 34, delete "certified letters" and insert "written notice sent by certified mail"

Page 3, line 35, delete "and notarized" and after "insured" insert "and notarized"

Page 4, line 6, reinstate the stricken language

## Page 6, line 28, delete "until" and insert "unless"

Page 6, line 29, delete "is" and insert "has been"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2743, A bill for an act relating to agriculture; authorizing the commissioner of agriculture to lease certain grain testing equipment to country elevators; requiring training of equipment operators; requiring inspection of equipment for accuracy; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

## Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2762, A bill for an act relating to traffic regulations; regulating use and operation of Head Start school buses; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.28, subdivision 1; 169.441, subdivisions 2 and 4; 169.442, subdivision 5; 169.443, subdivisions 5 and 6; 169.447; 169.448, subdivisions 1 and 3; 169.451; 169.64, subdivision 8; 169.781, subdivision 1; 169.87, subdivision 3; 171.01, by adding a subdivision; 171.3215; 221.011, subdivision 21; and 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 171.321, subdivision 2; 221.025; and 221.031, subdivision 3b.

Reported the same back with the following amendments:

Page 9, line 9, reinstate the stricken "axle"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2786, A bill for an act relating to local government; authorizing establishment of Nashwauk area ambulance district.

Reported the same back with the following amendments:

Page 1, line 9, after "Nashwauk" delete "and" and after "Balsam," insert "and Bearville,"

Page 3, line 16, delete ", but not to exceed \$25,000 each year"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

5656

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2795, A bill for an act relating to state government; providing new impasse procedures for labor agreements involving faculty in the state university system; proposing coding for new law in Minnesota Statutes, chapter 179A.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Education without further recommendation.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2796, A bill for an act relating to the environment; toxic pollution prevention act; adding a definition; clarifying applicability; modifying the schedule for submitting plans; amending Minnesota Statutes 1992, section 115D.03, by adding a subdivision; Minnesota Statutes 1993 Supplement, section 115D.07, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1992, section 115D.03, subdivision 5, is amended to read:

Subd. 5. [ELIGIBLE RECIPIENTS.] "Eligible recipients" means persons who use, generate, or release toxic pollutants, hazardous substances, or hazardous wastes <u>or individuals or organizations that provide information or assistance to those persons</u>."

Page 2, after line 2, insert:

"Sec. 3. Minnesota Statutes 1992, section 115D.05, is amended to read:

## 115D.05 [POLLUTION PREVENTION GRANTS.]

Subdivision 1. [PURPOSE.] The director may make grants to study or demonstrate the feasibility of applying specific technologies and methods to prevent eligible recipients for the purposes of developing and implementing pollution prevention projects or practices.

Subd. 2. [ELIGIBILITY.] (a) Eligible recipients may receive grants under this section.

(b) Grants may be awarded up to a maximum of two-thirds of the total cost of the project. Grant money awarded under this section may not be spent for capital improvements or equipment.

Subd. 3. [PROCEDURE FOR AWARDING GRANTS.] (a) In determining whether to award a grant, the director shall consider at least the following:

(1) the potential of the project to prevent pollution;

(2) the likelihood that the project will <del>develop techniques or processes that will</del> minimize the transfer of pollution from one environmental medium to another;

(3) the extent to which information to be developed through the project will be applicable to other persons in the state;

 (4) the willingness of the grant applicant to implement feasible methods and technologies developed under the grant;

(5) the willingness of the grant applicant to assist the director in disseminating information about the pollution prevention methods to be developed through the project; and

(6) (5) the extent to which the project will conform to the pollution prevention policy established in section 115D.02.

(b) The director shall adopt rules to administer the grant program. Prior to completion of any new rulemaking, The director may administer the program <del>under the procedures established</del> in rules promulgated under in conjunction with the solid waste reduction grant program established in section 115A.154 115A.55."

Page 3, after line 6, insert:

"Sec. 5. Minnesota Statutes 1992, section 115D.08, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT TO SUBMIT PROGRESS REPORT.] (a) All persons required to prepare a toxic pollution prevention plan under section 115D.07 shall submit an annual progress report to the commissioner commission that may be drafted in a manner that does not disclose proprietary information. Progress reports are due on October July 1 of each year beginning in 1995. The first commission shall provide copies of the progress reports are due in 1992 to the agency and the office.

(b) At a minimum, each progress report must include:

(1) a summary of each objective established in the plan including the schedule for meeting the objective;

(2) a summary of progress made during the past year, if any, toward meeting each objective established in the plan including the quantity of each toxic pollutant eliminated or reduced;

(3) a statement of the methods through which elimination or reduction has been achieved;

(4) if necessary, an explanation of the reasons objectives were not achieved during the previous year, including identification of any technological, economic, or other impediments the facility faced in its efforts to achieve its objectives; and

(5) a certification, signed and dated by the facility manager and an officer of the company under penalty of section 609.63, attesting that a plan meeting the requirements of section 115D.07 has been prepared and also attesting to the accuracy of the information in the progress report.

Sec. 6. Minnesota Statutes 1993 Supplement, 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."

Renumber the remaining sections

Amend the title as follows:

Page 1, line 3, delete "a definition" and insert "definitions"

Page 1, line 5, before the semicolon, insert "and reports"

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 6, after the comma, insert "subdivision 5, and" and after the semicolon, insert "115D.05; and 115D.08, subdivision 1;"

Page 1, line 7, delete "section" and insert "sections" and before the period, insert "; and 115D.12, subdivision 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2815, A bill for an act relating to transportation; requiring metropolitan council and department of transportation to conduct a study on road pricing finance options; appropriating money.

Reported the same back with the following amendments:

Page 2, after line 19, insert:

"Sec. 3. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Sama from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2836, A bill for an act relating to occupations and professions; requiring that fireworks operators be certified by the state fire marshal; appropriating money; amending Minnesota Statutes 1992, section 624.22.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [FIREWORKS STUDY.]

The state fire marshal shall conduct a study concerning safety aspects of public fireworks displays and fireworks displays display operator gualifications that makes recommendations for:

(1) legislation to increase the level of safety of public fireworks displays;

(2) minimum gualification requirements for fireworks operators; and

(3) methods for establishing a program for the certification of public display operators by the state fire marshal.

The study shall be completed and submitted to the appropriate committees of the legislature by December 31, 1994."

Delete the title and insert:

"A bill for an act relating to occupations and professions; requiring the state fire marshal to conduct a study on fireworks safety and operator qualifications."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2856, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in Mower county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2861, A bill for an act relating to conservation of natural resources; providing for use of the Minnesota conservation fund; appropriating money; amending Minnesota Statutes 1992, section 40A.151, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2882, A bill for an act relating to motor carriers; exempt carriers; providing an exemption for transportation of potatoes; amending Minnesota Statutes 1993 Supplement, section 221.025.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2888, A bill for an act relating to economic development; regulating community action agencies; amending Minnesota Statutes 1992, sections 268.53, subdivision 5; and 466.01, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2893, A bill for an act relating to unemployment compensation; extending benefits for certain employees; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 2, line 1, after "DATE" insert "; APPLICATION"

Page 2, line 2, before the period, insert "and applies to claimants eligible for unemployment compensation on March 1, 1994"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2894, A bill for an act relating to the environment; providing for evaluation of motor vehicle salvage facilities by the pollution control agency; providing for a report to the legislature; reallocating money; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2896, A bill for an act relating to Itasca county; permitting the county board to submit a question to nonbinding referendum.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2898, A bill for an act relating to commerce; authorizing local units of government to license the retail sale of tobacco; requiring a county to license the retail sale of tobacco under certain conditions; providing for regular compliance checks for all licensed vendors; providing for mandatory penalties against license holders for sales to minors; amending Minnesota Statutes 1992, sections 461.12; 461.13; and 461.15; proposing coding for new law in Minnesota Statutes, chapter 461.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [461.16] [INSPECTIONS; REPORTS.]

The commissioner of public safety shall coordinate annual, random, unannounced inspections at locations where tobacco products are sold to test compliance with section 609.685 and to conform with the requirements of federal law. The inspections shall be performed by local law enforcement or by the department of public safety. A person under the age of 18 may assist in the tests of compliance only under the supervision of a law officer or an employee of the department of public safety and only with the written consent of a parent. The commissioner shall annually submit the report required by United States Code, title 14, section 300x-26, and otherwise ensure the state's compliance with that law and any regulations adopted to implement it.

Sec. 2. [461.17] [TRAINING.]

The employer at each retail location where tobacco products are sold shall conduct a training program for the individuals who sell tobacco products at the location that instructs them about the law, the related penalties, and the employer's policy with regard to tobacco sales. The commissioner of public safety may impose an administrative penalty of not more than \$100 upon the retailer at each location where the employees have not been trained as required by this section. If an inspection at any location discloses a violation of section 609.685 notice shall be given to the employer and the employees shall be retrained as provided by this section. Any employer may immediately dismiss an employee who violates section 609.685."

#### Delete the title and insert:

"A bill for an act relating to commerce; requiring inspections of, reports on, and training for tobacco retailers and employees; proposing coding for new law in Minnesota Statutes, chapter 461."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2918, A bill for an act relating to natural resources; motor vehicles; establishing special vehicle license plates for wetlands wildlife purposes; creating the wetlands wildlife legacy account; proposing coding for new law in Minnesota Statutes, chapters 84; and 168.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2935, A bill for an act relating to occupations and professions; exempting some social workers employed in a hospital or nursing home from examination; modifying licensure requirements; requiring hospital and nursing home social workers to be licensed; amending Minnesota Statutes 1992, sections 148B.23, subdivisions 1 and 2; 148B.27, subdivision 2; and 148B.60, subdivision 3; repealing Minnesota Statutes 1992, sections 148B.18, subdivisions 4, 5, 6, and 7; 148B.19, subdivision 3; 148B.23, subdivision 1a; and 148B.28, subdivision 6.

Reported the same back with the following amendments:

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 1992, section 144A.46, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] The following individuals or organizations are exempt from the requirement to obtain a home care provider license:

(1) a person who is licensed as a registered nurse under sections 148.171 to 148.285 and who independently provides nursing services in the home without any contractual or employment relationship to a home care provider or other organization;

(2) a personal care assistant who provides services under the medical assistance program as authorized under sections 256B.0625, subdivision 19, and 256B.04, subdivision 16;

(3) a person or organization that exclusively offers, provides, or arranges for personal care assistant services under the medical assistance program as authorized under sections 256B.0625, subdivision 19, and 256B.04, subdivision 16;

(4) a person who is registered under sections 148.65 to 148.78 and who independently provides physical therapy services in the home without any contractual or employment relationship to a home care provider or other organization;

(5) a provider that is licensed by the commissioner of human services to provide semi-independent living services under Minnesota Rules, parts 9525.0500 to 9525.0660 when providing home care services to a person with a developmental disability;

(6) a provider that is licensed by the commissioner of human services to provide home- and community-based services under Minnesota Rules, parts 9525.2000 to 9525.2140 when providing home care services to a person with a developmental disability; or

(7) a person or organization that provides only home management services, if the person or organization is registered under section 144A.43, subdivision 3; or

(8) a person who is licensed as a social worker under sections 148B.18 to 148B.28 and who provides social work services in the home independently and not through any contractual or employment relationship with a home care provider or other organization.

An exemption under this subdivision does not excuse the individual from complying with applicable provisions of the home care bill of rights."

Page 1, line 22, delete "1994" and insert "1995"

Page 5, line 21, after "repealed" insert "effective July 1, 1995"

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "exempting certain social workers from requirement to obtain home care provider license;"

Page 1, line 7, after "sections" insert "144A.46, subdivision 2;"

Page 1, line 9, delete "148B.18,"

Page 1, delete line 10

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 2936, A bill for an act relating to Ramsey county; providing for funding the maintenance of turnback roads in Ramsey county; amending Minnesota Statutes 1992, section 383A.16, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1992, section 383A.16, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2962, A bill for an act relating to employment; modifying the emergency jobs program; appropriating money; amending Minnesota Statutes 1992, sections 268.676, subdivision 1; and 268.677, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 3, after line 7, insert:

"Sec. 3. Minnesota Statutes 1992, section 268.681, subdivision 2, is amended to read:

Subd. 2. [PRIORITIES.] (a) In allocating funds among eligible businesses, the local service unit or its contractor shall give priority to:

(1) businesses engaged in manufacturing;

(2) nonretail businesses that are small businesses as defined in section 645.445; and

(3) businesses that export products outside the state, or businesses that provide materials or services to businesses that export products outside the state.

(b) In addition to paragraph (a), a local service unit must give priority to businesses that:

(1) have a high potential for growth and long-term job creation;

(2) are labor intensive;

(3) make high use of local and Minnesota resources;

(4) are under ownership of women and minorities;

(5) make high use of new technology;

(6) produce energy conserving materials or services or are involved in development of renewable sources of energy; and

(7) have their primary place of business in Minnesota; and

(8) teach transferable skills to employees hired with these funds."

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 4, delete "and"

Page 1, line 5, after the semicolon, insert "and 268.681, subdivision 2;"

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.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2967, A bill for an act relating to local government; giving the Minneapolis school district and the municipal building commission the same authority as the city of Minneapolis to negotiate certain trade and craft contracts; amending Laws 1988, chapter 471, sections 1 and 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2973, A bill for an act relating to buildings; specifying a required ratio of women's to men's restroom facilities for certain buildings; proposing coding for new law in Minnesota Statutes, chapter 16B.

Reported the same back with the following amendments:

Page 1, line 25, after the period, insert "The rules may provide for a greater ratio of women's to men's facilities for certain types of occupancies than is required in subdivision 3, and may apply the required ratios to categories of occupancies other than those defined as places of public accommodation under subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2978, A bill for an act relating to education; modifying teacher contract arbitration provisions; amending Minnesota Statutes 1992, section 179A.16, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 11, delete "179.18" and insert "179A.18"

Page 1, after line 15, insert:

"Sec. 2. [SUNSET.]

Section 1 expires January 1, 1996."

Page 1, line 16, delete "2" and insert "3"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2998, A bill for an act relating to game and fish; allowing use of retractable broadhead arrows in taking big game; amending Minnesota Statutes 1992, section 97B.211, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 3011, A bill for an act relating to highways; changing mileage limitation for municipal state-aid streets; amending Minnesota Statutes 1992, section 162.09, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3046, A bill for an act relating to the environment; requiring town board or city council approval prior to issuance of a permit by the pollution control agency for spreading soil that contains harmful substances on land; amending Minnesota Statutes 1992, section 116.07, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, delete "<u>or city</u>"

Page 1, line 16, delete "or city council" and delete "or city"

Amend the title as follows:

Page 1, lines 2 and 3, delete "or city council"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 3051, A bill for an act relating to local government in Pine county; providing for creation of sewer district and a sanitary sewer board to administer the district; providing for collection, treatment, and disposal of sewage in the Cross Lake area.

Reported the same back with the following amendments:

Page 17, line 15, delete "access" and insert "assess"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 3053, A bill for an act relating to unemployment compensation; changing its name; modifying provisions relating to reporting requirements, eligibility conditions, and liability for benefits; amending Minnesota Statutes 1992, sections 268.03; 268.08, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 268.08, subdivision 6; 268.09, subdivision 1; 268.10, subdivision 2; and 268.161, subdivision 9.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 3056, A bill for an act relating to education; establishing responsibilities relating to school bus operations, equipment, and safety; marketing technical changes; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 123.39, subdivision 1; 126.15, subdivision 4; 169.01, subdivision 6; 169.21, subdivision 2; 169.442, subdivision 1; 169.443, subdivision 8, and by adding a subdivision; 169.445, subdivisions 1 and 2; 169.446, subdivision 3; 169.447, subdivision 6; 169.64, subdivision 8; 171.01, subdivision 22; 171.321, subdivision 3; 171.3215; 609.72, subdivision 1; and 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 124.225, subdivision 1; and 171.321, subdivision 2; Laws 1993, chapter 224, article 12, section 39; proposing coding for new law in Minnesota Statutes, chapters 123, 127, and 169; repealing Minnesota Statutes 1992, sections 169.441, subdivisions 2 and 3; 169.445, subdivision 3; 169.447, subdivision 3; and 169.45; Minnesota Statutes 1993 Supplement, sections 123.80; Minnesota Rules, parts 3520.3600 and 3520.3700.

Reported the same back with the following amendments:

Page 2, delete section 2

Page 3, line 22, delete "and"

Page 3, line 25, before the period, insert "; and

(5) rules governing the use of type III vehicles, drivers of type III vehicles, and the circumstances under which a student may be transported in a type III vehicle"

Page 10, line 15, after "experience" insert ", as determined by the commissioner of public safety,"

Page 12, line 34, delete "brought into the state" and insert "initially inspected by the Minnesota state patrol"

Page 17, line 33, delete the second "or" and insert ", an"

## 78TH DAY]

Page 17, line 34, before the period, insert ", or a mechanic trained in the procedure"

Page 33, line 7, delete "<u>14</u>" and insert "<u>13</u>"

Page 33, line 11, delete "30" and insert "29"

Page 33, line 13, delete "19" and insert "18"

Page 33, line 26, delete "15" and insert "14"

Page 33, line 27, delete "6" and insert "5"

Renumber the sections in article 1 in sequence

Amend the title as follows:

Page 1, line 17, delete "123,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 3057, A bill for an act relating to cities; authorizing and establishing the Chisholm/Hibbing airport authority.

Reported the same back with the following amendments:

Page 3, line 23, after "act" insert "shall"

Page 3, lines 24 and 26, after "whom" insert "shall be"

Page 3, line 33, after "serve" insert "the remainder of their term and"

Page 6, line 36, delete everything after "(3)"

Page 7, line 2, delete "<u>real or</u>"

Page 7, line 9, after "facilities" insert "with approval of the city councils"

Page 10, line 21, delete "airports" and insert "airport"

Page 12, line 10, delete "may" and insert "shall, at the request of the authority,"

Page 13, line 13, after the comma, insert "the Chisholm/Hibbing airport commission is dissolved and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3079, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to make subgrants of certain money; amending Minnesota Statutes 1992, section 84.085, subdivision 1; repealing Minnesota Statutes 1992, section 88.063.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 3095, A bill for an act relating to employment; establishing the governor's workforce development council to replace the governor's job training council; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1993 Supplement, section 268.9755.

Reported the same back with the following amendments:

Page 2, line 35, after "two" insert "nonvoting"

Page 3, line 1, after "two" insert "nonvoting"

Page 4, line 35, delete "that" and insert "in order to"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 3109, A bill for an act relating to transportation; modifying distribution of money in transit assistance fund; establishing annual gasoline excise tax rate adjustment; modifying amounts of motor vehicle excise tax money transferred to transit assistance fund; appropriating money; amending Minnesota Statutes 1992, sections 296.02, by adding a subdivision; and 297B.09, subdivision 1; Minnesota Statutes 1993 Supplement, section 174.32, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 161.04, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION.] The trunk highway fund shall consist consists of 62 percent of the net highway user tax distribution fund as provided in article 14 of the Constitution; the proceeds of the sale of any bonds authorized by article 14 of the constitution; money received from the federal government as aid in the construction and maintenance of trunk highways; and any other money otherwise allotted, appropriated, or legislated therefor.

Sec. 2. Minnesota Statutes 1992, section 161.082, subdivision 1, is amended to read:

Subdivision 1. [RULES.] Except as hereinafter provided, all money <u>accruing appropriated</u> to the county turnback account shall be expended in accordance with rules of the commissioner of transportation in paying a county for the restoration of former trunk highways, or portions thereof, that have reverted to the county in accordance with law, and have become a part of the county state-aid highway system.

5668

#### Sec. 3. [161.0821] [TOWN BRIDGE FUND; TOWN ROAD FUND.]

Subdivision 1. [TOWN BRIDGE ACCOUNT.] A town bridge fund is created in the state treasury, consisting of amounts appropriated to the fund by law and interest thereon. Money in the fund may 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 bridge. The expenditures on bridge structures and culverts may be on a matching basis. When bridge approach construction work exceeds \$10,000 in costs, or when the cost of the cost of the replacement culverts alone will not exceed \$20,000, the town is eligible for financial assistance from the town bridge fund. Financial assistance must be limited to (1) 100 percent of the cost of the replacement culverts alone will not exceed \$20,000, the town is eligible for financial assistance from the town bridge fund. Financial assistance must be limited to (1) 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.

Subd. 2. [TOWN ROAD FUND.] <u>A town road fund is created in the state treasury, consisting of amounts</u> appropriated to the fund by law and interest thereon. To be eligible for distribution of funds from the town road fund in a calendar year, a town must have levied in the previous year for road and bridge purposes at least 0.04835 percent of taxable market value.

Money distributed to a town under this subdivision may be expended by the town only for the construction, reconstruction, and gravel maintenance of town roads within the town.

Sec. 4. Minnesota Statutes 1992, section 161.083, is amended to read:

#### 161.083 [MUNICIPAL TURNBACK ACCOUNT, EXPENDITURE.]

Except as hereinafter provided, all money <u>accruing appropriated</u> to the municipal turnback account shall be expended in accordance with rules of the commissioner of transportation in paying a municipality having a population of 5,000 or more for the reconstruction and improvement of former trunk highways, or portions thereof, that have reverted to such municipality in accordance with law, and have become a part of the municipal state-aid street system.

Sec. 5. Minnesota Statutes 1992, section 162.02, subdivision 3a, is amended to read:

Subd. 3a. [VARIANCES FROM RULES AND ENGINEERING STANDARDS.] The commissioner may grant variances from the rules and from the engineering standards developed pursuant to this section and section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway. The commissioner shall publish notice of the request in the state register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within 20 days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing. For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 6. Minnesota Statutes 1992, section 162.021, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] (a) The commissioner shall establish a natural preservation routes category within the county state-aid highway system.

(b) Natural preservation routes include those routes that possess particular scenic, environmental, or historical characteristics, such as routes along lakes or through forests, wetlands, or flood plains, that would be harmed by construction or reconstruction meeting the engineering standards <del>under section 162.07 or the rules adopted under that section</del> <u>developed for county state-aid highways</u>.

(c) The commissioner shall adopt rules establishing minimum construction and reconstruction standards that address public safety and reflect the function, lower traffic volume, and slower speed on natural preservation routes. The rules may not establish standards for natural preservation routes that are higher than the standards for national forest highways within national forests and state park access roads within state parks. Design standards specifying the width of vehicle recovery areas on forest highways, forest and park roads, and on natural preservation routes must minimize harmful environmental impact.

Sec. 7. Minnesota Statutes 1992, section 162.05, is amended to read:

#### 162.05 [PAYMENTS INTO COUNTY STATE-AID HIGHWAY FUND.]

In addition to the 29 percent of the net highway user tax distribution fund money appropriated to the county state-aid highway fund, there shall be paid into the county state aid highway fund all money accruing from the income derived from the investments in the internal improvement land fund.

Sec. 8. Minnesota Statutes 1992, section 162.08, subdivision 3, is amended to read:

Subd. 3. [AID TO TOWNS.] Any county having within its boundaries organized town governments may, by resolution, allocate to the towns within its boundaries so much of the money apportioned <u>allocated</u> to it <del>under the</del> provisions of sections 162.01 to 162.181, from the county state-aid highway fund that it deems necessary to aid the townships in the construction of town roads. The resolution shall set forth the amount of money or the percentage of its apportionment that the county has allocated to the towns. A certified copy of the resolution shall be forwarded to the commissioner on or before the second Tuesday of January of each year. Upon receipt of such resolution and upon determining the amount of money to be apportioned allocated to the county, the commissioner shall certify to the commissioner of finance the amount of money, as set forth in the resolution, that is to be paid out of the county's apportionment county state-aid highway fund allocation for distribution to the towns. The commissioner of finance shall thereupon issue a warrant in that amount payable to the county treasurer, and the proceeds thereof shall be distributed by the county to the towns. All money so allocated and distributed shall be used by the towns solely for the construction of town roads. Each county board so allocating such funds may devise a formula taking into account each town's levy for road and bridge purposes, its mileage of town roads and population outside the corporate limits of all cities within the township, and such other factors as the county board shall deem advisable as a means of dividing the allocation among the several towns in order that such division among the towns be as equitable as possible. No part of the money allocated for expenditure solely within cities having a population of less than 5,000 shall be allocated or distributed to the towns. The commissioner of transportation shall maintain a permanent record of the allocations of county state-aid highway funds to the townships in each county. In making the annual apportionments of county state aid highway funds, the commissioner shall reduce the money needs of said counties in the amounts necessary to equalize their status with those counties not making such township allotments.

Sec. 9. Minnesota Statutes 1993 Supplement, section 162.08, subdivision 4, is amended to read:

Subd. 4. [PURPOSES; OTHER USES OF MUNICIPAL ACCOUNT ALLOCATION.] Except as provided in subdivision 3, money so apportioned and allocated to each county from the county state-aid highway fund shall be used for aid in the establishment, location, construction, reconstruction, improvement, and maintenance of the county state-aid highway system within each county, including the expense of commissioner-approved signals and safety devices on county state-aid highways, and systems that permit an emergency vehicle operator to activate a green traffic signal for the emergency vehicle; provided, that in the event of hardship, or in the event that the county state-aid highway system of any county is improved to the standards set forth in the commissioner's rules, a portion of the money apportioned other than the money allocated for expenditures within cities having a population of less than 5,000, may be used county may use a portion of its allocation on other roads within the county with the consent and in accordance with the commissioner's rules. If the portion of the standard set forth in the commissioner's rules, a portion of the money apportion of less than 5,000 is improved to the standard set forth in the commissioner's rules, a portion of the money credited to the municipal account may be used on other county highways or other streets lying within such cities. Upon the authorization of the commissioner, a county may expend accumulated municipal account funds on county state aid highways within the county outside of cities having a population of less than 5,000. The commissioner shall authorize the expenditure if:

(a) the county submits a written request to the commissioner and holds a hearing within 30 days of the request to receive and consider any objections by the governing bodies of cities within the county having a population of less than 5,000; and

5670

(b) no written objection is filed with the commissioner by any such city within 14 days of that hearing as provided in this subdivision.

The county shall notify all of the cities of the public hearing by certified mail and shall notify the commissioner in writing of the results of the hearing and any objections to the use of the funds as requested by the county.

If, within 14 days of the hearing, a city having a population of less than 5,000 files a written objection with the commissioner identifying a specific county state aid highway within the city which is requested for improvement, the commissioner shall investigate the nature of the requested improvement. Notwithstanding clause (b), the commissioner may authorize the expenditure requested by the county if: (1) the identified highway is not deficient in meeting minimum state aid street standards; or (2) the county shows evidence that the identified highway has been programmed for construction in the county's five year capital improvement budget in a manner consistent with the county's transportation plan; or (3) there are conditions created by or within the city and beyond the control of the county that prohibit programming or constructing the identified highway.

Authorization by the commissioner for use of municipal account funds on county state aid highways outside of cities having a population of less than 5,000 shall be applicable only to the county's accumulated and current year allocation. Future municipal account allocations shall be used as directed by law unless subsequent requests are made by the county and approved in accordance with the provisions of this section.

Sec. 10. Minnesota Statutes 1992, section 162.08, subdivision 10, is amended to read:

Subd. 10. [PROJECT APPROVAL, REPORTS.] When the county board of any county determines to do any construction work on a county state-aid highway or other road eligible for the expenditure of state aid funds within the county, and desires to expend on such work a portion of the money apportioned or allocated to it out of the county state-aid highway fund, the county shall first obtain approval of the project by the commissioner. Thereafter the county engineer shall make such reports in such manner as the commissioner requires under rules of the commissioner. Upon receipt of satisfactory reports, the commissioner shall certify to the commissioner of finance the amount of money that is eligible to be paid from the county's apportionment or allocation for the work under contract or actually completed. The commissioner of finance shall thereupon issue a warrant in that amount payable to the county treasurer. In no event shall the warrant with all other warrants issued exceed the amount apportioned and allocated to the county.

Sec. 11. Minnesota Statutes 1992, section 162.09, subdivision 3a, is amended to read:

Subd. 3a. [VARIANCES FROM RULES AND ENGINEERING STANDARDS.] The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2 for municipal state-aid streets. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street. The commissioner shall publish notice of the request in the state register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within 20 days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing. For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.

Sec. 12. Minnesota Statutes 1992, section 162.14, subdivision 2, is amended to read:

Subd. 2. [PURPOSES, OTHER USES, OTHER FUNDS.] Money so apportioned allocated from the municipal state-aid street fund to each such eligible city shall be used for aid in the establishment, location, construction, reconstruction, improvement, and maintenance of the municipal state-aid street system within each city including the expense of sidewalks, signals and safety devices, including systems that permit an emergency vehicle operator to activate a green traffic signal for the emergency vehicle, on such system approved by the commissioner, provided that in the event of hardship or in the event that the municipal state-aid street system of any municipality is improved to the standards set forth in the commissioner's rules, and subject to the consent of the commissioner and under rules of the commissioner, a portion of the money so apportioned allocated may be used on other streets or roads within the city. The governing body of any such city may, subject to the consent of the commissioner, and under the rules of the commissioner, use a portion of the money so apportioned allocated on any state trunk highway or county state-aid highway within the city. The amount of money to be appropriated by such cities from other funds for use in the establishment, location, construction, reconstruction, improvement, and maintenance of the municipal state-aid street system within the city is hereby left to the direction of the individual governing bodies of the cities.

Sec. 13. Minnesota Statutes 1992, section 162.14, subdivision 3, is amended to read:

Subd. 3. [MAINTENANCE.] The proportion of each such <u>eligible</u> city's annual apportionment <u>allocation</u> to be used for maintenance on its respective municipal state-aid street system shall be a joint determination of the commissioner and the governing body of each city. In the event that agreement cannot be reached, the determination of the commissioner shall be final.

Sec. 14. Minnesota Statutes 1992, section 162.14, subdivision 4, is amended to read:

Subd. 4. [PROJECT APPROVAL AND REPORTS.] When the governing body of any such <u>eligible</u> city determines to do any construction work on any municipal state-aid street or other streets within the city upon which money apportioned out of <u>allocated</u> from the municipal state-aid street fund may be used as provided in subdivision 2, the governing body shall first obtain the approval of the commissioner. Thereafter, the engineer of the city shall make reports in such manner as the commissioner requires in accordance with the commissioner's rules. Upon receipt of satisfactory reports the commissioner shall certify to the commissioner of finance the amount of money that is eligible to be paid from the city's apportionment <u>allocation</u> for the work under contract or actually completed. The commissioner of finance shall thereupon issue a warrant in that amount payable to the fiscal officers of the city. In no event shall the warrant with all other warrants issued exceed the amount <del>apportioned</del> <u>allocated</u> to the city.

Sec. 15. Minnesota Statutes 1992, section 162.14, subdivision 6, is amended to read:

Subd. 6. [ADVANCES.] Any such city, except cities of the first class, may make advances from any funds available to it for the purpose of expediting the construction, reconstruction, improvement, or maintenance of its municipal state-aid street system; provided that such advances shall not exceed the city's total estimated apportionment for the three years following the year the advance is made. Advances made by any such city shall be repaid out of subsequent apportionments made to such city in accordance with the commissioner's rules.

Sec. 16. Minnesota Statutes 1992, section 162.155, is amended to read:

#### 162.155 [RULES FOR VARIANCES.]

The commissioner shall adopt rules, no later than January 1, 1980, in accordance with sections 15.041 to 15.052 chapter 14, setting forth the criteria to be considered by the commissioner in evaluating requests for variances under sections 162.02, subdivision 3a and 162.09, subdivision 3a. The rules shall include, but are not limited to, economic, engineering and safety guidelines. The Engineering standards adopted pursuant to section 162.07, subdivision 2, or 162.13, subdivision 2, shall for county state-aid highways and municipal state-aid streets must be adopted pursuant to the requirements of chapter 15 by July 1, 1980 14.

Sec. 17. Minnesota Statutes 1992, section 469.201, subdivision 4, is amended to read:

Subd. 4. [CITY MATCHING MONEY.] (a) "City matching money" means the money of a city specified in a revitalization program. The sources of city matching money may include:

(1) money from the general fund or a special fund of a city used to implement a revitalization program;

(2) money paid or repaid to a city from the proceeds of a grant that a city has received from the federal government, a profit or nonprofit corporation, or another entity or individual, that is to be used to implement a revitalization program;

(3) tax increments received by a city under sections 469.174 to 469.179 or other law, if eligible, to be spent in the targeted neighborhood;

(4) the greater of the fair market value or the cost to the city of acquiring land, buildings, equipment, or other real or personal property that a city contributes, grants, leases, or loans to a profit or nonprofit corporation or other entity or individual, in connection with the implementation of a revitalization program;

(5) city money to be used to acquire, install, reinstall, repair, or improve the infrastructure facilities of a targeted neighborhood;

(6) money contributed by a city to pay issuance costs, fund bond reserves, or to otherwise provide financial support for revenue bonds or obligations issued by a city for a project or program related to the implementation of a revitalization program;

(7) money derived from fees received by a city in connection with its community development activities that are to be used in implementing a revitalization program;

(8) money derived from the <u>municipal state-aid street fund apportionment allocation</u> to the city <u>under section 162.14</u> or by special law, and expended in a targeted neighborhood for an activity related to the revitalization program;

(9) administrative expenses of the city that are incurred in connection with the planning, implementation, or reporting requirements of sections 469.201 to 469.207.

(b) City matching money does not include:

(1) city money used to provide a service or to exercise a function that is ordinarily provided throughout the city, unless an increased level of the service or function is to be provided in a targeted neighborhood in accordance with a revitalization program;

(2) the proceeds of bonds issued by the city under chapter 462C or 469 and payable solely from repayments made by one or more nongovernmental persons in consideration for the financing provided by the bonds; or

(3) money given by the state to fund any part of the revitalization program.

Sec. 18. [FUND AND DEDICATION ABOLISHED; INSTRUCTION TO REVISOR.]

<u>Subdivision 1.</u> [HIGHWAY USER TAX DISTRIBUTION FUND ABOLISHED.] <u>The highway user tax distribution</u> fund is abolished. All money required by law to be deposited in or credited to the highway user tax distribution fund on the effective date of this section must, on and after that date, be deposited in or credited to the general fund. On the effective date of this section, the commissioner of finance shall transfer all money in the highway user tax distribution fund to the general fund.

<u>Subd. 2.</u> [TRUNK HIGHWAY FUND; DEDICATION ABOLISHED.] <u>All money required by law to be deposited</u> in or credited to the trunk highway fund on the effective date of this section must, on and after that date, be deposited in or credited to the general fund.

<u>Subd. 3.</u> [INSTRUCTION TO REVISOR.] In the next and subsequent editions of Minnesota Statutes and Minnesota Rules, the revisor of statutes shall make the changes in terminology, cross references, and other changes necessary to incorporate subdivisions 1 and 2.

Sec. 19. [CONSTITUTIONAL AMENDMENT.]

The following amendment to the Minnesota Constitution, article XIV, sections 5, 9, and 10, is proposed to the people.

If the amendment is adopted, article XIV, section 5, is repealed.

Article XIV, section 9, will read:

Sec. 9. The legislature by law may tax motor vehicles using the public streets and highways on a more onerous basis than other personal property. Any such tax on motor vehicles shall be in lieu of all other taxes thereon, except wheelage taxes imposed by political subdivisions solely for highway purposes. The legislature may impose this tax on motor vehicles of companies paying taxes under the gross earnings system of taxation notwithstanding that earnings from the vehicles may be included in the earnings on which gross earnings taxes are computed. The proceeds of the tax shall be paid into the highway user tax distribution fund. The law may exempt from taxation any motor vehicle owned by a nonresident of the state properly licensed in another state and transiently or temporarily using the streets and highways of the state.

Article XIV, section 10, will read:

Sec. 10. The legislature may levy an excise tax on any means or substance used for propelling vehicles on the public highways of this state or on the business of selling it. The proceeds of the tax shall be paid into the highway user tax distribution fund.

#### Sec. 20. [SUBMISSION TO VOTERS.]

The proposed amendment must be submitted to the people at the 1994 general election. The question submitted must be:

<u>"Shall the Minnesota Constitution be amended to repeal the dedication of taxes on motor fuel and motor vehicles</u> <u>exclusively to highway purposes?</u>

> <u>Yes</u> ...... <u>No</u> ......"

## Sec. 21. [REPEALER.]

<u>Minnesota</u> <u>Statutes</u> <u>1992, sections</u> <u>161.041; 161.082, subdivisions</u> <u>2</u> and <u>2a;</u> <u>161.085;</u> <u>162.06;</u> <u>162.07;</u> <u>162.08,</u> <u>subdivisions</u> <u>1, 2, 5, 6, 7, and</u> <u>9;</u> <u>162.081, subdivisions</u> <u>1, 2, and</u> <u>3;</u> <u>162.11;</u> <u>162.12;</u> <u>162.13;</u> <u>162.14, subdivision</u> <u>1;</u> <u>and</u> <u>162.18;</u> <u>and</u> <u>Minnesota</u> <u>Statutes</u> <u>1993</u> <u>Supplement, sections</u> <u>161.081;</u> <u>161.082, subdivision</u> <u>2a;</u> <u>and</u> <u>162.081, subdivision</u> <u>4,</u> <u>are repealed.</u>

## Sec. 22. [EFFECTIVE DATE.]

Sections 1 to 18 and 21 are effective on the July 1 next following certification by the secretary of state that the constitutional amendments proposed in section 19 have been adopted by the people. Sections 19 and 20 are effective the day following final enactment."

## Delete the title and insert:

"A bill for an act relating to highways; abolishing highway user tax distribution fund; abolishing transportation services fund; repealing statutory dedication of highway user taxes; repealing statutory dedication of money to the highway user tax distribution fund and trunk highway fund; repealing statutory provisions for allocation of the county state-aid highway fund and municipal state-aid street fund; proposing an amendment to repeal the constitutional dedication of highway user taxes in article XIV, section 5; amending the Minnesota Constitution, article XIV, sections 9 and 10; amending Minnesota Statutes 1992, sections 161.04, subdivision 1; 161.082, subdivision 1; 161.083; 162.02, subdivision 3a; 162.021, subdivision 1; 162.05; 162.08, subdivisions 3 and 10; 162.09, subdivision 3a; 162.14, subdivision 2, 3, 4, and 6; 162.155; and 469.201, subdivision 4; Minnesota Statutes 1993 Supplement, section 162.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, sections 161.041; 161.082, subdivisions 2 and 2a; 161.085; 162.06; 162.07; 162.08, subdivisions 1, 2, 5, 6, 7, and 9; 162.081, subdivisions 1, 2, and 3; 162.11; 162.12; 162.13; 162.14, subdivision 1; and 162.18; Minnesota Statutes 1993 Supplement, sections 161.081; 161.082, subdivision 2a; and 162.081, subdivision 4."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 3110, A bill for an act relating to waters; requiring marking or illumination of motor vehicles on ice at night and marking of shelters on ice; amending Minnesota Statutes 1992, section 97C.355, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 3133, A bill for an act relating to ethanol; increasing the cap on ethanol development payments to ethanol producers; extending expiration of payments for ethanol development; increasing minimum oxygen content of gasoline; eliminating tax credit for agricultural alcohol gasoline; amending Minnesota Statutes 1992, sections 41A.09,

subdivision 5; and 296.02, subdivision 7; Minnesota Statutes 1993 Supplement, section 41A.09, subdivision 3; and 239.791, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1692, A bill for an act relating to contracts; creating the public contractors' performance and payment bond act by amending existing provisions; amending Minnesota Statutes 1992, sections 574.26; 574.261; 574.262, subdivision 1; 574.263, by adding a subdivision; 574.264, subdivision 1; 574.27; 574.28; 574.29; 574.30; 574.31; and 574.32.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 574.26, is amended to read:

574.26 [CONTRACTORS' BONDS FOR PUBLIC WORK.]

Subdivision 1. [CITATION.] (a) Sections 574.26 to 574.32 are the "public contractors' performance and payment bond act," within those sections referred to as "the act."

(b) For the purposes of the act, (1) "public body" means the state, municipal corporation, school district, or other public board or body; and (2) "labor and materials" means work, skill, tools, machinery, materials, insurance premiums, equipment or supplies, or taxes incurred under section 290.02 or chapter 297A; and (3) "contract" means a contract with a public body for the doing of public work.

Subd. 2. [TERMS.] Except as provided in sections 574.263 and 574.264 or if the amount of the contract is \$10,000 or less, a contract with the state, or with any municipal corporation or other public board or body thereof, a public body for the doing of any public work; is not valid unless the contractor shall give gives (1) a performance bond to the state or other public body contracted with whom the contractor entered into the contract, for the use and benefit of the obligee, the state and public body to complete the contract according to its terms, and conditioned on saving the public body harmless from all costs and charges that may accrue on account of completing the specified work, and (2) a payment bond for the use and benefit of all persons doing work or furnishing skill, tools, machinery, or materials or insurance premiums or equipment or supplies for any eamp maintained for the feeding or keeping of workers and animals labor and materials engaged under, or for the purpose of, such to perform the contract, conditioned for the payment, as they become due, of all just claims for such work, tools, machinery, skill, materials, insurance premiums, equipment, taxes incurred under section 290.92 or chapter 297A, and supplies for the completion of the contract in accordance with its terms, for saving the obligee harmless from all costs and charges that may accrue on account of the doing of the work specified, and for the enforcing of the terms of the bond the labor and materials. Reasonable attorneys' fees, costs, and disbursements may be awarded in an action to enforce claims under the act if the action is brought on the bond, including reasonable attorney's fees, in any case where such action is successfully maintained and for the compliance with the laws appertaining thereto or successfully appealed.

<u>Subd. 3.</u> [PENALTY.] The penalty of such bond shall be <u>each bond must</u> not <u>be</u> less than the contract price, and if after the giving of the bond the contract price should for any reason be is increased, for any reason, the obligee <u>public body</u> may require an additional bond bonds, the <u>penalty penalties</u> of which shall be not less than the amount of such the increase, and if such the additional bond be bonds are not furnished within ten days after such demand, the work on the contract shall cease until such the additional bond shall have been bonds are furnished. In contracts made by the commissioner of administration or the department of transportation of the state, the <u>penalty of the bond</u> shall be in such amount as the commissioner of administration or the commissioner of transportation, respectively, may fix the amount of the bond penalty, but at not less than three-quarters of the contract price.

## Sec. 2. Minnesota Statutes 1992, section 574.261, is amended to read:

## 574.261 [SECURITY IN LIEU PLACE OF BOND.]

Subdivision 1. [CERTIFIED OR CASHIER'S CHECK.] With the approval of the commissioner of administration and where if the amount of the contract is not in excess of more than \$5,000 a person may make a contract with the state for the doing of any to do public work and in lieu place of giving the bond bonds required by section 574.26, submit to the commissioner of administration for deposit with the state treasurer (1) a certified check or cashier's check in the same amount as would be is required for a performance bond as security for protection of to protect the state, including its tax revenues, and (2) a certified or cashier's check in the same amount as is required for a payment bond for all persons doing work or furnishing skills, tools, machinery, or labor and materials under or for the purpose of executing such to perform the contract. Such deposit shall be The deposits are security for the payment, as they become due, of all just claims for work, skills, tools, machinery, and labor and materials, and for the performance and completion of the contract in accordance with according to its terms, and as security for all costs and charges that may accrue for the doing of the work specified and compliance with the laws relating thereto.

<u>Subd. 1a.</u> [LETTERS OF CREDIT.] <u>Whenever this act or other law or home rule charter requires a performance</u> <u>bond from a contractor doing a public work project of under \$50,000 for a public body, the public body may permit</u> <u>the contractor to provide, in place of the performance bond, an irrevocable bank letter of credit in the same amount</u> <u>as required for the bond and subject to the same conditions as the bond.</u>

Subd. 2. [CLAIMS.] A person entitled to the protection of such the deposit in place of a payment bond and wishing to take advantage of its benefits shall, at the time of commencing any action against either the contractor or any subcontractor engaged in such work no later than 120 days after the person's last contribution of labor and materials was furnished to the public work that is the subject of the contract, notify in writing the commissioner of administration and the state treasurer of the commencement of such suit person's claim, giving the names of the parties involved and the amount and nature of the claim. No If an action is commenced to obtain the benefit of the deposit in place of a payment bond, a judgment shall must not be entered within 30 days after the giving of such the notice of the claim and the state and or any person entitled to the protection of such the deposit may be admitted on its motion as a party to the action and the court shall determine the rights of all parties in the premises. In such suit in which the state treasurer is a party, the court may order the treasurer to make payment among the parties to the suit entitled thereto to payment. If the amount of the deposit is insufficient to pay the claims in full, the court may direct that they be paid on a pro-rate prorated basis. The deposit in place of a payment bond made with the treasurer pursuant to the terms of under this section shall be held by the treasurer for 90 120 days after the contract with the state has been completed last item of labor and materials was furnished to the public work that is the subject of the contract. If no suit a claim is commenced not filed within said period of 90 days the 120-day period, the deposit shall be returned to the person making it. If suit a claim is commenced filed within said 90 day the 120-day period, the deposit shall be disbursed by the state treasurer pursuant to the under an order of the court. Such moneys as are deposited with the state treasurer pursuant to the terms of this section are hereby annually appropriated to the state treasurer for the purpose of earrying out the terms and provisions hereof.

# <u>Subd. 3.</u> [APPROPRIATION.] <u>Money deposited with the state treasurer under this section is annually appropriated</u> to the state treasurer to carry out this section.

Sec. 3. Minnesota Statutes 1992, section 574.262, subdivision 1, is amended to read:

Subdivision 1. [BONDS.] To carry out the programs, established elsewhere by law, for awarding certain portions of state construction and procurement contracts and subcontracts to small businesses and small businesses owned by economically and socially disadvantaged persons, the commissioners of administration and transportation may, when deemed appropriate, arrange, through competitive bidding or negotiation, to partially indemnify bonding companies which provide bid and, performance, and payment bonds covering all or any part of the construction and procurement contracts or subcontracts which are designated for award to small businesses and small businesses owned by economically and socially disadvantaged persons. The amount of the indemnity for all the bonds on each contract shall not exceed \$100,000. Bonds which are subject to indemnity shall be provided to contractors at a cost which shall not exceed the cost of bid and, performance, and payment bonds if purchased in the usual manner by other businesses for similar contract work or procurement.

5677

Sec. 4. Minnesota Statutes 1992, section 574.263, subdivision 3, is amended to read:

## Subd. 3. [BID DEPOSIT IN PLACE OF PERFORMANCE BOND.]

For a contract made by the commissioner for a forestry development project, the commissioner may require a bid deposit in <u>lieu place</u> of a performance bond for charges that may accrue because of doing the specified work and to enforce the terms of the contract, including reasonable attorney's fees if an action is successful. The commissioner may set the amount of the bid deposit, but it may not be less than five percent of the contract price.

Sec. 5. Minnesota Statutes 1992, section 574.263, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [PAYMENT BOND.] <u>A contract with the state for a forestry development project may require a payment bond at the discretion of the commissioner of natural resources. If the commissioner determines that a payment bond is required, the commissioner also has the discretion to decide whether the bond may be in the form of securities in place of a bond as provided in section 574.264. If so, the securities cannot have less value than five percent of the contract price.</u>

Sec. 6. Minnesota Statutes 1992, section 574.264, is amended to read:

#### 574.264 [SECURITY IN LIEU PLACE OF BOND.]

Subdivision 1. [FOREST DEVELOPMENT PROJECTS.] In place of a performance or payment bond or bid deposit for a state contract for a forestry development project less than \$50,000, the person required to file the bond or bid deposit may deposit in a local designated state depository or with the state treasurer a certified check, a cashier's check, a postal, bank, or express money order, assignable bonds or notes of the United States, or an assignment of a bank savings account or investment certificate or an irrevocable bank letter of credit, in the same amount that would be required for a the bond or bid deposit. If securities listed in this section are deposited, their value shall not be less than the amount required for the bond or bid deposit and the person required to file the performance bond or bid deposit shall submit an agreement authorizing the commissioner to sell or otherwise take possession of the securities in the event of default under the contract or nonpayment of any persons furnishing labor and materials under, or to perform, the contract. The security deposits are for the protection of the state and for the performance and completion of the contract in accordance with its terms and as security for all costs and charges that may accrue for the doing of the work specified and compliance with the laws relating to it.

Subd. 2. [CLAIMS AGAINST <u>SECURITIES</u> IN <u>PLACE</u> OF BID DEPOSITS.] The bid deposit is <u>Securities</u> in place of payment bonds are subject to claims as provided for other deposits in section 574.261, subdivision 2.

Sec. 7. Minnesota Statutes 1992, section 574.27, is amended to read:

## 574.27 [BIDDERS TO HAVE RIGHT OF ACTION IN CERTAIN CASES.]

<u>A public body may require that a bidder provide a bid bond or other security as a proposal guaranty that the bidder will enter into a contract if its bid is accepted.</u> Any bidder upon any public work or public improvement of any kind in this state where bids therefor are received and where, in connection with such bids, a deposit of money, or a certified check, or <u>bid</u> bond or other security is required to <u>must</u> be given for the performance of provided with the bid if accepted, the political subdivision of the state <u>public body</u> causing such public work or other public improvement to be made or done shall be liable to such bidder for a return of the money, certified check, or other thing of value so deposited in the event of the acceptance of <u>if</u> the bidder's bid on such public work or improvement <u>is not accepted</u>, or, in the event of the acceptance of <u>if</u> the bidder's bid, during the interval between such acceptance and the entering into of a contract for such work and the giving of security in connection therewith by the bidder, and is accepted before the bid expires, after the bidder enters into a contract for the work and provides acceptable security in connection with it. This liability shall exist exists even though the failure to return such the money, certified check, or other thing of value by the officer of such political subdivision clothed the public body charged with the custody thereof <u>of the thing of value</u> by the officer of such political subdivision clothed the public body charged with the custody thereof <u>of it</u>.

## Sec. 8. Minnesota Statutes 1992, section 574.28, is amended to read:

## 574.28 [APPROVAL AND FILING OF BOND.]

Such bond shall be approved by, and filed Before beginning work on the contract for the public work, the contractor on whose behalf the payment and performance bonds were issued must file both bonds with, the treasurer, board, or officer having financial management of the obligee named therein unless the contract be for work upon a state trunk highway, or crection, improvement, or repair of buildings for a state institution, in which case it shall be approved and filed with the board or officer having the financial management thereof in the bonds. If such bond be not taken, the corporation or body for which work is done under the contract shall be liable to all persons furnishing labor, skill, or material to the contractor thereunder for any loss resulting to them from such failure. No The payment and performance bonds, if acceptable in form and content, must be approved by the board or officer having financial management of the obligee, or by the obligee's treasurer. An assignment, modification, or change of the contract, or change in the work covered thereby by the contract, nor any or an extension of time for completion of to complete the contract, shall does not release the sureties on the bonds.

Sec. 9. Minnesota Statutes 1992, section 574.29, is amended to read:

574.29 [ACTION ON FAILURE TO GET PAYMENT BOND.]

Any person entitled to the protection of such bond may maintain an action thereon for the amount due. The person shall notify the obligee named in the bond of the beginning of such action, giving the names of the parties, describing the bond sued upon, and stating the amount and nature of the claim. No judgment shall be entered in such action within 30 days after the giving of such notice. The obligee, or any other person having a cause of action on such bond, may be admitted, on motion, as a party to such action, and the court shall determine the rights of all parties thereto. If the amount realized on the bond be insufficient to discharge all such claims in full, such amount shall be distributed among the parties pro rata. If the state or other public body fails to get and approve a valid payment bond or securities in place of a payment bond as required by the act, the public body for which work is done under the contract is liable to all persons furnishing labor and materials under or to perform the contract for any loss resulting to them from the failure. The public body is not liable if the bond does not list the proper address of the contractor on whose behalf the bond was issued or of the surety providing the bond.

Sec. 10. Minnesota Statutes 1992, section 574.30, is amended to read:

## 574.30 [INSOLVENT OR INSUFFICIENT SURETIES.]

When, in its the obligee's judgment, any of the sureties a surety on such a bond have become required by the act is insolvent, or for any cause are is no longer a proper or sufficient sureties surety, the obligee may require the contractor to furnish a new or additional bond within ten days; and thereupon, if so ordered by such the obligee, all work on such the contract shall must cease until such the new or additional bond is bonds are furnished. If such bond be the bonds are not furnished within such time the ten days, the obligee may, at its option, determine terminate the contract and complete the same as the agent, and at the expense of such the contractor and its sureties.

Sec. 11. Minnesota Statutes 1992, section 574.31, is amended to read:

## 574.31 [LIMIT OF TIME TO BRING ACTION.]

<u>Subdivision</u> 1. [CLAIMS ON PERFORMANCE BONDS.] In the event of a claim by the public body on a performance bond, no action shall be maintained on any such bond unless within 90 days after the completion of the contract and acceptance thereof by the proper public authorities, the claimant shall file a written notice later than permitted under the statute of limitations applicable to the claim. As a condition precedent to bringing an action upon a performance bond, the public body must first serve written notice of claim under the contractor's bond personally or by certified mail upon the surety who issued the bond and upon the contractor on whose behalf the bond was issued specifying the nature and amount of the claim and the date of furnishing the last item thereof, in the office of the contract is for the performance of work for the state or any department thereof, and, in case the contract is let by any county, municipal corporation, or other public board or body, then such notice shall be filed in the office of the auditor of the county letting the contract or the county in which such municipal corporation, public board or body is situate, and if situate in two or more counties, then such notice shall be filed in the office of each county; nor unless the action is begun within one year after the filing of such notice. The county auditor shall enter the time of filing every such notice in a book kept for that purpose, which shall be properly indexed breach or default, and the performance requested of the surety.

Subd. 2. [CLAIMS ON PAYMENT BONDS.] (a) In the event of a claim on a payment bond by a person furnishing labor and materials, no action shall be maintained on the payment bond unless, within 120 days after completion, delivery, or provision by the person of its last item of labor and materials, for the public work, the person serves written notice of claim under the payment bond personally or by certified mail upon the surety that issued the bond and the contractor on whose behalf the bond was issued at their addresses as stated in the bond specifying the nature and amount of the claim and the date the claimant furnished its last item of labor and materials for the public work. For the purpose of this section, notice is sufficient if served personally or via certified mail to the addresses of the contractor and surety listed on the bond. The form of notice is sufficient if it is substantially as follows:

NOTICE OF CLAIM ON PAYMENT BOND FOR PUBLIC WORK

TO: ......

(Surety that issued payment bond)

and ..... (The contractor on whose behalf the bond was issued)

NOTICE IS HEREBY GIVEN that the undersigned claimant has a claim against the above named surety for labor and materials furnished by the undersigned for the public work described as follows:

(Description of the public work)

The labor and materials were furnished under a contract or agreement with .....

(Name and address of contractor or supplier requesting labor and materials from the claimant)

The nature of the labor and materials furnished is as follows: \*\*\*\*\*\*\*\*\*

Claimant seeks payment of the claim according to the law.

...... <u>Claimant</u>

..... Address

STATE OF .....

COUNTY OF .....

...... being duly sworn on oath says that ... is ...... of the claimant named above and has knowledge of the claim and that the claim is correct, and no part of the claim has been paid.

Signed and sworn to before me

SS.

on ....., 19...... <u>Бу</u> ..... Notary Public

(b) If the contractor providing the payment bond fails to comply with the filing requirements of section 574.28 by failing to state its address or the address of the surety providing the bond, then a claimant under the bond need not provide the surety or the contractor written notice of its claim under paragraph (a).

(c) An action to enforce a claim against the surety under the bond must be commenced within one year from the date of completion, delivery, or provision by the claimant of its last item of labor and materials for the public work stated in its notice of claim. If no notice of claim was required because the contractor providing the bond failed to comply with the requirements of section 574.28, then any action under the bond must be commenced within one year

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\* (Notary Seal) from the actual date of completion, delivery, or provision by the claimant of its last item of labor and materials for the public work. Any other person having a cause of action on a payment bond may be admitted, on motion, as a party to the action, and the court shall determine the rights of all parties. If the amount realized on the bond is insufficient to discharge all the claims in full, the amount must be prorated among the parties.

Sec. 12. Minnesota Statutes 1992, section 574.32, is amended to read:

## 574.32 [NOTICE APPLICATION OF PAYMENTS.]

The commissioner of commerce or the county auditor in whose office the written notice is filed shall, upon receipt of such written notice, mail one copy of the same, by certified mail, to the principal contractor, at its last known addresse, and to each of the sureties on the contractor's bond, at their last known addresses, and the claimant shall, at the time of filing the written notice, furnish the commissioner of commerce or the county auditor in whose office the notice is filed, at least three copies of the notice. The commissioner of commerce or county auditor with whom the notice is filed shall be entitled to charge a fee of \$15 for filing the notice and may also charge a fee to cover the cost of mailing the copies as herein provided. The failure of the commissioner of commerce or the county auditor with whom the notice is filed to mail these copies as herein provided, shall in no way affect the validity of the claim or the right of the claimant to maintain an action thereon. If a claimant on a payment bond had actual knowledge or should have known that a payment it received was for labor and materials supplied under, or to perform, public work under which a payment bond was provided, then the claimant must prove that it applied the payment to its account for that public work. Its claim must be reduced to the extent it cannot so prove.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective August 1, 1994, to apply to contracts for public work awarded after July 31, 1994."

#### Delete the title and insert:

"A bill for an act relating to contracts; creating the public contractors' performance and payment bond act by amending existing provisions; amending Minnesota Statutes 1992, sections 574.26; 574.261; 574.262, subdivision 1; 574.263, subdivision 3, and by adding a subdivision; 574.264, 574.27; 574.28; 574.29; 574.30; 574.31; and 574.32."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 1806, A bill for an act relating to nursing; allowing certified clinical specialists in psychiatric or mental health nursing to prescribe and administer drugs; amending Minnesota Statutes 1992, section 148.235, by adding subdivisions; Minnesota Statutes 1993 Supplement, section 148.235, subdivision 2.

Reported the same back with the following amendments to the unofficial engrossment:

Page 3, line 8, before "The" insert "(a)"

Page 3, after line 16, insert:

"(b) The repeal of section 148.235, subdivision 2, paragraph (b), does not automatically repeal rules adopted under that paragraph."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 664, 942, 1844, 1909, 1918, 1919, 1927, 1928, 1976, 2034, 2094, 2105, 2135, 2159, 2244, 2269, 2277, 2309, 2359, 2362, 2365, 2371, 2410, 2415, 2416, 2418, 2426, 2508, 2511, 2522, 2552, 2577, 2625, 2630, 2634, 2638, 2666, 2691, 2726, 2762, 2796, 2836, 2856, 2882, 2888, 2893, 2896, 2935, 2936, 2967, 2973, 2978, 2998, 3011, 3046, 3053, 3057, 3095 and 3110 were read for the second time.

## MONDAY, MARCH 28, 1994

## SECOND READING OF SENATE BILLS

S. F. Nos. 1692 and 1806 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Asch introduced:

H. F. No. 3146, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

#### Lasley introduced:

H. F. No. 3147, A bill for an act relating to real property; mortgage foreclosures; permitting prospective borrowers to waive the right to a longer redemption period based upon agricultural use; amending Minnesota Statutes 1992, section 580.23, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Olson, K.; Evans; Mosel; Neary and Carlson introduced:

H. F. No. 3148, A bill for an act relating to education; increasing the number of years that a referendum may be authorized; allowing school boards to convert net tax capacity referendum levies to market value referendum levies; extending the expiration date of existing referendum authority; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Laws 1993, chapter 224, article 1, section 37.

The bill was read for the first time and referred to the Committee on Education.

Asch, Bauerly, Luther, McCollum and Winter introduced:

H. F. No. 3149, A bill for an act relating to education; increasing the number of years that a referendum may be authorized; allowing school boards to convert net tax capacity referendum levies to market value referendum levies; extending the expiration date of existing referendum authority; amending Minnesota Statutes 1993 Supplement, section 124A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A; repealing Laws 1993, chapter 224, article 1, section 37.

The bill was read for the first time and referred to the Committee on Education.

## Osthoff introduced:

H. F. No. 3150, A bill for an act relating to highways; abolishing highway user tax distribution fund; abolishing transportation services fund; repealing statutory dedication of highway user taxes; repealing statutory dedication of money to the highway user tax distribution fund and trunk highway fund; repealing statutory provisions for allocation of the county state-aid highway fund and municipal state-aid street fund; proposing an amendment to repeal the constitutional dedication of highway user taxes in article XIV, section 5; amending the Minnesota Constitution, article XIV, sections 9 and 10; amending Minnesota Statutes 1992, sections 161.04, subdivision 1; 161.082, subdivision 1;

161.083; 162.02, subdivision 3a; 162.021, subdivision 1; 162.05; 162.08, subdivisions 3 and 10; 162.14, subdivisions 2, 3, 4, and 6; 162.155; 162.09, subdivision 3a; and 469.201, subdivision 4; Minnesota Statutes 1993 Supplement, section 162.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 161; repealing Minnesota Statutes 1992, sections 161.041; 161.082, subdivisions 2 and 2a; 161.085; 162.06; 162.07; 162.08, subdivisions 1, 2, 5, 6, 7, and 9; 162.081, subdivisions 1, 2, and 3; 162.11; 162.12; 162.13; 162.14, subdivision 1; and 162.18; Minnesota Statutes 1993 Supplement, sections 161.081; 161.082, subdivision 2a; and 162.081, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Neary, Hasskamp, Skoglund, McGuire and Johnson, A., introduced:

H. F. No. 3151, A bill for an act relating to human rights; prohibiting marital status discrimination by public accommodations; amending Minnesota Statutes 1993 Supplement, section 363.03, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Tomassoni and Solberg introduced:

H. F. No. 3152, A bill for an act relating to state lands; requiring the sale of certain school trust lands bordering public waters in St. Louis county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

## Pauly introduced:

H. F. No. 3153, A bill for an act relating to capital improvements; appropriating money for the construction of priority highway projects for which the predesign and design phases have been completed; authorizing the issuance of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Lourey, Cooper and Sekhon introduced:

H. F. No. 3154, A bill for an act relating to insurance; health plans; requiring coverage of hospitalization and anesthesia for certain dental services; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

#### Krueger introduced:

H. F. No. 3155, A bill for an act relating to state finance; requiring fees to cover costs; requiring commissioner of finance to approve fees not set by rule; amending Minnesota Statutes 1992, sections 16A.127, subdivision 1; 116.07, subdivision 4d; 144.98, subdivision 3; 221.0335; 326.2421, subdivision 3; and 341.10; Minnesota Statutes 1993 Supplement, sections 4A.05, subdivision 2; 16A.1285, subdivisions 2, 4, and 5; and 18E.03, subdivision 3; repealing Minnesota Statutes 1992, sections 14.1311; 14.235; and 14.305.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Milbert introduced:

H. F. No. 3156, A bill for an act relating to lawful gambling; increasing the percentage of gross profits for bingo expendable for allowable expenses; amending Minnesota Statutes 1992, section 349.15.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

5682

Olson, K.; Vellenga; Kelso; Tunheim and Bauerly introduced:

H. F. No. 3157, A bill for an act relating to education; modifying the grant application process of the cooperative secondary facilities grant act to include reorganized school districts; amending Minnesota Statutes 1992, sections 124.494, subdivisions 3, 4, 5, and 6; Minnesota Statutes 1993 Supplement, sections 124.494, subdivisions 1, 2, and 4a; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Olson, K.; Tunheim; Kelso; Bauerly and Vellenga introduced:

H. F. No. 3158, A bill for an act relating to education; modifying the interactive television revenue program; amending Minnesota Statutes 1993 Supplement, section 124.91, subdivision 5.

The bill was read for the first time and referred to the Committee on Education.

#### Murphy introduced:

H. F. No. 3159, A bill for an act relating to corrections; providing that certain changes made to law regarding per diem costs of confinement of juveniles charged to counties due to become effective July 1, 1994, shall not go into effect; amending Minnesota Statutes 1993 Supplement, sections 242.51; and 401.13; Laws 1993, chapter 146, article 2, section 32.

The bill was read for the first time and referred to the Committee on Judiciary.

Bergson, Weaver and Jacobs introduced:

H. F. No. 3160, A bill for an act relating to capital improvements; appropriating money and authorizing state bonds to repair the Coon Rapids dam.

The bill was read for the first time and referred to the Committee on Capital Investment.

#### Carruthers introduced:

H. F. No. 3161, A bill for an act relating to education; creating an additional general education revenue component to fund programs for at-risk students; expanding the uses of learning and development revenue; making permanent the flexibility between the capital expenditure equipment and facility accounts; appropriating money; amending Minnesota Statutes 1992, section 124A.22, subdivision 1, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 124.243, subdivision 8; and 124A.225, subdivision 4.

The bill was read for the first time and referred to the Committee on Education.

#### Cooper introduced:

H. F. No. 3162, A bill for an act relating to education; providing for a pilot enhanced pairing agreement of independent school district Nos. 648, Danube, 654, Renville, 655, Sacred Heart, and 631, Belview.

The bill was read for the first time and referred to the Committee on Education.

Olson, E.; Brown, K.; Olson, K.; Lieder and Frerichs introduced:

H. F. No. 3163, A bill for an act relating to motor carriers; delaying application and enforcement of rule against class. I permit holder owning, leasing, or controlling more than one terminal.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Bertram, Pelowski, Bauerly, Kalis and Ness introduced:

H. F. No. 3164, A bill for an act relating to education; transferring management of the F.I.R.E. Center to the higher education board.

The bill was read for the first time and referred to the Committee on Education.

Olson, M., and Waltman introduced:

H. F. No. 3165, A bill for an act relating to education; permitting a school district to not comply with a state mandate under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Olson, M.; Tunheim; Johnson, R.; Anderson, I., and Stanius introduced:

H. F. No. 3166, A resolution memorializing Congress and the President to negotiate with Canadian officials over fishing disputes in border waters.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

## Erhardt introduced:

H. F. No. 3167, A bill for an act relating to taxation; conforming income and corporate franchise taxes to changes in the federal income tax law; providing a subtraction for certain social security income; amending Minnesota Statutes 1992, sections 289A.02, by adding a subdivision; 289A.25, subdivision 5; 290.01, subdivision 19b, and by adding a subdivision; 290.05, subdivision 3; 290.068, subdivision 2; 290.0802, subdivision 1; 290.0921, subdivision 2; 297.01, by adding a subdivision; and 298.017, subdivision 2; Minnesota Statutes 1993 Supplement, sections 289A.26, subdivision 7; 290.01, subdivision 19; 290.091, subdivision 2; repealing Minnesota Statutes 1992, section 290.067, subdivision 6; Minnesota Statutes 1993 Supplement, section 289A.25, subdivision 5a.

The bill was read for the first time and referred to the Committee on Taxes.

Osthoff, Milbert, Klinzing and Brown, K., introduced:

H. F. No. 3168, A bill for an act relating to public finance; changing procedures for allocation of certain bonding authority; amending Minnesota Statutes 1992, section 474A.091, subdivision 3; Minnesota Statutes 1993 Supplement, section 474A.061, subdivision 2a.

The bill was read for the first time and referred to the Committee on Housing.

Lindner, Pawlenty, Krinkie, Van Engen and Dehler introduced:

H. F. No. 3169, A bill for an act relating to state government; providing for the size of the legislature; providing conditions for the organization of legislative committees; providing for legislative pensions; providing term limits; proposing an amendment to the Minnesota Constitution, article IV, section 4, and article V, sections 2 and 4; amending Minnesota Statutes 1992, sections 2.021; 3A.03; 3A.04, subdivisions 1 and 2; 3A.12, subdivision 1; 352D.03; 352D.04, subdivision 2; 352D.11, subdivision 1; and 352D.12; Minnesota Statutes 1993 Supplement, sections 3A.02, subdivision 1; and 352D.02, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 3; 3A; and 352D.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

#### Pugh introduced:

H. F. No. 3170, A bill for an act relating to insurance; motor vehicles; requiring proof of automobile insurance at time of emission control inspection; amending Minnesota Statutes 1992, sections 116.60, by adding a subdivision; and 116.62, subdivisions 3 and 5.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

Knight and Workman introduced:

H. F. No. 3171, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, by adding a section; affirming the right of parents to direct the upbringing and education of their children.

The bill was read for the first time and referred to the Committee on Education.

Lieder; Rice; Kalis; Anderson, I., and Osthoff introduced:

H. F. No. 3172, A bill for an act proposing an amendment to the Minnesota Constitution, article XI; providing for dedication of a portion of motor vehicle excise tax receipts to transit assistance; increasing motor fuel tax, contingent on adoption of the constitutional amendment; amending Minnesota Statutes 1992, section 296.02, subdivision 1b.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

## Dawkins introduced:

H. F. No. 3173, A bill for an act relating to public administration; authorizing expenditures of a capital nature; requiring the commissioner of human services to establish two pilot neighborhood family services centers; authorizing the issuance of state bonds; appropriating money; amending Minnesota Statutes 1992, section 256.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

#### Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2090, A bill for an act relating to local government; providing that the statutory procedure for tree removal does not apply to trees removed from town roads dedicated by plat; amending Minnesota Statutes 1992, section 160.22, subdivision 7a, and by adding a subdivision.

H. F. No. 1906, A bill for an act relating to state trails; routing an existing trail; establishing new trails; amending Minnesota Statutes 1992, section 85.015, subdivision 7, and by adding subdivisions.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1845, A bill for an act relating to education; permitting school boards to begin the 1994-1995 school year before Labor Day because a religious holiday is observed the day following Labor Day.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Rhodes moved that the House concur in the Senate amendments to H. F. No. 1845 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1845, A bill for an act relating to education; permitting school boards to begin the 1994-1995 school year before Labor Day.

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 Anderson, R. Asch Bauerly Beard Bergson Bertram Bettermann Bishop Brown, K. Carlson Carruthers Commers Cooper Dauner Davids Dawkins Dehler

Delmont Dempsey Dom Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman

Koppendraver Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lvnch Macklin Mahon McCollum McGuire Knickerbocker Milbert Molnau

Morrison Mosel Munger Murphy Neary Nelson Ness Olson, E. Olson, M. Onnen Opatz Orenstein -Osthoff Ostrom Ozment Paulv Pawlenty Pelowski

Perlt Peterson Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum

Swenson Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Weicman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was repassed, as amended by the Senate, and its title agreed to.

Holsten

Hugoson

Huntley

Jefferson

Jennings

Johnson, A.

Johnson, R.

Johnson, V.

Kahn

Kalis

Kelley

Kelso

Kinkel

Klinzing

Knight

Jacobs

Jaros

## Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2074, A bill for an act relating to crime prevention; juvenile justice; providing for adult court jurisdiction over juveniles alleged to have committed first degree murder or first degree criminal sexual conduct after age 16; providing for presumptive certification to adult court for juveniles alleged to have committed other prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home delinquency placement is proposed; providing for adult court jurisdiction over juveniles alleged to have committed nonfelony-level traffic offenses after age 16; authorizing the juvenile court to require parents to attend delinquency hearings; providing for the sharing of certain data collected or maintained on juveniles; requiring county attorneys to establish juvenile diversion programs; providing mandatory minimum sentences for drive-by shooting crimes; expanding the crime relating to the possession of dangerous weapons on school property; increasing penalties for certain firearms offenses involving youth; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 242.31, subdivision 1; 242.32; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.125; 260.131, by adding a subdivision; 260.132; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a, 2, and by adding a subdivision; 260.181, subdivision 4; 260.185, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a

## MONDAY, MARCH 28, 1994

subdivision; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 268.31; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; 611A.02, by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.155, subdivision 1; 260.161, subdivisions 1 and 3; 299A.35, subdivisions 1 and 2; 299C.65, subdivision 1; 401.065, subdivision 1, and by adding a subdivision; 609.11, subdivision 9; 609.66, subdivision 1d; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 260; 299A; 388; and 609; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Skoglund moved that the House refuse to concur in the Senate amendments to H. F. No. 2074, 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.

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 6, A senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

## SUSPENSION OF RULES

Carruthers moved that the rules be so far suspended that Senate Concurrent Resolution No. 6 be now considered and be placed upon its adoption. The motion prevailed.

#### SENATE CONCURRENT RESOLUTION NO. 6

A senate concurrent resolution relating to adjournment for more than three days.

Be It Resolved by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on March 30, 1994, or March 31, 1994, the House of Representatives may set its next day of meeting more than three days after the day of adjournment.

2. Upon its adjournment on March 30, 1994, or March 31, 1994, the Senate may set its next day of meeting more than three days after the day of adjournment.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consent to the adjournment of the other for more than three days.

Carruthers moved that Senate Concurrent Resolution No. 6 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 6 was adopted.

## Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2415, 1968, 1983, 2522 and 2425.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 2415, A bill for an act relating to traffic regulations; increasing from \$500 to \$1,000 the threshold level of reportable motor vehicle accidents; amending Minnesota Statutes 1993 Supplement, section 169.09, subdivision 7.

The bill was read for the first time.

Carlson moved that S. F. No. 2415 and H. F. No. 2630, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1968, A bill for an act relating to veterans; extending eligibility for special veterans' license plates to allied veterans; amending Minnesota Statutes 1992, section 168.123, subdivisions 1 and 2.

The bill was read for the first time.

Trimble moved that S. F. No. 1968 and H. F. No. 2105, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1983, A bill for an act relating to economic development; clarifying applications and criteria for Minnesota companies to participate in the international business partnership program; amending Minnesota Statutes 1992, section 116J.974.

The bill was read for the first time.

Rhodes moved that S. F. No. 1983 and H. F. No. 2415, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2522, A bill for an act relating to Wadena county; permitting the consolidation of the offices of auditor and treasurer.

The bill was read for the first time.

Nelson moved that S. F. No. 2522 and H. F. No. 2705, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2425, A bill for an act relating to occupations and professions; requiring the state fire marshal to conduct a study on fireworks safety and operator qualifications.

The bill was read for the first time.

Bauerly moved that S. F. No. 2425 and H. F. No. 2836, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

# CONSENT CALENDAR

H. F. No. 1829, A bill for an act relating to housing; requiring copies of evacuation plans for residents of manufactured home parks; amending Minnesota Statutes 1992, sections 290A.19; and 327C.02, subdivision 5, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 327.20, subdivision 1.

The bill was read for the third time and placed upon its final passage.

## MONDAY, MARCH 28, 1994

5689

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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bishop Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids Dawkins	Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos Hausman Holsten	Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Keiley Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Knueger	Lasley Leppik Limmer Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McCollum McGuire Milbert Molnau Morrison Mosel Munger Munger	Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh	Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tompkins Trimble	Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, I.
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Those who voted in the negative were:

Frerichs

The bill was passed and its title agreed to.

Krinkie

H. F. No. 1881, A bill for an act relating to the city of Red Wing; authorizing certain police officers to elect retirement coverage by the public employees police and fire fund.

The bill was read for the third 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	Dawkins	Hausman	Koppendrayer	Morrison	Pelowski	Sviggum
Anderson, R.	Dehler	Holsten	Krinkie	Mosel	Perlt	Swenson
Asch	Delmont	Hugoson	Krueger	Munger	Peterson	Tompkins
Battaglia	Dempsey	Huntley	Lasley	Murphy	Pugh	Trimble
Bauerly	Dorn	Jacobs	Leppik	Neary	Reding	Tunheim 😳
Beard	Erhardt	Taros	Lieder	Nelson	Rest	Van Dellen
Bergson	Evans	lefferson	Limmer	Ness	Rhodes	Van Engen
Bertram	Farrell	Jennings	Lindner	Olson, E.	Rice	Vellenga
Bettermann	Finseth	Johnson, A.	Long	Olson, K.	Rodosovich	Vickerman
Bishop	Frerichs	Johnson, R.	Lourey	Olson, M.	Rukavina	Wagenius
Brown, C.	Garcia	Johnson, V.	Luther	Onnen	Sarna	Waltman
Brown, K.	Girard	Kahn	Lvnch	Opatz	Seagren	Weaver
Carlson	Goodno	Kalis	Macklin	Orenstein	Sekňon	Wenzel
Carruthers	Greenfield	Kelley	Mahon	Orfield	Simoneau	Winter
Clark	Greiling	Kelso	Mariani	Osthoff	Skoglund	Wolf
Commers	Gruenes	Kinkel	McCollum	Ostrom	Smith	Worke
Cooper	Gutknecht	Klinzing	McGuire	Ozment	Solberg	Workman
Dauner	Hasskamp	Knickerbocker	Milbert	Pauly	Stanius	Spk. Anderson, I.
Davids	Haukoos	Knight	Molnau	Pawlenty	Steensma	· · · · · · · · · · · · · · · · · · ·

The bill was passed and its title agreed to.

## JOURNAL OF THE HOUSE

H. F. No. 1913, A bill for an act relating to retirement; St. Paul police consolidation account; authorizing the payment of refunds to the estates of certain deceased police officers.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Holsten	Krueger	Munger	Peterson	Tompkins
Anderson, R.	Delmont	Hugoson	Lasley	Murphy	Pugh	Trimble
Asch	Dempsey	Huntley	Leppik	Neary	Reding	Tunheim
Battaglia	Dorn	Jacobs	Lieder	Nelson	Rest	Van Dellen
Bauerly	Erhardt	Jaros	Limmer	Ness	Rhodes	Van Engen
Beard	Evans	Jefferson	Lindner	Olson, E.	Rice	Vellenga
Bergson	Farrell	Jennings	Long	Olson, K.	Rodosovich	Vickerman
Bertram	Finseth	Johnson, A.	Lourey	Olson, M.	Rukavina	Wagenius
Bettermann	Frerichs	Johnson, R.	Luther	Onnen	Sarna	Waltman
Bishop	Garcia	Johnson, V.	Lynch	Opatz	Seagren	Weaver
Brown, C.	Girard	Kalis	Macklin	Orenstein	Sekhon	Wejcman
Brown, K.	Goodno	Kelley	Mahon	Orfield	Simoneau	Wenzel
Carlson	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Winter
Carruthers	Greiling	Kinkel	McCollum	Ostrom	Smith	Wolf
Clark	Gruenes	Klinzing	McGuire	Ozment	Solberg	Worke
Commers	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Workman
Cooper	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Davids	Haukoos	Koppendrayer	Morrison	Pelowski	Sviggum	•
Dawkins	Hausman	Krinkie	Mosel	Perlt	Swenson	

The bill was passed and its title agreed to.

H. F. No. 2178, A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Meeker county.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Neary	Rest	Van Dellen
Anderson, R.	Delmont	Huntley	Leppik	Neison	Rhodes	Van Engen
Asch	Dempsey	Jacobs	Lieder	Ness	Rice	Vellenga
Battaglia	Dorn	Jaros	Limmer	Olson, E.	Rodosovich	Vickerman
Bauerly	Erhardt	Iefferson	Lindner	Olson, K.	Rukavina	Wagenius
Beard	Evans	Jennings	Long	Olson, M.	Sama	Waltman
Bergson	Farrell	Johnson, A.	Lourey	Onnen	Seagren	Weaver
Bertram	Finseth	Johnson, R.	Luther	Opatz	Sekhon	Wejcman
Bettermann	Frerichs	Johnson, V.	Lynch	Orenstein	Simoneau	Wenzel
Bishop	Garcia	Kahn	Macklin	Orfield	Skoglund	Winter
Brown, C.	Girard	Kalis	Mahon	Osthoff	Smith	Wolf
Brown, K.	Goodno	Kelley	Mariani	Ostrom	Solberg	Worke
Carlson	Greenfield	Kelso	McCollum	Ozment	Stanius	Workman
Carruthers	Greiling	Kinkel	McGuire	Pauly	Steensma	Spk. Anderson, I.
Clark	Gruenes	Klinzing	Milbert	Pawlenty	Sviggum	•
Commers	Gutknecht	Knickerbocker	Molnau	Pelowski	Swenson	
Cooper	Hasskamp	Knight	Morrison	Perlt	Tomassoni	
Dauner	Haukoos	Koppendrayer	Mosel	Peterson	Tompkins	
Davids	Hausman	Krinkie	Munger	Pugh	Trimble	
Dawkins	Holsten	Krueger	Murphy	Reding	Tunheim	

The bill was passed and its title agreed to.

The Speaker called Bauerly to the Chair.

H. F. No. 2187, A bill for an act relating to state lands; authorizing the sale of certain lands in Mille Lacs county to resolve a trespass situation.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams Dehler Anderson, R. Delmont Asch Dempsey Battaglia Dom Bauerly Erhardt Beard Evans Bergson Farrell Bertram Finseth Bettermann Frerichs Bishop Garcia Brown, C. Girard Brown, K. Goodno Carlson Greenfield Carruthers Greiling Clark Gruenes Gutknecht Commers Hasskamp Cooper Dauner Haukoos Davids Hausman Dawkins Holsten

Hugoson Huntley Jacobs Taros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelsó Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger

Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison Mosel Munger Murphy

Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding

Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble Tunheim

Van Dellen Van Engen Vellenga Vickerman Wagenius Waliman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

H. F. No. 2321 was reported to the House.

Dauner moved to amend H. F. No. 2321 as follows:

Page 2, line 17, delete "26" and insert "27"

The motion prevailed and the amendment was adopted.

H. F. No. 2321, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Clay and Wilkin counties.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly
Anderson, R.	Beard
Asch .	Bergson
Battaglia	Bertram

Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth

## JOURNAL OF THE HOUSE

## [78TH DAY

Frerichs	Jefferson	Lasley	Morrison	Ozment	Simoneau	Wagenius
Garcia	Jennings	Leppik	Mosel	Pauly	Skoglund	Waltman
Girard	Johnson, A.	Lieder	Munger	Pawlenty	Smith	Weaver
Goodno	Johnson, R.	Limmer	Murphy	Pelowski	Solberg	Wejcman
Greenfield	Johnson, V.	Lindner	Neary	Perlt	Stanius	Wenzel
Greiling	Kahn	Long	Nelson	Peterson	Steensma	Winter
Gruenes	Kalis	Lourey	Ness	Pugh	Sviggum	Wolf
Gutknecht	Kelley	Luther	Olson, E.	Reding	Swenson	Worke
Hasskamp	Kelso	Lynch	Olson, K.	Rest	Tomassoni	Workman
Haukoos	Kinkel	Macklin	Olson, M.	Rhodes	Tompkins	Spk. Anderson, I.
Hausman	Klinzing	Mahon	Onnen	Rice	Trimble	
Holsten	Knickerbocker	Mariani	Opatz	Rodosovich	Tunheim	
Hugoson	Knight	McCollum	Orenstein	Rukavina	Van Dellen	
Huntley	Koppendrayer	McGuire	Orfield	Sarna	Van Engen	
Jacobs	Krinkie	Milbert	Osthoff	Seagren	Vellenga	
Jaros	Krueger	Molnau	Ostrom	Sekhon	Vickerman	

The bill was passed, as amended, and its title agreed to.

H. F. No. 2567, A bill for an act relating to state government; permitting state employees to donate vacation leave for the benefit of a certain state employee.

The bill was read for the third 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	Dawkins	Hausman	Koppendrayer	Morrison	Peterson	Tomassoni
Anderson, R.	Dehler	Holsten	Krinkie	Mosel	' Pugh	Tompkins
Asch	Delmont	Hugoson	Krueger	Munger	Reding	Trimble
Battaglia	Dempsey	Huntley	Lasley	Murphy	Rest	Tunheim
Bauerly	Dorn	Jacobs	Leppik	Nelson	Rhodes	Van Dellen
Beard	Erhardt	Jaros	Lieder	Ness	Rice	Van Engen
Bergson	Evans	Jefferson	Limmer	Olson, E.	Rodosovich	Vellenga
Bertram	Farrell	Jennings	Lindner	Olson, M.	Rukavina	Vickerman
Bettermann	Finseth	Johnson, A.	Long	Onnen	Sarna	Wagenius
Bishop	Frerichs	Johnson, R.	Lourey	Opatz	Seagren	Waltman
Brown, C.	Garcia	Johnson, V.	Luther	Orenstein	Sekhon	Weaver
Brown, K.	Girard	Kahn	Lynch	Orfield	Simoneau	Wejcman
Carlson	Goodno	Kalis	Macklin	Osthoff	Skoglund	Wenzel
Carruthers	Greenfield	Kelley	Mahon	Ostrom	Smith	Winter
Clark	Greiling	Kelso	Mariani	Ozment	Solberg	Wolf
Commers	Gruenes	Kinkel	McCollum	Pauly	Stanius	Worke
Cooper	Gutknecht	Klinzing	McGuire	Pawlenty	Steensma	Workman
Dauner	Hasskamp	Knickerbocker	Milbert	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Haukoos	Knight	Molnau	Perlt	Swenson	1

The bill was passed and its title agreed to.

H. F. No. 2622 was reported to the House.

Anderson, I., moved that H. F. No. 2622 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 2675, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public waters in Aitkin county.

The bill was read for the third time and placed upon its final passage.

5692

## MONDAY, MARCH 28, 1994

5693

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hausman	Krinkie	Mosel	Perlt	Swenson
Anderson, R.	Dehler	Holsten	Krueger	Munger	Peterson	Tomassoni
Asch	Delmont	Hugoson	Lasley	Murphy	Pugh	Tompkins
Battaglia	Dempsey	Huntley	Leppik	Neary	Reding	Trimble
Bauerly	Dorn	Jacobs	Lieder	Nelson	Rest	Tunheim
Beard	Erhardt	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Bergson	Evans	Jennings	Lindner	Olson, E.	Rice	Van Engen
Bertram	Farrell	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bettermann	Finseth	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bishop	Frerichs	Johnson, V.	Luther	Onnen	Sama	Wagenius
Brown, C.	Garcia	Kahn	Lynch	Opatz	Seagren	Waltman
Brown, K.	Girard	Kalis	Macklin	Orenstein	Sekhon	Weaver
Carlson	Goodno	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carruthers	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Clark	Greiling	Kinkel	McCollum	Ostrom	Smith	Winter
Commers	Gruenes	Klinzing	McGuire	Ozment	Solberg	Wolf
Cooper	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Worke
Dauner	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Workman
Davids	Haukoos	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.

The bill was passed and its title agreed to.

H. F. No. 2680, A bill for an act relating to charitable organizations; changing definitions; modifying registration requirements; amending Minnesota Statutes 1993 Supplement, section 309.501, subdivisions 1 and 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 134 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper	Dehler Delmont Dempsey Dom Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp	Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight	Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mariani McCollum McCollum McGuire Milbert Molnau Morrison	Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt	Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni	Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workke Workman Spk. Anderson, I.
. –						· · ·

The bill was passed and its title agreed to.

Jaros was excused for the remainder of today's session.

H. F. No. 2692, A bill for an act relating to state lands; authorizing private sale of certain state land in Crow Wing county to resolve an encroachment situation.

The bill was read for the third time and placed upon its final passage.

Hausman

Holsten

Huntley

**Iefferson** 

Jennings

Johnson, A.

Johnson, R.

Johnson, V.

Kahn

Kalis

Kelley

Kelso

Kinkel

Klinzing

Knight

Krinkie

Knickerbocker

Koppendrayer

**Iacobs** 

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.
Asch
Battaglia
Bauerly
Beard
Bergson
Bertram
Bettermann
Bishop
Brown, C.
Brown, K.
Carlson
Carruthers
Clark
Commers
Cooper
Dauner
Davids

Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp Haukoos

Krueger Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon McCollum McGuire Milbert Molnau Morrison Mosel Munger Murphy

Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh

Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins

Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

S. F. No. 2095 was reported to the House.

Orenstein moved to amend S. F. No. 2095, the unofficial engrossment, as follows:

Page 1, line 25, after "effective" insert "the day following final enactment and applies"

Page 2, line 1, delete "that date" and insert "July 1, 1993"

The motion prevailed and the amendment was adopted.

S. F. No. 2095, A bill for an act relating to employment; modifying provisions relating to the public employee vacation donation program; amending Minnesota Statutes 1992, section 43A.181, 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Bishop

Abrams
Anderson, R.
Asch
Battaglia
Bauerly
Beard

Carlson Bergson Bertram Carruthers Bettermann Clark Commers Brown, C. Cooper Brown, K. Dauner

Davids Dawkins Dehler Delmont Dempsey Dorn

Erhardt Evans Farrell Finseth Frerichs Garcia

Girard Goodno Greenfield Greiling Gruenes Gutknecht

Hasskamp Haukoos Hausman Holsten Hugoson Huntley

Jacobs Jefferson Jennings Johnson, A. Johnson, R.	Knight Koppendrayer Krinkie Krueger Lasley	Macklin Mahon Mariani McCollum McGuire	Ness Olson, E. Olson, K. Olson, M. Onnen	Perlt Peterson Pugh Reding Rest	Skoglund Smith Solberg Stanius Steensma	Vellenga Vickerman Wagenius Waltman Weaver
Johnson, V. Kahn	Leppik Lieder	Milbert Molnau	Opatz Orenstein	Rhodes Rice	Sviggum Swenson	Wejcman Wenzel
Kalis	Limmer	Morrison	Osthoff	Rodosovich	Tomassoni	Winter
Kelley	Lindner	Mosel	Ostrom	Rukavina	Tompkins	Wolf
Kelso	Long	Munger	Ozment	Sama	Trimble	Worke
Kinkel	Lourey	Murphy	Pauly	Seagren	Tunheim	Workman
Klinzing	Luther	Neary	Pawlenty	Sekhon	Van Dellen	Spk. Anderson, I.
Knickerbocker	Lynch	Nelson	Pelowski	Simoneau	Van Engen	•

The bill was passed, as amended, and its title agreed to.

S. F. No. 2274, A bill for an act relating to Freeborn county; permitting the appointment of the recorder and auditor/treasurer; authorizing the reorganization of county offices.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids	Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Hasskamp Haukoos Hausman	Hugoson Huntley Jacobs Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kelley Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger	Leppik Lieder Limmer Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McCollum McGuire Milbert Molnau Morrison Mosel Munger	Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Peterson Pugh Reding	Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins Trimble	Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, I.
Dawkins	Holsten	Lasley	Murphy	Rest	Tunheim	

Those who voted in the negative were:

Beard Kalis Perlt

The bill was passed and its title agreed to.

Haukoos was excused between the hours of 3:20 p.m. and 4:20 p.m.

H. F. No. 985, A bill for an act relating to retirement; public employees police and fire fund; modifying the disability benefit limitation for reemployed disabilitants; amending Minnesota Statutes 1992, section 353.656, subdivision 4.

The bill was read for the third time and placed upon its final passage.

#### 5695

# JOURNAL OF THE HOUSE

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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp	Holsten Hugoson Huntley Jacobs Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight Koopendraver	Krueger Lasley Leppik Lieder Limmer Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, K. Olson, M. Ornen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski	Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Svigeum	Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, L
Dauner Davids	Hasskamp Hausman	Koppendraver Krinkie	Morrison Mosel		Sviggum Swenson	Spk. Anderson, I.

The bill was passed and its title agreed to.

Pawlenty was excused for the remainder of today's session.

H. F. No. 1416, A bill for an act relating to retirement; Austin fire department relief association; modifying health insurance benefit coverage for the spouses of certain retired firefighters; providing survivor benefit coverage for the spouses of certain retired firefighters; amending Laws 1992, chapter 455, section 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Munger	Pugh	Tompkins
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Reding	Trimble
Asch	Delmont	Huntley	Leppik	Neary	Rest	Tunheim
Battaglia	Dempsey	Jacobs	Lieder	Nelson	Rhodes	Van Dellen
Bauerly	Dorn	Jefferson	Limmer	Ness	Rice	Van Engen
Beard	Erhardt	Jennings	Lindner	Olson, E.	Rodosovich	Vellenga
Bergson	Evans	Johnson, A.	Long	Olson, K.	Rukavina	Vickerman
Bertram	Farrell	Johnson, R.	Lourey	Olson, M.	Sarna	Wagenius
Bettermann	Finseth	Johnson, V.	Luther	Onnen	Seagren	Waltman
Bishop	Frerichs	Kahn	Lynch	Opatz	Sekhon	Weaver
Brown, C.	Garcia	Kalis	Macklin	Orenstein	Simoneau	Wejcman
Brown, K.	Girard	Kelley	Mahon	Orfield	Skoglund	Wenzel
Carlson	Goodno	Kelso	Mariani	Osthoff	Smith	Winter
Carruthers	Greenfield	Kinkel	McCollum	Ostrom	Solberg	Wolf
Clark	Greiling	Klinzing	McGuire	Ozment	Stanius	Worke
Commers	Gruenes	Knickerbocker	Milbert	Pauly	Steensma	Workman
Cooper	Gutknecht	Knight	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Dauner	Hasskamp	Koppendrayer	Morrison	Perlt	Swenson	<b>•</b> ,
Davids	Hausman	Krinkie	Mosel	Peterson	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 2363 was reported to the House.

Neary moved that H. F. No. 2363 be stricken from the Consent Calendar and be placed on General Orders. The motion prevailed.

H. F. No. 2623, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Itasca county.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Munger	Reding	Trimble
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Rest	Tunheim
Asch	Delmont	Huntley	Leopik	Neary	Rhodes	Van Dellen
Battaglia	Dempsey	Jacobs	Lieder	Nelson	Rice	Van Engen
Bauerly	Dom	Jefferson	Limmer	Ness	Rodosovich	Vellenga
Beard	Erhardt	Jennings	Lindner	Olson, E.	Rukavina	Vickerman
Bergson	Evans	Johnson, A.	Long	Olson, K.	Sarna	Wagenius
Bertram	Farrell	Johnson, R.	Lourey	Olson, M.	Seagren	Waltman
Bettermann	Finseth	Johnson, V.	Luther	Onnen	Sekhon	Weaver
Bishop	Frerichs	Kahn	Lynch	Opatz	Simoneau	Wejcman
Brown, C.	Garcia	Kalis	Macklin	Orenstein	Skoglund	Wenzel
Brown, K.	Girard	Kelley	Mahon	Orfield	Smith	Winter
Carlson	Goodno	Kelso	Mariani	Ostrom	Solberg	Wolf
Carruthers	Greenfield	Kinkel	McCollum	Ozment	Stanius	Worke
Clark	Greiling	Klinzing	McGuire	Pauly	Steensma	Workman
Commers	Gruenes	Knickerbocker	Milbert	Pelowski	Sviggum	Spk. Anderson, I.
Cooper	Gutknecht	Knight	Molnau	Perlt	Swenson	-
Dauner	Hasskamp	Koppendraver	Morrison	Peterson	Tomassoni	
Davids	Hausman	Krinkie	Mosel	Pugh	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 2770 was reported to the House.

Wejcman moved that H. F. No. 2770 be continued on the Consent Calendar. The motion prevailed.

The following Conference Committee Report was received:

#### CONFERENCE COMMITTEE REPORT ON 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,

5697

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.

March 18, 1994

The Honorable Irv Anderson Speaker of the House of Representatives

The Honorable Allan H. Spear President of the Senate

We, the undersigned conferees for H. F. No. 1094, 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. 1094 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [45.015] [PROOF OF MAILING.]

In any provision of law related to the duties and responsibilities entrusted to the commissioner, and unless a different method is specified, when a person is required to provide notice or perform a similar act, this action may be accomplished by mail, and proof of mailing is sufficient to prove compliance with the requirement.

Sec. 2. Minnesota Statutes 1992, section 45.024, subdivision 2, is amended to read:

Subd. 2. [DELEGATION.] The commissioner of commerce may delegate to a deputy commissioner, assistant commissioner, or director the exercise of the commissioner's statutory powers and duties, including the authority to decide and issue final orders in contested cases, rulemaking proceedings, and other hearings held under chapter 14.

This delegation is in addition to, and does not in any way limit, the commissioner's authority to delegate pursuant to section 15.06, subdivision 6, or any other law.

Sec. 3. Minnesota Statutes 1992, section 59A.12, is amended by adding a subdivision to read:

Subd. 5. Whenever an insurer, after having been advised that an insurance policy has been financed by a premium finance agreement, returns an unearned premium on such a policy, the insurer shall deliver or mail to the policyholder a notice that includes the following information: the amount of premium paid, the term of the policy, the date coverage began and ceased, the amount of the unearned premium, the name of the party receiving the funds, and a statement of the obligation of the premium finance company to return within 30 days of receipt of the unearned premium any amount of the unearned premium in excess of the amount owed by the policyholder to the premium finance company.

Sec. 4. Minnesota Statutes 1992, section 60A.02, is amended by adding a subdivision to read:

Subd. 28. [GROUP INSURANCE.] "Group insurance" means that form of insurance coverage sponsored by:

(1) an employer covering not less than two employees and which may include the employees' dependents, consisting of husband, wife, children, and actual dependents residing in the household, written under a master policy issued to any employer, or group of employers who have joined into an arrangement for the purposes of providing the employees insurance for their individual benefit. Employees' dependents, consisting of husband, wife, children, and actual dependents residing in the same household, are not employees for purposes of this definition except for a spouse employed on a regular full-time basis by the same employer. This clause does not apply to chapter 62L;

(2) an association to provide insurance to its members; or

## 5698

(3) a creditor to provide life insurance to insure its debtors in connection with real estate mortgage loans, in an amount not to exceed the actual or scheduled amount of their indebtedness.

Sec. 5. Minnesota Statutes 1992, section 60A.03, subdivision 5, is amended to read:

Subd. 5. [EXAMINATION FEES AND EXPENSES.] When any visitation, examination, or appraisal is made by order of the commissioner, the company being examined, visited, or appraised, including, but not limited to, fraternals, township mutuals, reciprocal exchanges, nonprofit service plan corporations, health maintenance organizations, vendors of risk management services licensed under section 60A.23, or self-insurance plans or pools established under section 176.181 or 471.982, shall pay to the department of commerce the necessary expenses of the persons engaged in the examination, visit, appraisal, or desk audits of annual statements and records performed by the department other than on the company premises plus the per diem salary fees of the employees of the department of commerce who are conducting or participating in the examination, visitation, appraisal, or desk audit. The per diem salary fees may be based upon the approved examination fee schedules of the National Association of Insurance Commissioners or otherwise determined by the commissioner. All of these fees and expenses must be paid into the department of commerce revolving fund.

Sec. 6. Minnesota Statutes 1992, section 60A.052, subdivision 2, is amended to read:

Subd. 2. [SUMMARY SUSPENSION OR REVOCATION OF AUTHORITY OR CENSURE.] If the commissioner determines that one of the conditions listed in subdivision 1 exists, the commissioner may issue an order requiring the insurance company to show cause why any or all of the following should not occur: (1) revocation or suspension of any or all certificates of authority granted to the foreign or domestic insurance company or its agent; (2) censuring of the insurance company; or (3) the imposition of a civil penalty. The order shall be calculated to give reasonable notice of the time and place for hearing thereon, and shall state the reasons for the entry of the order. The commissioner may by order summarily suspend or revoke a certificate pending final determination of any order to show cause. If a certificate is suspended or revoked pending final determination of an order to show cause, a hearing on the merits shall be held within 30 days of the issuance of the summary order. All hearings shall be conducted in accordance with chapter 14. The insurer may waive its right to the hearing. If the insurer is under the supervision or control of the insurer of the insurer's state of domicile, that insurance department, acting on behalf of the insurer, may waive the insurer's right to the hearing. After the hearing, the commissioner shall enter an order disposing of the matter as the facts require. If the insurance company fails to appear at a hearing after having been duly notified of it, the company shall be considered in default, and the proceeding may be determined against the company upon consideration of the order to show cause, the allegations of which may be considered to be true.

Sec. 7. Minnesota Statutes 1992, section 60A.082, is amended to read:

#### 60A.082 [GROUP INSURANCE; BENEFITS CONTINUED IF INSURER CHANGED.]

A person covered under group life, group accidental death and dismemberment, group disability income or group medical expense insurance, shall not be denied benefits to which the person is otherwise entitled solely because of a change in the insurance company writing the coverage or in the group contract applicable to the person. In the case of one or more carriers replacing or remaining in place after one or more plans have been discontinued, each carrier shall accept any person who was covered under the discontinued plan or plans without denial of benefits to which other persons in the group covered by that carrier are entitled. "Insurance company" shall include a service plan corporation under chapter 62C or 62D.

For purposes of satisfying any preexisting condition limitation, the insurance company shall credit the period of time the person was covered by the prior plan, if the person has maintained continuous coverage.

The commissioner shall promulgate rules to carry out this section. Nothing in this section shall preclude an employer, union or association from reducing the level of benefits under any group insurance policy or plan.

Sec. 8. Minnesota Statutes 1992, section 60A.085, is amended to read:

#### 60A.085 [CANCELLATION OF GROUP COVERAGE; NOTIFICATION TO COVERED PERSONS.]

(a) No cancellation of any group life, group accidental death and dismemberment, group disability income, or group medical expense policy, plan, or contract is effective unless the insurer has made a good faith effort to notify all covered persons of the cancellation at least 30 days before the effective cancellation date. For purposes of this

section, an insurer has made a good faith effort to notify all covered persons if the insurer has notified all the persons included on the list required by paragraph (b) at the home address given and only if the list has been updated within the last 12 months.

(b) At the time of the application for coverage subject to paragraph (a), the insurer shall obtain an accurate list of the names and home addresses of all persons to be covered. The insurer shall obtain an update of the list at least once during each subsequent 12 month period while the policy, plan, or contract is in force.

(c) Paragraph (a) does not apply if the group policy, plan, or contract is replaced by a substantially similar policy, plan, or contract.

Sec. 9. Minnesota Statutes 1992, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. [FEES OTHER THAN EXAMINATION FEES.] In addition to the fees and charges provided for examinations, the following fees must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies:

(1) for filing certificate of incorporation \$25 and amendments thereto, \$10;

(2) for filing annual statements, \$15;

(3) for each annual certificate of authority, \$15;

(4) for filing bylaws \$25 and amendments thereto, \$10.

(b) by other domestic and foreign companies including fraternals and reciprocal exchanges:

(1) for filing certified copy of certificate of articles of incorporation, \$100;

(2) for filing annual statement, \$225;

(3) for filing certified copy of amendment to certificate or articles of incorporation, \$100;

(4) for filing bylaws, \$75 or amendments thereto, \$75;

(5) for each company's certificate of authority, \$575, annually.

(c) the following general fees apply:

(1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$25;

(2) for each copy of paper on file in the commissioner's office 50 cents per page, and \$2.50 for certifying the same;

(3) for license to procure insurance in unadmitted foreign companies, \$575;

(4) for receiving and forwarding each notice, proof of loss, summons, complaint or other process served upon the commissioner of commerce, as attorney for service of process upon any nonresident agent or insurance company, including reciprocal exchanges, \$15 plus the cost of effectuating service by certified mail, which amount must be paid by the party serving the notice and may be taxed as other costs in the action;

(5) for valuing the policies of life insurance companies, one cent per \$1,000 of insurance so valued, provided that the fee shall not exceed \$13,000 per year for any company. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;

(6) (5) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;

78th Day]

(7) for issuing an initial license to an individual agent, \$30 per license, for issuing an initial agent's license to a partnership or corporation, \$100, and for issuing an amendment (variable annuity) to a license, \$50, and for renewal of amendment, \$25;

(8) (6) for each appointment of an agent filed with the commissioner, a domestic insurer shall remit \$5 and all other insurers shall remit \$3;

(9) for renewing an individual agent's license, \$30 per year per license, and for renewing a license issued to a corporation or partnership, \$60 per year;

(10) for issuing and renewing a surplus lines agent's license, \$250;

(11) for issuing duplicate licenses, \$10;

(12) for issuing licensing histories, \$20;

(13) (7) for filing forms and rates, \$50 per filing;

(14) (8) for annual renewal of surplus lines insurer license, \$300.

The commissioner shall adopt rules to define filings that are subject to a fee.

Sec. 10. Minnesota Statutes 1992, section 60A.19, subdivision 4, is amended to read:

Subd. 4. [FEES <u>SERVICE OF PROCESS.</u>] The commissioner shall be entitled to charge and receive a fee prescribed by section 60A.14, subdivision 1, paragraph (c), clause (4), for each notice, proof of loss, summons, or other process served under the provisions of this subdivision and subdivision 3, to be paid by the persons serving the same. The service of process authorized by this section shall be made in compliance with section 45.028, subdivision 2.

Sec. 11. Minnesota Statutes 1992, section 60A.206, subdivision 3, is amended to read:

Subd. 3. [STANDARDS TO BE MET BY INSURERS.] (a) The commissioner shall recognize the insurer as an eligible surplus lines insurer when satisfied that the insurer is in a stable, unimpaired financial condition and that the insurer is qualified to provide coverage in compliance with sections 60A.195 to 60A.209. If filed with full supporting documentation before July 1 of any year, applications submitted under subdivision 2 shall be acted upon by the commissioner before December 31 of the year of submission.

(b) The commissioner shall not authorize an insurer as an eligible surplus lines insurer unless the insurer continuously maintains capital and surplus of at least \$3,000,000 and transaction of business by the insurer is not hazardous, financially or otherwise, to its policyholders, its creditors, or the public. Each alien surplus lines insurer shall have current financial data filed with the National Association of Insurance Commissioners Nonadmitted Insurers Information Office.

(c) Eligible surplus lines insurers domiciled within the United States shall file an annual statement and an annual financial audit, under the terms and conditions of section 60A.13, subdivisions 1, 3a, and 6, and are subject to the penalties of section 72A.061, and are subject to section 60A.03, subdivision 5, in regard to those requirements. The commissioner also has the powers provided in section 60A.13, subdivision 2, in regard to eligible surplus lines insurers.

(d) Eligible surplus lines insurers domiciled outside the United States shall file an annual statement on the standard nonadmitted insurers information office financial reporting format as prescribed by the National Association of Insurance Commissioners and an annual financial audit performed by an independent accounting firm.

Sec. 12. Minnesota Statutes 1992, section 60A.21, subdivision 2, is amended to read:

Subd. 2. [SERVICE OF PROCESS UPON UNAUTHORIZED INSURER.] (1) Any of the following acts in this state effected by mail or otherwise by an unauthorized foreign or alien insurer: (a) the issuance or delivery of contracts of insurance to residents of this state or to corporations authorized to do business therein; (b) the solicitation of applications for such contracts; (c) the collection of premiums, membership fees, assessments, or other considerations for such contracts; or (d) any other transaction of insurance business, is equivalent to and shall constitute an

appointment by such insurer of the commissioner of commerce and the commissioner's successor or successors in office to be its true and lawful attorney upon whom may be served all lawful process in any action, suit, or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such contract of insurance and any such act shall be signification of its agreement that such service of process is of the same legal force and validity as personal service of process in this state upon such insurer.

(2) Such service of process shall be made in compliance with section 45.028, subdivision 2 and the payment of a filing fee as preseribed by section 60A.14, subdivision 1, paragraph (c), clause (4).

(3) Service of process in any such action, suit, or proceeding shall in addition to the manner provided in clause (2) of this subdivision be valid if served upon any person within this state who, in this state on behalf of such insurer, is: (a) soliciting insurance, or (b) making, issuing, or delivering any contract of insurance, or (c) collecting or receiving any premium, membership fee, assessment, or other consideration for insurance; and if a copy of such process is sent within ten days thereafter by certified mail by the plaintiff or plaintiff's attorney to the defendant at the last known principal place of business of the defendant and the defendant's receipt, or the receipt issued by the post office with which the letter is certified showing the name of the sender of the letter and the name and address of the person to whom the letter is addressed, and the affidavit of the plaintiff or plaintiff's attorney showing a compliance herewith are filed with the administrator of the court in which such action is pending on or before the date the defendant is required to appear or within such further time as the court may allow.

(4) No plaintiff or complainant shall be entitled to a judgment by default under this subdivision until the expiration of 30 days from the date of the filing of the affidavit of compliance.

(5) Nothing in this subdivision contained shall limit or abridge the right to serve any process, notice, or demand upon any insurer in any other manner now or hereafter permitted by law.

(6) The provisions of this section shall not apply to surplus line insurance lawfully effectuated under Minnesota law, or to reinsurance, nor to any action or proceeding against an unauthorized insurer arising out of:

(a) Wet marine and transportation insurance;

(b) Insurance on or with respect to subjects located, resident, or to be performed wholly outside this state, or on or with respect to vehicles or aircraft owned and principally garaged outside this state;

(c) Insurance on property or operations of railroads engaged in interstate commerce; or

(d) Insurance on aircraft or cargo of such aircraft, or against liability, other than employer's liability, arising out of the ownership, maintenance, or use of such aircraft, where the policy or contract contains a provision designating the commissioner as its attorney for the acceptance of service of lawful process in any action or proceeding instituted by or on behalf of an insured or beneficiary arising out of any such policy, or where the insurer enters a general appearance in any such action.

Sec. 13. Minnesota Statutes 1992, section 60A.36, is amended by adding a subdivision to read:

<u>Subd. 5.</u> [RESCISSION.] (a) No insurer may rescind or void a contract of liability or property insurance unless there was material misrepresentation, material omission, or fraud made by or with the knowledge of the insured in obtaining the contract or in pursuing a claim under the policy.

(b) No misrepresentation or omission shall be material unless knowledge by the insurer of the facts misrepresented or omitted would have led to a refusal by the insurer to make such a contract. In determining the question of materiality, evidence of the practice of the insurer with respect to the acceptance or rejection of similar risks shall be admissible.

(c) For purposes of this section, a representation is a statement as to past or present fact, made to an insurer or the insurer's agent by the applicant as an inducement for issuing a contract of commercial liability or property insurance. A misrepresentation is a false representation, and the facts misrepresented are those facts which make the representation false.

(d) This subdivision does not limit the right to cancel the policy prospectively for the reasons stated in subdivision 1, clause (2).

Sec. 14. Minnesota Statutes 1992, section 60K.06, is amended to read:

#### 60K.06 [RENEWAL FEE FEES.]

<u>Subdivision 1.</u> [RENEWAL FEES.] (a) Each agent licensed pursuant to section 60K.03 shall annually pay in accordance with the procedure adopted by the commissioner a renewal fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (10).

(b) Every agent, corporation, and partnership license expires on October 31 of the year for which period a license is issued.

(c) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are approved for renewal and may continue to transact business whether or not the renewed license has been received on or before November 1. Applications for renewal of a license are timely filed if received by the commissioner on or before October 15 of the year due, on forms duly executed and accompanied by appropriate fees. An application mailed is considered timely filed if addressed to the commissioner, with proper postage, and postmarked by October 15.

(d) The commissioner may issue licenses for agents, corporations, or partnerships for a three year-period. If three year licenses are issued, the fee is three times the annual license fee.

Subd. 2. [LICENSING FEES.] (a) In addition to the fees and charges provided for examinations, each agent licensed pursuant to section 60K.03 shall pay to the commissioner:

(1) for issuing an initial license to an individual agent, \$30 per year;

(2) for issuing an initial agent's license to a partnership or corporation, \$100 per year;

(3) for issuing an amendment (variable annuity) to a license, \$50 per year;

(4) for renewing an amendment, \$25 per year;

(5) for renewing an individual agent's license, \$30 per year;

(6) for renewing a license issued to a corporation or partnership, \$60 per year;

(7) for issuing and renewing a surplus lines agent's license, \$250 per year;

(8) for issuing duplicate licenses, \$10.

(b) Every agent, corporation, and partnership license expires on October 31.

(c) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are approved for renewal and may continue to transact business whether or not the renewed license has been received on or before November 1. Applications for renewal of a license are timely filed if received by the commissioner on or before October 15 of the year due, on forms duly executed and accompanied by appropriate fees. An application mailed is considered timely filed if addressed to the commissioner, with proper postage, and postmarked by October 15.

(d) 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. 15. Minnesota Statutes 1992, section 60K.14, subdivision 4, is amended to read:

Subd. 4. [SUITABILITY OF INSURANCE.] In recommending the purchase of any life, endowment, <u>individual</u> <u>accident and sickness</u>, long-term care, annuity, life endowment, or Medicare supplement insurance to a customer, an agent must have reasonable grounds for believing that the recommendation is suitable for the customer and must make reasonable inquiries to determine suitability. The suitability of a recommended purchase of insurance will be determined by reference to the totality of the particular customer's circumstances, including, but not limited to, the customer's income, the customer's need for insurance, and the values, benefits, and costs of the customer's existing insurance program, if any, when compared to the values, benefits, and costs of the recommended policy or policies.

Sec. 16. Minnesota Statutes 1993 Supplement, section 61A.02, subdivision 2, is amended to read:

Subd. 2. [APPROVAL REQUIRED.] No policy or certificate of life insurance or annuity contract, issued to an individual, group, or multiple employer trust, nor any rider of any kind or description which is made a part thereof shall be issued or delivered in this state, or be issued by a life insurance company organized under the laws of this state, until the form of the same has been approved by the commissioner. In making a determination under this section, the commissioner may require the insurer to provide rates and advertising materials related to policies or contracts, certificates, or similar evidence of coverage issued or delivered in this state.

This section applies to a policy, certificate of insurance, or similar evidence of coverage issued to a Minnesota resident or issued to provide coverage to a Minnesota resident. This section does not apply to a certificate of insurance or similar evidence of coverage that meets the conditions of section 61A.093, subdivision 2.

Sec. 17. Minnesota Statutes 1992, section 61A.07, is amended to read:

#### 61A.07 [PROHIBITED PROVISIONS.]

No policy of life insurance shall be issued or delivered in this state, or be issued by a life insurance company organized under the laws of this state, if it contains a provision:

(1) for forfeiture of the policy for failure to repay any loan on the policy or to pay interest on such loan while the total indebtedness on the policy is less than the loan value thereof; or for forfeiture for failure to repay any such loan or to pay interest thereon, unless such provision contain a stipulation that no such forfeiture shall occur until at least one month after notice shall have been mailed by the company to the last known address of the insured and of the assignee, if any, notice of whose address and contract of the assignment has been filed with the company, at its home office; or

(2) in a life policy or annuity contract, limiting the time within which any action at law or in equity may be commenced to less than five years after the cause of action shall accrue; or

(3) by which the policy shall purport to be issued or to take effect more than six months before the original application for the insurance was made; or

(4) for any mode of settlement at maturity of less value than the amount insured on the face of the policy plus any dividend additions, less any indebtedness to the company on the policy, and less any premium that may be deducted by the terms of the policy.

Sec. 18. Minnesota Statutes 1992, section 61A.071, is amended to read:

## 61A.071 [APPLICATIONS.]

No individual life insurance policy, except mass marketed life insurance as defined in section 72A.13, subdivision 2 except life insurance marketed on a direct response basis, shall be issued or delivered in this state to a person age 65 or older unless a signed and completed copy of the application for insurance is left with the applicant at the time application is made. <u>However, where an individual life policy is marketed on a direct response basis, a copy of any application signed by the applicant shall be delivered to the insured along with, or as part of, the policy.</u>

Sec. 19. Minnesota Statutes 1992, section 61A.074, subdivision 1, is amended to read:

Subdivision 1. [CORPORATION OR TRUSTEE.] A corporation or the trustee of a trust providing life, <u>annuity</u>, health, disability, retirement, or similar benefits to employees of one or more corporations, and acting in a fiduciary capacity with respect to the employees, retired employees, or their dependents or beneficiaries, has an insurable interest in the lives of employees for whom the benefits are to be provided. The written consent of the insured is required if the insurance purchased under this subdivision is payable to the corporation or to the trustee.

Sec. 20. Minnesota Statutes 1992, section 61A.08, is amended to read:

61A.08 [EXCEPTIONS.]

Sections 61A.02, 61A.03, 61A.07, 61A.23, and 61A.25 shall not, except as expressly provided in this chapter, apply to annuities, industrial or group term policies, or to corporations or associations operating on the assessment or fraternal plan, and in every case where a contract provides for both insurance and annuities, sections 61A.02, 61A.03 and 61A.07 shall apply only to that part of the contract which provides for insurance, but every contract issued prior

5704

## MONDAY, MARCH 28, 1994

to the operative date specified in section 61A.245 containing a provision for a deferred annuity on the life of the insured only, unless paid for by a single premium, shall provide that, in event of the nonpayment of any premium after three full years' premium shall have been paid, the annuity shall automatically become converted into a paid-up annuity for that proportion of the original annuity as the number of completed years' premiums paid bears to the total number of premiums required under the contract.

Sec. 21. Minnesota Statutes 1992, section 61A.09, subdivision 1, is amended to read:

Subdivision 1. No group life insurance policy or group annuity shall be issued for delivery in this state until the form thereof and the form of any certificates issued thereunder have been filed in accordance with and subject to the provisions of section 61A.02. Each person insured under such a group life insurance policy (excepting policies which insure the lives of debtors of a creditor or vendor to secure payment of indebtedness) shall be furnished a certificate of insurance issued by the insurer and containing the following:

(a) Name and location of the insurance company;

(b) A statement as to the insurance protection to which the certificate holder is entitled, including any changes in such protection depending on the age of the person whose life is insured;

(c) Any and all provisions regarding the termination or reduction of the certificate holder's insurance protection;

(d) A statement that the master group policy may be examined at a reasonably accessible place;

(e) The maximum rate of contribution to be paid by the certificate holder;

(f) Beneficiary and method required to change such beneficiary;

(g) In the case of a group term insurance policy if the policy provides that insurance of the certificate holder will terminate, in case of a policy issued to an employer, by reason of termination of the certificate holder's employment, or in case of a policy issued to an organization of which the certificate holder is a member, by reason of termination of membership, a provision to the effect that in case of termination of employment or membership, <u>or in case of termination of the group policy</u>, the certificate holder shall be entitled to have issued by the insurer, without evidence of insurability, upon application made to the insurer within 31 days after the termination <del>of employment or membership</del>, and upon payment of the premium applicable to the class of risk to which that person belongs and to the form and amount of the policy at that person's then attained age, a policy of life insurance only, in any one of the forms customarily issued by the insurer except term insurance, in an amount equal to the amount of the life insurance protection under such group insurance policy at the time of such termination; and shall contain a further provision to the effect that upon the death of the certificate holder during such 31-day period and before any such individual policy has become effective, the amount of insurance for which the certificate holder was entitled to make application shall be payable as a death benefit by the insurer.

This section applies to a policy, certificate of insurance, or similar evidence of coverage issued to a Minnesota resident. This section does not apply to a certificate of insurance or similar evidence of coverage that meets the conditions of section 61A.093, subdivision 2.

Sec. 22. Minnesota Statutes 1992, section 61A.092, is amended by adding a subdivision to read:

Subd. 6. [APPLICATION.] This section applies to a policy, certificate of insurance, or similar evidence of coverage issued to a Minnesota resident. This section does not apply to a certificate of insurance or similar evidence of coverage that meets the conditions of section 61A.093, subdivision 2.

Sec. 23. [61A.093] [CERTIFICATE OF INSURANCE.]

<u>Subdivision 1.</u> [COVERAGE.] <u>A certificate of insurance or similar evidence of coverage issued to a Minnesota</u> resident shall provide coverage for all benefits required to be covered in group policies in Minnesota by this chapter.

This subdivision supersedes any inconsistent provision of this chapter.

A policy of life insurance that is issued or delivered in this state and that covers a person residing in another state may provide coverage or contain provisions that are less favorable to that person than required by this chapter. Less favorable coverages or provisions must meet the requirements that the state in which the person resides would have required had the policy been issued or delivered in that state.

Subd. 2. [NONAPPLICATION.] Subdivision 1 does not apply to certificates issued in regard to a master policy issued outside the state of Minnesota if all of the following are true:

(1) the policyholder or certificate holder exists primarily for purposes other than to obtain insurance;

(2) the policyholder or certificate holder is not a Minnesota corporation and does not have its principal office in Minnesota;

(3) the policy or certificate covers fewer than 25 persons who are residents of Minnesota and the Minnesota residents represent less than 25 percent of all covered persons; and

(4) on request of the commissioner, the issuer files with the commissioner a copy of the policy and a copy of each form of certificate.

Subd. 3. [RELATION TO OTHER LAW.] Section 60A.08, subdivision 4, shall not be construed as requiring a certificate of insurance or similar evidence of insurance that meets the conditions of subdivision 2 to comply with this chapter.

Sec. 24. Minnesota Statutes 1992, section 61A.12, subdivision 1, is amended to read:

Subdivision 1. [PROCEEDS OF LIFE POLICY OR ANNUITY, WHO ENTITLED TO.] When any insurance is effected in favor of another, the beneficiary shall be entitled to its proceeds against the creditors and representatives of the person effecting the same. All premiums paid for insurance in fraud of creditors, with interest thereon, shall inure to their benefit from the proceeds of the policy, if the company be specifically notified thereof, in writing, before payment.

Sec. 25. Minnesota Statutes 1992, section 61A.282, subdivision 2, is amended to read:

Subd. 2. [LENDING OF SECURITIES.] A company may loan securities held by it under this chapter to a broker-dealer registered under the Securities and Exchange Act of 1934 or to a bank which is a member of the Federal Reserve System, under the following conditions:

(a) The market value of loaned securities outstanding at any one time, excluding securities held in a separate account established pursuant to section 61A.14, subdivision 1, or 61A.275, shall not exceed 50 40 percent of the company's capital and surplus admitted assets as of the December 31 immediately preceding.

(b) The company is limited to no more than two percent of its admitted assets as of the December 31 immediately preceding being subject to lending of securities with any one borrower.

(c) Each loan must be evidenced by a written agreement which provides:

(a) (1) that the loan will be fully collateralized by cash or obligations issued or guaranteed by the United States or an agency or an instrumentality thereof, and that the collateral will be adjusted each business day during the term of the loan to maintain the required collateral in the event of market value changes in the loaned securities or collateral:

(b) (2) that the loan may be terminated by the company at any time, and that the borrower must return the loaned securities or their equivalent within five business days after termination;

(e) (3) that the company has the right to retain the collateral or to use the collateral to purchase securities equivalent to the loaned securities if the borrower defaults under the terms of the agreement; and

(d) (4) that the borrower remains liable for any losses and expenses, not covered by the collateral, which are incurred by the company due to default.

Sec. 26. Minnesota Statutes 1992, section 62A.047, is amended to read:

62A.047 [CHILDREN'S HEALTH SUPERVISION SERVICES AND PRENATAL CARE SERVICES.]

A policy of individual or group health and accident insurance regulated under this chapter, or individual or group subscriber contract regulated under chapter 62C, health maintenance contract regulated under chapter 62D, or health benefit certificate regulated under chapter 64B, issued, renewed, or continued to provide coverage to a Minnesota

resident, must provide coverage for child health supervision services and prenatal care services. The policy, contract, or certificate must specifically exempt reasonable and customary charges for child health supervision services and prenatal care services from a deductible, copayment, or other coinsurance or dollar limitation requirement. For individual policies, This section does not prohibit the use of <u>policy</u> waiting periods or preexisting condition limitations for these services. Minimum benefits may be limited to one visit payable to one provider for all of the services provided at each visit cited in this section subject to the schedule set forth in this section. Nothing in this section applies to a commercial health insurance policy issued as a companion to a health maintenance organization contract, a policy designed primarily to provide coverage payable on a per diem, fixed indemnity, or nonexpense incurred basis, or a policy that provides only accident coverage.

"Child health supervision services" means pediatric preventive services, appropriate immunizations, developmental assessments, and laboratory services appropriate to the age of a child from birth to age six as defined by Standards of Child Health Care issued by the American Academy of Pediatrics. Reimbursement must be made for at least five child health supervision visits from birth to 12 months, three child health supervision visits from 12 months to 24 months, once a year from 24 months to 72 months.

"Prenatal care services" means the comprehensive package of medical and psychosocial support provided throughout the pregnancy, including risk assessment, serial surveillance, prenatal education, and use of specialized skills and technology, when needed, as defined by Standards for Obstetric-Gynecologic Services issued by the American College of Obstetricians and Gynecologists.

Sec. 27. [62A.105] [COVERAGES; TRANSFERS TO SUBSTANTIALLY SIMILAR PRODUCTS.]

<u>Subdivision 1.</u> [SCOPE.] <u>No individual policy of accident and sickness regulated under this chapter or subscriber</u> <u>contract regulated under chapter 62C shall be issued, renewed, or continued to provide coverage to a Minnesota</u> <u>resident unless it satisfies the requirements of subdivision 2.</u>

Subd. 2. [REQUIREMENT.] If an issuer of policies or plans referred to in subdivision 1 ceases to offer a particular policy or subscriber contract to the general public or otherwise stops adding new insureds to the group of covered persons, the issuer shall allow any covered person to transfer to another substantially similar policy or contract currently being sold by the issuer. The issuer shall permit the transfer without any preexisting condition limitation, waiting period, or other restriction of any type other than those which applied to the insured under the prior policy or contract. This section does not apply to persons who were covered under an individual policy or contract prior to July 1, 1994.

#### Sec. 28. [62A.136] [DENTAL AND VISION PLANS.]

The following provisions do not apply to health plans providing dental or vision coverage only: sections 62A.041, 62A.047, 62A.149, 62A.151, 62A.152, 62A.154, 62A.155, 62A.26, 62A.28, and 62A.30.

Sec. 29. Minnesota Statutes 1992, section 62A.148, is amended to read:

#### 62A.148 [GROUP INSURANCE; PROVISION OF BENEFITS FOR DISABLED EMPLOYEES.]

No employer or insurer of that employer shall terminate, suspend or otherwise restrict the participation in or the receipt of benefits otherwise payable under any program or policy of group insurance to any covered employee who becomes totally disabled while employed by the employer solely on account of absence caused by such total disability. This includes coverage of dependents of the employee. If the employee is required to pay all or any part of the premium for the extension of coverage, payment shall be made to the employer, by the employee.

Sec. 30. Minnesota Statutes 1992, section 62A.153, is amended to read:

# 62A.153 [FREE STANDING AMBULATORY SURGICAL CENTERS OUTPATIENT MEDICAL AND SURGICAL SERVICES.]

No policy or plan of health, medical, hospitalization, or accident and sickness insurance regulated under this chapter, or subscriber contract provided by a nonprofit health service plan corporation regulated under chapter 62C that provides coverage for services in a hospital shall be issued, renewed, continued, delivered, issued for delivery or executed in this state, or approved for issuance or renewal in this state by the commissioner of commerce unless the policy, plan or contract specifically provides coverage for a health care treatment or service rendered by a free

standing ambulatory surgical center or facilities offering ambulatory medical service 24 hours a day seven days a week, which are not part of a hospital, but have been reviewed and approved by the state commissioner of health to provide the treatment or service, surgery on an outpatient basis at a facility equipped to perform these services, whether or not the facility is part of a hospital. Coverage shall be on the same basis as coverage provided for the same health care treatment or service rendered by in a hospital.

Sec. 31. Minnesota Statutes 1992, section 62A.43, subdivision 4, is amended to read:

Subd. 4. [OTHER POLICIES NOT PROHIBITED.] The prohibition in this section or the requirements of section 62A.31, subdivision 1, against the sale of duplicate Medicare supplement coverage does do not preclude the sale of insurance coverage, such as travel, accident and sickness coverage, the effect or purpose of which is not to supplement Medicare coverage. Notwithstanding this provision, if the commissioner determines that the coverage being sold is in fact Medicare supplement insurance, the commissioner shall notify the insurer in writing of the determination. If the insurer does not thereafter comply with sections 62A.31 to 62A.44, the commissioner may, pursuant to chapter 14, revoke or suspend the insurer's authority to sell accident and health insurance in this state or impose a civil penalty not to exceed \$10,000, or both.

Sec. 32. [62A.49] [HOME CARE SERVICES COVERAGE.]

<u>Subdivision 1.</u> [GENERALLY.] Section 62A.48 does not prohibit the sale of policies, certificates, subscriber contracts, or other evidences of coverage that provide home care services only. This does not, however, remove the requirement that home care service benefits must be provided as part of a long-term care policy pursuant to that section. Home care services only policies may be sold, provided that they meet the requirements set forth in sections 62A.46 to 62A.56, except that they do not have to meet those conditions that relate to long-term care in nursing facilities. Disclosures and representations regarding these policies must be adjusted accordingly to remove references to coverage for nursing home care.

<u>Subd. 2.</u> [PROVIDER NETWORKS AND MANAGED CARE.] <u>Home health care services issued pursuant to this</u> section may be provided through a limited provider network and may employ managed care practices. If these methods are used, they must be adequately disclosed within the policy and any advertisements or representations regarding coverage. Policies may not be sold in areas where there are not sufficient providers to meet the needs of the policyholders located in that area.

Sec. 33. [62A.615] [PREEXISTING CONDITIONS; LIMITATIONS ON CANCELLATIONS, RESCISSIONS, OR RESTRICTIONS ON COVERAGE.]

No insurer may cancel or rescind a health insurance policy for a preexisting condition of which the application or other information provided by the insured reasonably gave the insurer notice. No insurer may restrict coverage for a preexisting condition of which the application or other information provided by the insured reasonably gave the insurer notice unless the coverage is restricted at the time the policy is issued and the restriction is disclosed in writing to the insured at the time the policy is issued.

Sec. 34. Minnesota Statutes 1992, section 62E.05, is amended to read:

## 62E.05 [CERTIFICATION OF QUALIFIED PLANS.]

Upon application by an insurer, fraternal, or employer for certification of a plan of health coverage as a qualified plan or a qualified medicare supplement plan for the purposes of sections 62E.01 to 62E.16, the commissioner shall make a determination within 90 days as to whether the plan is qualified. All plans of health coverage <u>except</u> <u>Medicare supplement policies</u>, shall be labeled as "qualified" or "nonqualified" on the front of the policy or evidence of insurance. All qualified plans shall indicate whether they are number one, two, or three coverage plans.

Sec. 35. Minnesota Statutes 1992, section 62E.19, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYER LIABILITY.] An employer is liable to the association for the costs of any preexisting conditions of the employer's former employees or their dependents during the first six months of coverage under the state comprehensive health insurance plan under the following conditions:

(1)(i) the employer has terminated or laid off employees and is required to meet the notice requirements under section 268.976, subdivision 3;

(2) (ii) the employer has failed to provide, arrange for, or make available continuation health insurance coverage required to be provided under federal or state law to employees or their dependents; and

(3) (iii) the employer's former employees or their dependents enroll in the state comprehensive health insurance plan with a waiver of the preexisting condition limitation under section 62E.14, subdivision 4a or 5; or

(4) (2)(i) the employer has terminated or allowed the employer's plan of health insurance coverage to lapse within 90 days prior to the date of termination or layoff of an employee; and

(5) (ii) the employer's former employees or their dependents enroll in the state comprehensive health insurance plan with a waiver of the preexisting condition limitation under section 62E.14, subdivision 4a or 5.

The employer shall pay a special assessment to the association for the costs of the preexisting conditions. The special assessment may be assessed before the association makes the annual determination of each contributing member's liability as required under this chapter. The association may enforce the obligation to pay the special assessment by action, as a claim in an insolvency proceeding, or by any other method not prohibited by law.

If the association makes the special assessment permitted by this subdivision, the association may also make any assessment of contributing members otherwise permitted by law, without regard to the special assessment permitted by this subdivision. Contributing members must pay the assessment, subject to refund or adjustment in the event of receipt by the association of any portion of the special assessment.

Sec. 36. Minnesota Statutes 1992, section 62H.01, is amended to read:

62H.01 [JOINT SELF-INSURANCE EMPLOYEE HEALTH PLAN.]

Any two or more employers, excluding the state and its political subdivisions as described in section 471.617, subdivision 1, who are authorized to transact business in Minnesota may jointly self-insure employee health, dental, or short-term disability benefits, or other benefits permitted under the Employee Retirement Income Security Act of 1974, United States Code, title 29, sections 1001 et seq. Joint plans must have a minimum of 100 covered employees and meet all conditions and terms of sections 62H.01 to 62H.08. Joint plans covering employers not resident in Minnesota must meet the requirements of sections 62H.01 to 62H.08 as if the portion of the plan covering Minnesota resident employees was treated as a separate plan. A plan may cover employees resident in other states only if the plan complies with the applicable laws of that state.

A multiple employer welfare arrangement as defined in United States Code, title 29, section 1002(40)(a), is subject to this chapter to the extent authorized by the Employee Retirement Income Security Act of 1974, United States Code, title 29, sections 1001 et seq.

Sec. 37. [62H.10] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For purposes of sections 62H.10 to 62H.17, the terms in this section have the meanings given them.

Subd. 2. [AGENT.] "Agent" means an agent as defined under section 60A.02, subdivision 7.

Subd. 3. [ARRANGEMENT.] "Arrangement" means a fund, trust, plan, program, or other mechanism by which a person provides, or attempts to provide, health care benefits to individuals.

Subd. 4. [BROKER.] "Broker" means an agent engaged in brokerage business pursuant to section 60K.08.

<u>Subd. 5.</u> [COLLECTIVELY BARGAINED ARRANGEMENT.] "Collectively bargained arrangement" means an arrangement which provides or represents that it is providing health care benefits or coverage under or pursuant to one or more collective bargaining agreements.

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

<u>Subd. 7.</u> [EMPLOYEE LEASING ARRANGEMENT.] "Employee leasing arrangement" means a labor leasing, staff leasing, employee leasing, contract labor, extended employee staffing or supply, or other arrangement, under contract or otherwise, whereby one business or entity leases or obtains all or a significant number of its workers from another business or entity. <u>Subd.</u> 8. [EMPLOYEE WELFARE BENEFIT PLAN.] "Employee welfare benefit plan" means a plan, fund, or program established or maintained by an employer or by an employee organization, or by both, to the extent that the plan, fund, or program was established or is maintained for the purpose of providing for its participants or their beneficiaries, through the purchase of insurance or otherwise, medical, surgical, or hospital care or benefits, or benefits in the event of sickness, accident, disability, death, or unemployment.

<u>Subd. 9.</u> [FULLY INSURED BY A LICENSED INSURER.] <u>"Fully insured by a licensed insurer" means that, for all of the health care benefits or coverage provided or offered by or through an arrangement:</u>

(1) a licensed insurer is directly obligated by contract to provide all of the coverage to or under the arrangement;

(2) the licensed insurer assumes all of the risk for payment of all covered services or benefits; and

(3) the liability of the licensed insurer for payment of the covered services or benefits is directly to the individual employee, member, or dependent receiving the health care services.

Subd. 10. [LICENSED INSURER.] "Licensed insurer" means an insurer having a certificate of authority to transact insurance in this state.

Subd. 11. [REPORTABLE MEWA.] "Reportable MEWA" means a person that provides health care benefits or coverage to the employees of two or more employers. Reportable MEWA does not include:

(1) a licensed insurer;

(2) an arrangement which is fully insured by a licensed insurer;

(3) a collectively bargained arrangement;

(4) an employee welfare benefit plan established or maintained by a rural electric cooperative or a rural telephone cooperative;

(5) an employee leasing arrangement; or

(6) a joint self-insurance employee health plan, which includes but is not limited to multiple employee welfare arrangements and multiple employer welfare arrangements (MEWAs), having a certificate of authority to transact insurance in this state pursuant to chapter 62H.

Subd. 12. [RURAL ELECTRIC COOPERATIVE.] "Rural electric cooperative" means:

(1) an organization that is exempt from tax under United States Code, title 26, section 501(a), and which is engaged primarily in providing electric service on a mutual or cooperative basis; or

(2) an organization described in United States Code, title 26, section 501(c), paragraph (4) or (6), which is exempt from tax under United States Code, title 26, section 501(a), and at least 80 percent of the members of which are organizations described in clause (1).

<u>Subd. 13.</u> [RURAL TELEPHONE COOPERATIVE.] "<u>Rural telephone cooperative</u>" means an organization described in <u>United States Code</u>, title 26, section 501(c), paragraph (4) or (6), which is exempt from tax under <u>United States</u> <u>Code</u>, title 26, section 501(a), and at least 80 percent of the members of which are organizations engaged primarily in providing telephone service to <u>rural areas of the United States on a mutual</u>, cooperative, or other basis.

<u>Subd. 14.</u> [THIRD PARTY ADMINISTRATOR.] <u>"Third party administrator" means a vendor of risk management</u> services or an entity administering a self-insurance or insurance plan under section 60A.23.

Sec. 38. [62H.11] [AGENTS AND BROKERS PROHIBITED FROM ASSISTING REPORTABLE MEWAS PRIOR TO FILING.]

(a) No agent or broker may solicit, advertise, or market in this state health benefits or coverage from, or accept an application for, or place coverage for a person who resides in this state with, a reportable MEWA unless the agent or broker first files with the commissioner the information required under section 62H.16.

(b) No agent or broker may solicit another agent or broker to enter into an arrangement to solicit, advertise, or market services, health benefits, or coverage of a reportable MEWA unless the agent or broker first files with the commissioner the information required under section 62H.16.

Sec. 39. [62H.12] [AGENTS AND BROKERS PROHIBITED FROM ASSISTING EMPLOYEE LEASING ARRANGEMENTS PRIOR TO FILING.]

(a) No agent or broker may solicit, advertise, or market in this state the services, health benefits, or coverage of an employee leasing arrangement or a person or arrangement which represents itself as an employee leasing arrangement unless the agent or broker first files with the commissioner the information required under section 62H.16.

(b) No agent or broker may solicit another agent or broker to enter into an arrangement to solicit, advertise, or market the services, health benefits, or coverage of an employee leasing arrangement unless the agent or broker first files with the commissioner the information required under section 62H.16.

Sec. 40. [62H.13] [AGENTS AND BROKERS PROHIBITED FROM ASSISTING COLLECTIVELY BARGAINED ARRANGEMENTS PRIOR TO FILING.]

(a) No agent or broker may solicit, advertise, or market in this state health benefits or coverage from, or accept an application for, or place coverage for a person who resides in this state with, a collectively bargained arrangement or an arrangement that represents itself as a collectively bargained arrangement unless the agent or broker first files with the commissioner the information required under section 62H.16.

(b) No agent or broker may solicit another agent or broker to enter into an arrangement to solicit, advertise, or market the health benefits or coverage of a collectively bargained arrangement unless the agent or broker first files with the commissioner the information required under section 62H.16.

Sec. 41. [62H.14] [THIRD PARTY ADMINISTRATORS AND LICENSED INSURERS PROHIBITED FROM ASSISTING REPORTABLE MEWAS PRIOR TO FILING.]

(a) No third party administrator may solicit or effect coverage of, underwrite for, collect charges or premium for, or adjust or settle claims of a resident of this state for, or enter into any agreement to perform any of those functions for, a reportable MEWA that provides coverage to residents of this state unless the third party administrator first files with the commissioner the information required under section 62H.16.

(b) No licensed insurer may solicit or effect coverage of, underwrite for, collect charges or premiums for, adjust or settle claims of a resident of this state for, or enter into any agreement to perform any of those functions for a reportable MEWA that provides coverage to residents of this state unless the insurer first files with the commissioner the information required under section 62H.16.

(c) A licensed insurer that issues or has issued any insurance coverage to a reportable MEWA that covers residents of this state, including, but not limited to, specific or aggregate stop-loss coverage, shall file with the commissioner the information required under section 62H.16 within 30 days after the coverage is issued or within 30 days after the date the reportable MEWA first provides coverage to a resident of this state, whichever is later.

Sec. 42. [62H.15] [LACK OF KNOWLEDGE NOT A DEFENSE.]

(a) Lack of knowledge or intent to deceive with respect to the organization or status of insurance coverage of a reportable MEWA, employee leasing firm, or collectively bargained arrangement is not a defense to a violation of sections 62H.10 to 62H.17.

(b) A filing under sections 62H.10 to 62H.17 is solely for the purpose of providing information to the commissioner. Sections 62H.10 to 62H.17 and a filing under those sections do not authorize or license a reportable MEWA, employee leasing firm, collectively bargained arrangement, or any other arrangement to engage in business in this state if otherwise prohibited by law.

Sec. 43. [62H.16] [INFORMATION REQUIRED TO BE FILED AND KEPT CURRENT.]

(a) An agent, broker, third party administrator, or insurer required to file under sections 62H.10 to 62H.17 shall file with the commissioner all of the following information on a form prescribed by the commissioner:

(1) a copy of the organizational documents of the reportable MEWA, employee leasing firm, or collectively bargained arrangement, including the articles of incorporation and bylaws, partnership agreement, or trust instrument;

(2) a copy of each insurance or reinsurance contract that purports to insure or guarantee all or any portion of benefits or coverage offered by the reportable MEWA, employee leasing firm, or collectively bargained arrangement to a person who resides in this state;

(3) copies of the benefit plan description and other materials intended to be distributed to potential purchasers; and

(4) the names and addresses of all persons performing or expected to perform the functions of a third party administrator for the reportable MEWA, employee leasing firm, or collectively bargained arrangement.

(b) A filing under sections 62H.10 to 62H.17 is ineffective and is not in compliance with those sections if it is incomplete or inaccurate in a material respect.

(c) A person who has made a filing under sections 62H.10 to 62H.17 shall amend the filing within 30 days of the date the person becomes aware, or exercising due diligence should have become aware, of any material change to the information required to be filed. The amended filing must accurately reflect the material change to the information originally filed.

Sec. 44. [62H.17] [LIABILITY FOR VIOLATION.]

If an arrangement that is an unauthorized insurer fails to pay a claim or loss in this state within the provisions of its contract, a person who violates sections 62H.10 to 62H.17 with respect to the arrangement is liable to the insured for the full amount of the claim or loss in the manner provided by the provisions of the insurance contract.

Sec. 45. Minnesota Statutes 1992, section 62I.02, is amended to read:

62L02 [MINNESOTA JOINT UNDERWRITING ASSOCIATION.]

Subdivision 1. [CREATION.] The Minnesota joint underwriting association is created to provide insurance coverage to any person or entity unable to obtain insurance through ordinary methods if the insurance is required by statute, ordinance, or otherwise required by law, or is necessary to earn a livelihood or conduct a business and serves a public purpose, including, but not limited to, liquor liability. Prudent business practice or mere desire to have insurance coverage is not a sufficient standard for the association to offer insurance coverage to a person or entity. For purposes of this subdivision, directors' and officers' liability insurance is considered to be a business necessity and not merely a prudent business practice. The association shall be specifically authorized to provide insurance coverage to day care providers, foster parents, foster homes, developmental achievement centers, group homes, and rehabilitation facilities for mentally, emotionally, or physically handicapped persons, and citizen participation groups established pursuant to the housing and community redevelopment act of 1974, Public Law Number 93-383. Because the activities of certain persons or entities present a risk that is so great, the association shall not offer insurance coverage to any person or entity the board of directors of the association determines is outside the intended scope and purpose of the association because of the gravity of the risk of offering insurance coverage. The association shall not offer environmental impairment liability or product liability insurance. The association shall not offer coverage for activities that are conducted substantially outside the state of Minnesota unless the insurance is required by statute, ordinance, or otherwise required by law. Every insurer authorized to write property and casualty insurance and personal injury liability insurance in this state shall be a member of the association as a condition to obtaining and retaining a license to write insurance in this state.

Subd. 2. [DIRECTOR.] The association shall have a board of directors composed of 11 persons chosen as follows: five persons elected by members of the association at a meeting called by the commissioner; three public members, as defined in section 214.02, appointed by the commissioner; and three members, appointed by the commissioner representing groups to whom coverage has been extended by the association. The terms of the members shall be four years. Terms may be staggered so that no more than six members are appointed or elected every two years. Members may serve until their successors are appointed or elected. If at any time no coverage is currently extended by the association, then either additional public members may be appointed to fill these three positions or, at the option of the commissioner, representatives from groups who had previously been covered by the association may serve as directors.

Subd. 3. [REAUTHORIZATION.] The authorization to issue insurance to day care providers, foster parents, foster homes, developmental activity centers, group homes, and rehabilitation facilities for mentally, emotionally, or physically handicapped persons, and citizen participation groups established pursuant to the housing and community redevelopment act of 1974, Public Law Number 93-383, is valid for a period of two years from the date it was made.

The commissioner may reauthorize the issuance of insurance for these groups and other classes of business for additional two-year periods pursuant to sections 62I.21 and 62I.22. This subdivision is not a limitation on the number of times the commissioner may reauthorize the issuance of insurance.

Subd. 4. [LIQUOR LIABILITY.] Policies and contracts of coverage issued under this section for the purposes of providing liquor liability insurance must contain the usual and customary provisions of liability insurance policies, and must contain at least the minimum coverage required by section 340A.409, subdivision 1, or the local governing unit.

<u>Subd. 5.</u> [ACCOUNTS.] For the purposes of administration and assessment, the association shall be divided into two separate accounts: (1) the property and casualty insurance account; and (2) the personal injury liability insurance account.

Sec. 46. Minnesota Statutes 1992, section 62I.03, is amended to read:

62I.03 [DEFINITION.]

Subdivision 1. [SCOPE.] As used in sections 62I.01 to 62I.22 the following terms have the meanings given them in this section.

Subd. 2. [ASSOCIATION.] "Association" means the Minnesota joint underwriting association.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of commerce.

Subd. 4. [DIRECT WRITTEN PREMIUMS.] "Direct written premiums" means that amount at column (2), lines 5, 8, 9, 17, 21.2, 22, 23, 24, 25, 26, and 27, page 14, of the annual statement filed annually with the department of commerce pursuant to section 60A.13.

Subd. 5. [DEFICIT.] "Deficit" means, for a particular policy year, that amount by which total paid and outstanding losses and loss adjustment expenses exceed premium revenue, including retrospective premium revenue.

Subd. 6. [NET DIRECT PREMIUMS.] For purposes of liquor liability insurance, "net direct premiums" means gross direct premiums written on personal injury liability insurance, including the liability component of multiple peril package policies as computed by the commissioner, less return premiums for the unused or unabsorbed portions of premium deposits.

Subd. 7. [PERSONAL INJURY LIABILITY INSURANCE.] "Personal injury liability insurance" means insurance described in section 60A.06, subdivision 1, clause (13).

Sec. 47. Minnesota Statutes 1992, section 62I.07, is amended to read:

62I.07 [MEMBERSHIP ASSESSMENTS.]

<u>Subdivision 1.</u> [GENERAL ASSESSMENT.] Each member of the association <u>that is authorized to write property</u> and <u>casualty insurance in the state</u> shall participate in its losses and expenses in the proportion that the direct written premiums of the member <u>on the kinds of insurance in that account</u> bears to the total aggregate direct written premiums written in this state by all members <u>on the kinds of insurance in that account</u>. The members' participation in the association shall be determined annually on the direct written premiums written during the preceding calendar year as reported on the annual statements and other reports filed by the member with the commissioner.

<u>Subd.</u> 2. [PERSONAL INJURY LIABILITY INSURANCE ASSESSMENT.] <u>A member of the association shall</u> participate in its writings, expenses, servicing allowance, management fees, and losses in the proportion that the net direct premiums of the member, excluding that portion of premiums attributable to the operation of the association, written during the preceding calendar year on the kinds of insurance in that account bears to the aggregate net direct premiums written in this state by all members on the kinds of insurance in that account. The member's participation in the association shall be determined annually on the basis of net direct premiums written during the preceding calendar year, as reported in the annual statements and other reports filed by the member with the commissioner.

Sec. 48. Minnesota Statutes 1992, section 62I.13, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] To be eligible to participate in the association, an applicant must apply for coverage through the market assistance program, as required by section 621.08. Except as provided by subdivision 4, the market assistance program has 30 days from the receipt of the application to secure an offer of coverage for the applicant.

If the market assistance program is able to secure an offer of coverage for the applicant and if the offer of coverage would not be considered a refusal for purposes of the association, then coverage may not be extended by the association. Eligibility for coverage by the association is <u>also</u> subject to the terms and conditions of subdivisions 2 and 3.

Sec. 49. Minnesota Statutes 1992, section 62I.13, subdivision 2, is amended to read:

Subd. 2. [MINIMUM OF QUALIFICATIONS.] Anyone who is unable to obtain insurance in the private market and who so certifies to the association in the application is eligible to make written application to the association for coverage. Payment of the applicable premium or required portion of it must be paid prior to coverage by the association. An offer of coverage at a rate in excess of the rate that would be charged by the association for similar coverage and risk shall be deemed to be a refusal of coverage for purposes of eligibility for participation in the association. It shall not be deemed to be a written notice of refusal if the rate for coverage offered is less than five percent in excess of the joint underwriting association rates for similar coverage and risk or <u>20 percent in excess of</u> the joint underwriting association rates for liquor liability coverages. However, the offered rate must also be the rate that the insurer has filed with the department of commerce if the insurer is required to file its rates with the department. If the insurer is not required to file its rates with the department, the offered rate must be the rate generally charged by the insurer for similar coverage and risk.

Sec. 50. Minnesota Statutes 1992, section 62I.20, is amended to read:

621.20 [MERGER OF OTHER PLANS.]

Upon application by the governing body of the liquor liability assigned risk plan authorized by section 340A.409 or the joint underwriting association authorized by chapter 62F to be merged with the association, the commissioner shall, if the commissioner deems it appropriate, hold a public hearing in regard to the merger. The commissioner upon motion or upon the motion of any insured under plans shall hold a hearing. Unless it can be shown that the rights of the insured would be adversely affected by the merger or that it would be less efficient or more costly to merge the plans, the commissioner shall consent to the merger. The commissioner shall also consent to the merger at any time there are less than ten insureds in any plan.

Sec. 51. Minnesota Statutes 1992, section 65A.01, subdivision 1, is amended to read:

Subdivision 1. [DESIGNATION AND SCOPE.] The printed form of a policy of fire insurance, as set forth in subdivisions 3 and 3a, shall be known and designated as the "Minnesota standard fire insurance policy" to be used in the state of Minnesota. No policy or contract of fire insurance shall be made, issued or delivered by any insurer including reciprocals or interinsurance exchanges or any agent or representative thereof, on any property in this state, unless it shall provide the specified coverage and conform as to all provisions, stipulations, and conditions, with such form of policy, except as provided in section sections 60A.08, subdivision 9; 60A.30 to 60A.35; 65A.06; 65A.29; 72A.20, subdivision 17; and other statutes containing specific requirements that are inconsistent with the form of this policy. Any policy or contract otherwise subject to the provisions of this subdivision, subdivisions 3 and 3a which includes either on an unspecified basis as to coverage or for a single premium, coverage against the peril of fire and coverage against other perils may be issued without incorporating the exact language of the Minnesota standard fire insurance policy, provided: Such policy or contract shall, with respect to the peril of fire, afford the insured all the rights and benefits of the Minnesota standard fire insurance policy and such additional benefits as the policy provides; the provisions in relation to mortgagee interests and obligations in said Minnesota standard fire insurance policy shall be incorporated therein without change; such policy or contract is complete as to its terms of coverage, and, the commissioner is satisfied that such policy or contract complies with the provisions hereof.

Sec. 52. Minnesota Statutes 1992, section 65A.29, subdivision 7, is amended to read:

Subd. 7. [RENEWAL; NOTICE REQUIREMENT.] No insurer shall refuse to renew, or reduce limits of coverage, or eliminate any coverage in a homeowner's insurance policy unless it mails or delivers to the insured, at the address shown in the policy, at least 60 days advance notice of its intention. The notice must contain the specific underwriting or other reason or reasons for the indicated action.

Proof of mailing this notice to the insured at the address shown in the policy is sufficient proof that the notice required by this section has been given.

Sec. 53. Minnesota Statutes 1992, section 65B.49, subdivision 3, is amended to read:

Subd. 3. [RESIDUAL LIABILITY INSURANCE.] (1) Each plan of reparation security shall also contain stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is thereby granted, of not less than \$30,000 because of bodily injury to one person in any one accident and, subject to said limit for one person, of not less than \$60,000 because of injury to two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, of not less than \$10,000 because of such injury to or destruction of property of others in any one accident.

(2) Under residual liability insurance the reparation obligor shall be liable to pay, on behalf of the insured, sums which the insured is legally obligated to pay as damages because of bodily injury and property damage arising out of the ownership, maintenance or use of a motor vehicle if the injury or damage occurs within this state, the United States of America, its territories or possessions, or Canada. A reparation obligor shall also be liable to pay sums which another reparation obligor is entitled to recover under the indemnity provisions of section 65B.53, subdivision 1.

(3) Every plan of reparation security shall be subject to the following provisions which need not be contained therein:

(a) The liability of the reparation obligor with respect to the residual liability coverage required by this clause shall become absolute whenever injury or damage occurs; such liability may not be canceled or annulled by any agreement between the reparation obligor and the insured after the occurrence of the injury or damage; no statement made by the insured or on the insured's behalf and no violation of said policy shall defeat or void said policy.

(b) The satisfaction by the insured of a judgment for such injury or damage shall not be a condition precedent to the right or duty of the reparation obligor to make payment on account of such injury or damage.

(c) The reparation obligor shall have the right to settle any claim covered by the residual liability insurance policy, and if such settlement is made in good faith, the amount thereof shall be deductible from the limits of liability for the accident out of which such claim arose.

(d) Except as provided in subdivision 5a, a residual liability insurance policy shall be excess of a nonowned vehicle policy whether the nonowned vehicle is borrowed or rented, or used for business or pleasure. A nonowned vehicle is one not used or provided on a regular basis.

Sec. 54. Minnesota Statutes 1992, section 72A.20, subdivision 29, is amended to read:

Subd. 29. [HIV TESTS; CRIME VICTIMS.] No insurer regulated under chapter 61A or 62B, or providing health, medical, hospitalization, or accident and sickness insurance regulated under chapter 62A, or nonprofit health services corporation regulated under chapter 62C, health maintenance organization regulated under chapter 62D, or fraternal benefit society regulated under chapter 64B, may:

(1) obtain or use the performance of or the results of a test to determine the presence of the human immune deficiency virus (HIV) antibody performed on an offender under section 611A.19 or performed on a crime victim who was exposed to or had contact with an offender's bodily fluids during commission of a crime that was reported to law enforcement officials, in order to make an underwriting decision, cancel, fail to renew, or take any other action with respect to a policy, plan, certificate, or contract; or

(2) ask an applicant for coverage or a person already covered whether the person has: (i) had a test performed for the reason set forth in clause (1); or (ii) been the victim of an assault or any other crime which involves bodily contact with the offender.

A question that purports to require an answer that would provide information regarding a test performed for the reason set forth in clause (1) may be interpreted as excluding this test. An answer that does not mention the test is considered to be a truthful answer for all purposes. An authorization for the release of medical records for insurance purposes must specifically exclude any test performed for the purpose set forth in clause (1) and must be read as providing this exclusion regardless of whether the exclusion is expressly stated. This subdivision does not affect tests conducted for purposes other than those described in clause (1), including any test to determine the presence of the human deficiency virus (HIV) antibody if such test was performed at the insurer's direction as part of the insurer's normal underwriting requirements.

Sec. 55. 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.

Sec. 56. Minnesota Statutes 1992, section 72A.201, subdivision 9, is amended to read:

Subd. 9. [STANDARDS FOR COMMUNICATIONS WITH THE DEPARTMENT.] In addition to the acts specified elsewhere in this section and section 72A.20, the following acts by an insurer, adjuster, or a self-insured or self-insurance administrator constitute unfair settlement practices:

(1) failure to respond, within 15 working days after receipt of an inquiry from the commissioner, about a claim, to the commissioner;

(2) failure, upon request by the commissioner, to make specific claim files available to the commissioner;

(3) failure to include in the claim file all written communications and transactions emanating from, or received by, the insurer, as well as all notes and work papers relating to the claim. All written communications and notes referring to verbal communications must be dated by the insurer;

(4) failure to submit to the commissioner, when requested, any summary of complaint data reasonably required;

(5) failure to compile and maintain a file on all complaints. If the complaint deals with a loss, the file must contain adequate information so as to permit easy retrieval of the entire file. If the complaint alleges that the company, or agent of the company, or any agent producing business written by the company is engaged in any unfair, false, misleading, dishonest, fraudulent, untrustworthy, coercive, or financially irresponsible practice, or has violated any insurance law or rule, the file must indicate what investigation or action was taken by the company. The complaint file must be maintained for at least four years after the date of the complaint.

For purposes of clause (1) the term insurer includes an agent of the insurer. The insurer must have been sent a copy of any communication to an agent to be held in violation of this provision.

Sec. 57. Minnesota Statutes 1992, section 72A.41, subdivision 1, is amended to read:

Subdivision 1. It is unlawful for any company to enter into a contract of insurance as an insurer or to transact insurance business in this state, as set forth in subdivision 2, without a certificate of authority from the commissioner; provided that this subdivision does not apply to: (a) contracts of insurance procured by agents under the authority of sections 60A.195 to 60A.209; (b) contracts of reinsurance and contracts of ocean or wet marine and transportation insurance; (c) transactions in this state involving a policy lawfully solicited, written and delivered outside of this state covering only subjects of insurance not resident, located, or expressly to be performed in this state at the time of issuance and which transactions are subsequent to the issuance of the policy; (d) transactions in this state involving group or blanket insurance and group annuities where the master policy of such groups was lawfully issued and delivered in a state in which the company was authorized to do an insurance business where, except for group annuities, the insurer complice with section 72A.13. The commissioner may require the insurer which has issued such master policy to submit any information as the commissioner reasonably requires in order to determine if probable cause exists to convene a hearing to determine whether the total charges for the insurance to the persons insured are unreasonable in relation to the benefits provided under the policy; (c) transactions in this state involving a policy of insurance or annuity issued prior to July 1, 1967; or (f) (e) contract of insurance procured under the authority of section 60A.19, subdivision 8; or (g) (f) transactions in this state involving contracts of insurance covering property or risks not located in this state.

Sec. 58. Minnesota Statutes 1992, section 72B.03, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT; EXCEPTIONS.] Except as otherwise provided, no person shall act as an independent adjuster, public adjuster, or public adjuster solicitor for money, a commission, or any other thing of value, unless such person shall first obtain from the commissioner a license. No license shall be required for a person:

(a) Undergoing a training or education program under the guidance of a licensed adjuster and who is registered with the commissioner for a one year temporary permit; (b) (1) a person acting in a catastrophe or emergency situation, and who has registered with the commissioner for that purpose;

(e) (2) a nonresident adjuster who occasionally is in this state to adjust a single loss; provided, however, that if a nonresident adjusts more than six losses in this state in one year the adjuster must qualify for and receive a nonresident's license as provided in sections 72B.01 to 72B.14, and provided the adjuster's domiciliary state affords a like privilege.

Sec. 59. Minnesota Statutes 1992, section 72B.04, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS.] An applicant for licensing as an adjuster under sections 72B.01 to 72B.14 shall be at least 18 years of age, and shall have one year's training and experience in adjusting insurance claims for damage or loss from risks in the field stated in the application. The applicant shall be competent and trustworthy and shall not have been engaged in any practice which would be grounds for suspension or revocation of a license under sections 72B.01 to 72B.14 within the three years next preceding the date of the application.

An applicant for licensing as a public adjuster solicitor under sections 72B.01 to 72B.14 shall be at least 18 years of age, shall be competent and trustworthy, and shall not have been engaged in any practice which would be grounds for suspension or revocation of a license under sections 72B.01 to 72B.14 within the three years next preceding the date of the application.

In the case of any applicant who has been convicted of a felony within the ten years next preceding the date of the application, and who in the judgment of the commissioner, meets the other qualifications, the commissioner may impose the additional requirement of the filing of a bond in accordance with the requirements of section 72B.08, • subdivision 8.

Sec. 60. Minnesota Statutes 1992, section 176.181, subdivision 2, is amended to read:

Subd. 2. [COMPULSORY INSURANCE; SELF-INSURERS.] (1) Every employer, except the state and its municipal subdivisions, liable under this chapter to pay compensation shall insure payment of compensation with some insurance carrier authorized to insure workers' compensation liability in this state, or obtain a written order from the commissioner of commerce exempting the employer from insuring liability for compensation and permitting self-insurance of the liability. The terms, conditions and requirements governing self-insurance shall be established by the commissioner pursuant to chapter 14. The commissioner of commerce shall also adopt, pursuant to clause (2)(c), rules permitting two or more employers, whether or not they are in the same industry, to enter into agreements to pool their liabilities under this chapter for the purpose of qualifying as group self-insurers. With the approval of the commissioner of commerce, any employer may exclude medical, chiropractic and hospital benefits as required by this chapter. An employer conducting distinct operations at different locations may either insure or self-insure the other portion of operations as a distinct and separate risk. An employer desiring to be exempted from insuring liability for compensation shall make application to the commissioner of commerce, showing financial ability to pay the compensation, whereupon by written order the commissioner of commerce, on deeming it proper, may make an exemption. An employer may establish financial ability to pay compensation by: (1) providing financial statements of the employer to the commissioner of commerce; or (2) filing a surety bond or bank letter of credit with the commissioner of commerce in an amount equal to the anticipated annual compensation costs of the employer, but in no event less than \$100,000. Upon ten days' written notice the commissioner of commerce may revoke the order granting an exemption, in which event the employer shall immediately insure the liability. As a condition for the granting of an exemption the commissioner of commerce may require the employer to furnish security the commissioner of commerce considers sufficient to insure payment of all claims under this chapter, consistent with subdivision 2b. If the required security is in the form of currency or negotiable bonds, the commissioner of commerce shall deposit it with the state treasurer. In the event of any default upon the part of a self-insurer to abide by any final order or decision of the commissioner of labor and industry directing and awarding payment of compensation and benefits to any employee or the dependents of any deceased employee, then upon at least ten days notice to the self-insurer, the commissioner of commerce may by written order to the state treasurer require the treasurer to sell the pledged and assigned securities or a part thereof necessary to pay the full amount of any such claim or award with interest thereon. This authority to sell may be exercised from time to time to satisfy any order or award of the commissioner of labor and industry or any judgment obtained thereon. When securities are sold the money obtained shall be deposited in the state treasury to the credit of the commissioner of commerce and awards made against any such self-insurer by the commissioner of commerce shall be paid to the persons entitled thereto by the state treasurer upon warrants prepared by the commissioner of commerce and approved by the commissioner of finance out of the proceeds of the sale of securities. Where the security is in the form of a surety bond or personal guaranty the commissioner of commerce, at any time, upon at least ten days notice and opportunity to be heard, may require the surety to pay the amount of the award, the payments to be enforced in like manner as the award may be enforced.

(2)(a) No association, corporation, partnership, sole proprietorship, trust or other business entity shall provide services in the design, establishment or administration of a group self-insurance plan under rules adopted pursuant to this subdivision unless it is licensed, or exempt from licensure, pursuant to section 60A.23, subdivision 8, to do so by the commissioner of commerce. An applicant for a license shall state in writing the type of activities it seeks authorization to engage in and the type of services it seeks authorization to provide. The license shall be granted only when the commissioner of commerce is satisfied that the entity possesses the necessary organization, background, expertise, and financial integrity to supply the services sought to be offered. The commissioner of commerce may issue a license subject to restrictions or limitations, including restrictions or limitations on the type of services which may be supplied or the activities which may be engaged in. The license is for a two-year period.

(b) To assure that group self-insurance plans are financially solvent, administered in a fair and capable fashion, and able to process claims and pay benefits in a prompt, fair and equitable manner, entities licensed to engage in such business are subject to supervision and examination by the commissioner of commerce.

(c) To carry out the purposes of this subdivision, the commissioner of commerce may promulgate administrative rules, including emergency rules, pursuant to sections 14.001 to 14.69. These rules may:

(i) establish reporting requirements for administrators of group self-insurance plans;

(ii) establish standards and guidelines consistent with subdivision 2b to assure the adequacy of the financing and administration of group self-insurance plans;

(iii) establish bonding requirements or other provisions assuring the financial integrity of entities administering group self-insurance plans;

(iv) establish standards, including but not limited to minimum terms of membership in self-insurance plans, as necessary to provide stability for those plans;

(v) establish standards or guidelines governing the formation, operation, administration, and dissolution of self-insurance plans; and

(vi) establish other reasonable requirements to further the purposes of this subdivision. The rules may not require excessive cash payments to a common claims fund by group self-insurers. However, a level of funding in the common claims fund must always be maintained at not less than one year's claim losses paid in the most recent year.

Sec. 61. Minnesota Statutes 1992, section 340A.409, subdivision 2, is amended to read:

Subd. 2. [MARKET ASSISTANCE.] The commissioner of commerce shall advise licensees and municipalities subject to the financial responsibility requirements of subdivision 1 of those persons offering insurance coverage. The commissioner of commerce shall establish a program to assist licensees in obtaining insurance coverage. The program shall include a committee appointed by the commissioner of commerce that is representative of insurance carriers and producers, liquor vendors, and the public. No less than one half of the committee members shall represent casualty insurers and surplus lines agents or brokers. The commissioner of commerce or the commissioner's designated representative shall serve as an ex officio member of the committee. The committee shall review and act upon all properly executed applications. If the committee finds that it cannot assist in securing insurance coverage, it shall notify the applicant in writing with a full explanation and recommendation for enhancing its ability to secure insurance. The commissioner of commerce shall, if necessary, establish an assigned risk plan pursuant to subdivision 3. The market assistance plan of the Minnesota joint underwriting association shall assist licensees in obtaining insurance coverage.

Sec. 62. Minnesota Statutes 1992, section 340A.409, subdivision 3, is amended to read:

Subd. 3. [ASSIGNED RISK PLAN MINNESOTA JOINT UNDERWRITING ASSOCIATION.] (a) The purpose of the assigned risk plan is to Minnesota joint underwriting association shall provide coverage required by subdivision 1 to persons rejected under this subdivision.

(b) An insurer who offers liquor liability insurance that refuses to write the coverage required by subdivision 1 shall furnish the applicant with a written notice of refusal. The rejected applicant shall file a copy of the notice of refusal with the commissioner of public safety at the time of application for coverage to the assigned risk plan and the market assistance program.

78TH DAY]

A written notice of refusal must be provided to any applicant who has requested only liquor liability insurance if the insurer chooses to only offer liquor liability insurance in combination with other types of insurance.

A written notice of refusal must be provided by an insurer to any applicant who receives an offer of coverage from that insurer that is in excess of the rate charged by the assigned risk plan for similar coverage and risk. A notice is not required if the rate for the coverage offered is less than 20 percent in excess of the assigned risk plan rates, provided that the offered rate is the rate that the insurer has filed with the commissioner of commerce if the insurer is required to file its rates with the commissioner. If the insurer is not required to file its rates with the commissioner, the offered rate must be the rate generally charged by the insurer for similar coverage and risk.

A notice of refusal is not required to be filed if there is not an insurer offering liquor liability insurance in the state.

To be eligible to participate in the assigned risk plan an applicant must apply for coverage through the market assistance program. Application to the market assistance program must be made no later than the time of application to the assigned risk plan. If the market assistance program is unable to secure coverage then coverage may be extended by the assigned risk plan.

(c) The commissioner of commerce may enter into service contracts as necessary or beneficial to accomplish the purposes of the assigned risk plan including servicing of policies or contracts of coverage, data management, and assessment collections. Services related to the administration of policies or contracts of coverages must be performed by one or more qualified insurance companies licensed pursuant to section 60A.06, subdivision 1, clause (13), or a qualified vendor of risk management services. A qualified insurer or vendor of risk management services must possess sufficient financial, professional, administrative, and personnel resources to provide the services required for operation of the plan. The cost of all services contracted for are an obligation of the assigned risk plan.

(d) The commissioner of commerce may assess all insurers licensed under section 60A.06, subdivision 1, clause (13), an amount sufficient to fully fund the obligations of the assigned risk plan if the commissioner determines that the assets of the assigned risk plan are insufficient to meet its obligations. The assessment of each insurer must be in a proportion equal to the proportion which the amount of insurance written as reported on page 14 of the annual statement under line 5, commercial multiperil, and line 17, other liability, during the preceding calendar year by that insurer bears to the total written by all such carriers for such lines.

(c) Policies and contracts of coverage issued under this subdivision must-contain the-usual and customary provisions of liability insurance policies, and must contain at least the minimum coverage required by subdivision 1 or the local governing unit.

(f) Assigned risk policies and contracts of coverage are subject to premium tax pursuant to section 60A.15.

(g) Insureds served by the assigned risk plan must be charged premiums based upon a rating plan approved by the commissioner of commerce. Assigned risk premiums must be on an actuarially sound basis. The rating plan approved by the commissioner shall provide for surcharge factors based upon claims reported and losses paid. The commissioner of commerce shall fix the compensation received by the agent of record.

(h) The rating plan may be amended by rule pursuant to chapter 14 or by the following expedited procedures:

(1) Any person may, by written petition served upon the commissioner, request that a hearing be held to amend the rating plan.

(2) The commissioner shall forward a copy of the petition to the chief administrative law judge within three business days of its receipt. The chief administrative law judge shall, within three business days of receipt of the copy of the petition or a request for a hearing by the commissioner, set a hearing date, assign an administrative law judge to hear the matter, and notify the commissioner of the hearing date and the administrative law judge assigned to hear the matter. The hearing date must be set no less than 60 days nor more than 90 days from the date of receipt of the petition by the commissioner.

(3) The commissioner of commerce shall publish a notice of the hearing in the State Register at least 30 days before the hearing date. The notice should be similar to that used for rulemaking under the administrative procedure act. Approval by the administrative law judge of the notice prior to publication is not required. (4) The hearing and all matters taking place after the hearing are a contested case under chapter 14. Within 45 days from the commencement of the hearing and within 15 days of the completion of the hearing the administrative law judge shall submit a report to the commissioner of commerce. The parties, or the administrative law judge, if the parties cannot agree, shall adjust all time requirements under the contested case procedure to conform with the 45 day requirement.

(5) The commissioner shall-render a decision within ten business days of the receipt of the administrative law judge's report.

(6) If all parties to the proceeding agree, any of the previous requirements may be waived or modified.

(7) A petition for a hearing to amend the rating plan received by the commissioner within 180 days of the date of the commissioner's decision in a prior proceeding to amend the rating plan is invalid and requires no action.

(i) (b) A liquor vendor shall be denied or terminated from coverage through the assigned risk plan Minnesota joint <u>underwriting association</u> if the liquor vendor disregards safety standards, laws, rules, or ordinances pertaining to the offer, sale, or other distribution of liquor.

The commissioner may by rule establish other conditions for denial or termination from coverage through the assigned risk plan.

(j) The commissioner of commerce shall adopt rules needed to implement this subdivision. The rules may include:

(1) appeal procedures from actions of the assigned risk plan;

(2) formation of an advisory committee composed of insurers, vendors of risk management services and licensees, to advise the commissioner of commerce regarding operation of the plan; and

(3) applicable rating plans and rating standards.

Sec. 63. [LIQUOR LIABILITY ASSIGNED RISK PLAN OBLIGATIONS AND LIABILITIES.]

The Minnesota joint underwriting association shall assume the obligations of existing contracts and existing liabilities of the liquor liability assigned risk plan.

Sec. 64. Laws 1993, chapter 372, section 8, is amended to read:

Sec. 8. [EFFECTIVE DATE.]

Sections 1 and 2 apply to all franchise contracts or franchise transfer agreements entered into or renewed on or after the effective date, and apply as of July 1, 1993, to franchise contracts in effect on the effective date that have no expiration date.

Sections 4 to 7 apply to all agreements for private label purchases entered into or renewed on or after July 1, 1993, and to all private label purchases occurring on or after that date.

Sec. 65. [REVISOR INSTRUCTIONS.]

(a) The revisor shall recodify Minnesota Statutes, section 72A.20, subdivision 4a, as section 72A.201, subdivision 4a.

(b) The revisor shall recodify Minnesota Statutes, section 60A.30 as section 60A.351 and section 60A.31 as section 60A.352 and correct internal references in Minnesota Statutes and Minnesota Rules.

Sec. 66. [REPEALER.]

(a) Minnesota Statutes 1992, sections 72A.45; and 72B.07, are repealed.

(b) 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, are repealed. The rates set pursuant to these rules shall continue to apply until changed pursuant to Minnesota Statutes, section 621.06.

5720

Sec. 67. [EFFECTIVE DATE.]

Sections 61 to 63 and 66, paragraph (b), are effective the day following final enactment.

Section 64 is effective July 1, 1993."

#### Delete the title and insert:

"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 45.024, subdivision 2; 59A.12, by adding a subdivision; 60A.02, by adding a subdivision; 60A.03, subdivision 5; 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; 60K.06; 60K.14, subdivision 4; 61A.07; 61A.071; 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.05; 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; Minnesota Statutes 1993 Supplement, section 61A.02, subdivision 2; Laws 1993, chapter 372, section 8; proposing coding for new law in Minnesota Statutes, chapters 45; 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."

We request adoption of this report and repassage of the bill.

HOUSE CONFERENCE BRAD STANIUS, LEO J. REDING, JEFF BERTRAM, TOM OSTHOFF AND JIM FARRELL.

Senate Conferees: WILLIAM P. LUTHER, SAM G. SOLON, CAL LARSON, DEANNA WIENER AND LINDA BERGLIN.

Stanius moved that the report of the Conference Committee on H. F. No. 1094 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

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 by Conference, and placed upon its repassage.

## JOURNAL OF THE HOUSE

The question was taken on the repassage of the bill and the roll was called. There were 91 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Battaglia Bauerly Bergson	Dehler Dempsey Erhardt Evans Farrell	Holsten Hugoson Huntley Jacobs Jefferson	Knight Koppendrayer Krinkie Krueger Lasley	Mahon Milbert Molnau Morrison Mosel	Pugh Reding Rest Rhodes Rukavina	Tompkins Tunheim Van Dellen Van Engen Vickerman
Bertram	Finseth	Jennings	Leppik	Munger	Seagren	Waltman
Bettermann	Frerichs	Johnson, A.	Lieder	Murphy	Smith	Weaver
Bishop	Girard	Johnson, V.	Limmer	Nelson	Solberg	Wenzel
Carlson	Goodno	Kalis	Lindner	Ness	Stanius	Winter
Commers	Greiling	Kelley	Long	Olson, M.	Steensma	Wolf
Cooper	Gruenes	Kinkel	Luther	Opatz	Sviggum	Worke
Dauner	Gutknecht	Klinzing	Lynch	Ozment	Swenson	Workman
Davids	Hasskamp	Knickerbocker	Macklin	Pauly	Tomassoni	Spk. Anderson, I.
	-	· .		·	· .	•

Those who voted in the negative were:

Asch	Dawkins	Johnson, R.	McGuire	Pelowski	Simoneau
Beard	Delmont	Kahn	Neary	Peterson	Skoglund
Brown, C.	Dorn	Kelso	Olson, E.	Rice	Trimble
Brown, K.	Garcia	Lourey	Olson, K.	Rodosovich	Vellenga
Carruthers	Greenfield	Mariani	Onnen	Sarna	Wagenius
Clark	Hausman	McCollum	Orenstein	Sekhon	Wejcman

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. 2311.

H. F. No. 2311, A bill for an act relating to taxation; abolishing certain local government levy limitations; amending Minnesota Statutes 1992, sections 12.26, subdivision 2; 18.022, subdivision 2; 18.111, subdivision 1; 103G.625, subdivision 3; 138.053; 164.04, subdivision 3; 164.05, subdivision 1; 174.27; 193.145, subdivision 2; 237.35; 268A.06, subdivision 2; 375.167, subdivision 1; 375A.13, subdivision 2; 383A.03, subdivision 4; 383A.411, subdivision 5; 383B.245; 383C.42, subdivision 1; 398.16; 410.06; 412.251; 412.531, subdivision 1; 449.06; 449.08; 449.09; 450.19; 459.06, subdivision 1; 459.14, subdivision 2; 465.54; 469.053, subdivision 7; 469.188; 471.191, subdivision 2; 471.24; 471.57, subdivision 1; 471.61, subdivisions 1 and 2a; 473.711, subdivision 2; Minnesota Statutes 1993 Supplement, section 88.04, subdivision 3; Laws 1933, chapter 423, section 2; Laws 1943, chapters 196, section 6, as amended; 367, section 1, as amended; 510, section 1; Laws 1947, chapters 224, section 1; 340, section 4; Laws 1949, chapters 215, section 2; 252, section 1; 668, section 1; Laws 1953, chapters 154, section 3; 545, section 2; Laws 1957, chapter 213, section 1; Laws 1959, chapters 298, section 2; 520, section 1; 556, section 1, as amended; Laws 1961, chapters 80, section 1; 81, section 1; 82, section 1; 151, section 1; 209, section 4; 317, section 1; 352, section 1, as amended; 616, section 1, subdivision 1; 643, section 1; Laws 1961, extra session chapter 33, section 3; Laws 1963, chapters 29, section 1; 56, section 1; 103, section 1; Laws 1965, chapters 6, section 2, as amended; 442, section 1; 451, section 2; 512, section 1, subdivision 1; 527, section 1; 617, section 1; Laws 1967, chapters 501, section 1; 526, section 1, subdivision 3; 611, section 1; 660, section 2, subdivision 2; 758, section 1; Laws 1969, chapters 192, section 1, as amended; 534, section 2; 538, section 6, as amended; 602, section 1, subdivision 2; 652, section 1; 659, section 3; 730, section 1; Laws 1971, chapters 404, section 1; 424, section 1; 573, section 1; 876, section 3; Laws 1973, chapter 81, section 1; Laws 1977, chapter 61, section 8; Laws 1979, chapters 1, section 3; 253, section 3; 303, article 10, section 15, subdivision 2, as amended; Laws 1981, chapter 281, section 1; Laws 1983, chapter 326, section 17, subdivision 1; Laws 1984, chapters 380, section 1; 502, article 13, section 8; Laws 1985, chapters 181, section 1; 289, sections 1, 3, 5, subdivision 1, and 6, subdivision 1; Laws 1986, chapters 392, section

#### MONDAY, MARCH 28, 1994

1; 399, article 1, section 1, as amended; Laws 1988, chapters 517, section 1; 640, section 3; repealing Minnesota Statutes 1992, sections 373.40, subdivision 6; 471.1921; and 471.63, subdivision 2; Laws 1915, chapter 316, section 1, as amended; Laws 1939, chapter 219, section 1; Laws 1941, chapter 451, section 1; Laws 1961, chapters 30, section 1; 119, section 1; 276, section 1; 439, section 1; Laws 1963, chapter 228, section 1; Laws 1967, chapter 542, section 1, subdivision 3; Laws 1971, chapters 168; 356, section 2; 515, section 1; 770; Laws 1973, chapter 445, section 1; Laws 1974, chapter 209; Laws 1977, chapter 246; Laws 1982, chapter 523, article XII, section 8; Laws 1984, chapter 502, article 13, section 10, as amended; Laws 1986, chapter 399, article 1, section 4; Laws 1989, First Special Session chapter 1, article 5, section 50, as amended; Laws 1990, chapter 604, article 3, sections 50 and 55; and Laws 1991, chapters 3, section 2, subdivision 3; and 291, article 4, section 21.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly	Dehler Delmont Dempsey Dorn Erhardt	Hugoson Huntley Jacobs Jefferson Jennings	Lasley Leppik Lieder Limmer Lindner	Neary Nelson Ness Olson, E. Olson, K.	Rest Rhodes Rice Rodosovich Rukavina	Tunheim Van Dellen Van Engen Vellenga Vickerman
Beard	Evans	Johnson, A.	Long	Olson, M.	Sarna	Wagenius
Bergson	Farrell	Johnson, R.	Lourey	Onnen	Seagren	Waltman
Bertram	Finseth	Johnson, V.	Luther	Opatz	Sekhon	Weaver
Bettermann	Frerichs	Kahn	Lynch	Orenstein	Simoneau	Wejcman
Bishop	Garcia	Kalis	Macklin	Orfield	Skoglund	Wenzel
Brown, K.	Girard	Kelley	Mahon	Osthoff	Smith	Winter
Carlson	Goodno	Kelso	McCollum	Ostrom	Solberg	Wolf
Carruthers	Greenfield	Kinkel	McGuire	Ozment	Stanius	Worke
Clark	Greiling	Klinzing	Milbert	Pauly	Steensma	Workman
Commers	Gruenes	Knickerbocker	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Cooper	Gutknecht	Knight	Morrison	Perlt	Swenson	-
Dauner	Hasskamp	Koppendrayer	Mosel	Peterson	Tomassoni	•
Davids	Hausman	Krinkie	Munger	Pugh	Tompkins	
Dawkins	Holsten	Krueger	Murphy	Reding	Trimble	,

The bill was passed and its title agreed to.

# SPECIAL ORDERS

H. F. No. 2200 was reported to the House.

Evans moved to amend H. F. No. 2200, the first engrossment, as follows:

Page 1, line 25, delete "of" and insert "or"

The motion prevailed and the amendment was adopted.

Tomassoni moved to amend H. F. No. 2200, the first engrossment, as amended, as follows:

Page 2, after line 4, insert:

"Sec. 2. Minnesota Statutes 1992, section 97B.055, subdivision 3, is amended to read:

Subd. 3. [HUNTING FROM VEHICLE BY DISABLED HUNTERS.] The commissioner may issue a special permit, without a fee, to discharge a firearm or bow and arrow from a stationary motor vehicle to a licensed hunter that is temporarily or permanently physically unable to walk without crutches, braces, or other mechanical support, or who

has a physical disability which substantially limits the person's ability to walk. The physical disability and the substantial inability to walk must be established by medical evidence verified in writing by a licensed physician. A person with a temporary disability may be issued an annual permit and a person with a permanent disability may be issued an annual permit and a person with a permanent disability may be issued a special permit under this subdivision and hunting deer, may take a deer of either sex."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Rukavina, Battaglia and Murphy moved to amend H. F. No. 2200, the first engrossment, as amended, as follows:

Page 2, after line 4, insert:

"Sec. 2. [97B.313] [BAITING DEER.]

Notwithstanding section 609.68, a person may place bait to take deer and must display a tag at each site where bait is placed and register the sites. The Commissioner shall prescribe the method of tagging and registering the sites. To attract deer a person may not use a bait consisting of materials over ten gallons in size and that are not readily biodegradable."

Amend the title accordingly

A roll call was requested and properly seconded.

## POINT OF ORDER

Gutknecht raised a point of order pursuant to rule 3.09 that the Rukavina 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 Rukavina et al amendment and the roll was called. There were 28 yeas and 100 nays as follows:

Those who voted in the affirmative were:

Anderson, R. Battaglia Bauerly Beard	Brown, K. Dauner Davids Dawkins	Farrell Finseth Garcia Girard	Goodno Hasskamp Huntley Jefferson	Lieder Lourey Murphy Nelson	Peterson Rice Rodosovich Rukavina	Tomassoni Trimble Tunheim Spk. Anderson, I:
Those who	voted in the ne	gative were:				· · · · · · · · · · · · · · · · · · ·
Abrams Asch Bergson Bertram Bettermann Brown, C. Carlson Carruthers Clark Commers Cooper	Erhardt Evans Frerichs Greenfield Greiling Gruenes Gutknecht Hausman Holsten Hugoson Jacobs	Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger	Long Luther Lynch Macklin Mariani McCollum McCollum McGuire Milbert Molnau Morrison	Olson, K. Olson, M. Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pelowski	Rhodes Sama Seagren Sekhon Simoneau Skoglund Smith Stanius Steensma Sviggum Swenson	Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman
Dehler Delmont Dempsey Dorn	Jennings Johnson, A. Johnson, R. Johnson, V.	Lasley Leppik Limmer Lindner	Mosel Munger Neary Ness	Perlt Pugh Reding Rest	Tompkins Van Dellen Van Engen Vellenga	

The motion did not prevail and the amendment was not adopted.

5724

H. F. No. 2200, A bill for an act relating to game and fish; preference to certain aged or disabled hunters in issuance of game refuge deer permits; amending Minnesota Statutes 1992, section 97B.055, subdivision 3; Minnesota Statutes 1993 Supplement, section 97A.091, 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 117 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dawkins	Hugoson	Krinkie	Morrison	Perlt	Sviggum
Asch	Dehler	Huntley	Krueger	Mosel	Peterson	Swenson
Battaglia	Delmont	Jacobs	Lasley	Munger	Pugh	Tomassoni
Bauerly	Dempsey	Jefferson	Leppik	Murphy	Reding	Trimble
Beard	Dorn	Jennings	Lieder	Neary	Rest	Tunheim .
Bergson	Erhardt	Johnson, A.	Limmer	Nelsón	Rhodes	Vellenga
Bertram	Evans	Johnson, R.	Long	Ness	Rice	Vickerman
Bishop	Farrell	Johnson, V.	Lourey	Olson, E.	Rodosovich	Wagenius
Brown, C.	Finseth	Kahn	Luther	Olson, K.	Rukavina	Weaver
Brown, K.	Frerichs	Kalis	Lynch	Olson, M.	Sarna	Wejcman
Carlson	Garcia	Kelley	Macklin	Opatz	Seagren	Wenzel
Carruthers	Goodno	Kelso	Mahon	Orenstein	Simoneau	Winter
Clark	Greenfield	Kinkel	Mariani	Orfield	Skoglund	Wolf
Commers	Greiling	Klinzing	McCollum	Ostrom	Smith	Workman
Cooper	Gruenes	Knickerbocker	McGuire	Ozment	Solberg	Spk. Anderson, I.
Dauner	Hasskamp	Knight	Milbert	Pauly	Stanius	
Davids	Holsten	Koppendrayer	Molnau	Pelowski	Steensma	

Those who voted in the negative were:

Abrams	Girard	Lindner	Sekhon	Van Dellen	Waltman
Bettermann	Gutknecht	Onnen	Tompkins	Van Engen	Worke

The bill was passed, as amended, and its title agreed to.

Smith was excused for the remainder of today's session.

H. F. No. 2237 was reported to the House.

Peterson moved to amend H. F. No. 2237, the first engrossment, as follows:

Page 1, line 12, delete "week" and insert "month"

The motion prevailed and the amendment was adopted.

H. F. No. 2237, A bill for an act relating to game and fish; requiring informational meetings in a certain area prior to the regular goose season; directing a study of waterfowl pollution of certain waters; proposing coding for new law in Minnesota Statutes, chapter 97B.

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 15 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Bertram	Clark	Dehler	Farrell	Gruenes	Jefferson
Asch	Bishop	Commers	Delmont	Finseth	Hasskamp	Jennings
Battaglia	Brown, C.	Cooper	Dempsey	Garcia	Holsten	Johnson, A.
Bauerly	Brown, K.	Dauner	Dorn	Girard	Hugoson	Johnson, R.
Beard	Carlson	Davids	Erhardt	Greenfield	Huntley	Johnson, V.
Bergson	Carruthers	Dawkins	Evans	Greiling	Jacobs	Kalis

#### JOURNAL OF THE HOUSE

#### [78TH DAY

Kelley Long Murphy Osthoff Rice Swenson Wenzel Rodosovich Kelso Ostrom Tomassoni Winter Lourey Neary Kinkel Luther Nelson Ozment Rukavina Trimble Wolf Klinzing Macklin Ness Pauly Sama Tunheim Worke Spk. Anderson, I. Knickerbocker Mahon Olson, E. Pelowski Van Dellen Seagren Knight Mariani Olson, K. Perlt Sekhon Vellenga McCollum Koppendrayer Olson, M. Simoneau Vickerman Peterson Krueger McGuire Onnen Pugh Skoglund Wagenius Reding Lasley Milbert Opatz Solberg Waltman Morrison Weaver Leppik Orenstein Rest Stanius Lieder Wejcman Munger Orfield Rhodes Steensma

Those who voted in the negative were:

Abrams	Goodno	Limmer	Molnau	Tompkins
Bettermann	Gutknecht	Lindner	Mosel	Van Engen
Frerichs	Krinkie	Lynch	Sviggum	Workman

The bill was passed, as amended, and its title agreed to.

H. F. No. 2360, A bill for an act relating to transportation; authorizing commissioner of transportation to contract with state of Wisconsin to build and operate truck inspection station in Wisconsin.

The bill was read for the third 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:

		and the second			· .	
Abrams	Dawkins	Holsten	Lasley	Neary	Rest	Van Dellen
Anderson, R.	Dehler	Hugoson	Leppik	Nelson	Rhodes	Van Engen
Asch	Delmont	Huntley	Lieder	Ness	Rice	Vellenga
Battaglia	Dempsey	Jacobs	Limmer	Olson, E.	Rodosovich	Vickerman
Bauerly	Dorn	Jefferson	Lindner	Olson, K.	Rukavina	Wagenius
Beard	Erhardt	Jennings	Long	Olson, M.	Sarna	Waltman
Bergson	Evans	Johnson, A.	Lourey	Onnen	Seagren	Weaver
Bertram	Farrell	Johnson, R.	Luther	Opatz	Sekhon	Wejcman
Bettermann	Finseth	Johnson, V.	Lynch	Orenstein	Simoneau	Wenzel
Bishop	Frerichs	Kalis	Macklin	Orfield	Skoglund	Winter
Brown, C.	Garcia	Kelley	Mahon	Osthoff	Solberg	Wolf
Brown, K.	Girard	Kelso	Mariani	Ostrom	Stanius	Worke
Carlson	Goodno	Kinkel	McCollum	Ozment	Steensma	Workman
Carruthers	Greenfield	Klinzing	McGuire	Pauly	Sviggum	Spk. Anderson, I.
Clark	Greiling	Knickerbocker	Milbert	Pelowski	Swenson	1
Commers	Gruenes	Knight	Molnau	Perlt	Tomassoni	
Cooper	Gutknecht	Koppendrayer	Morrison	Peterson	Tompkins	,
Dauner	Hasskamp	Krinkie	Mosel	Pugh	Trimble	*
Davids	Haukoos	Krueger	Munger	Reding	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 2497, A bill for an act relating to game and fish; requiring availability of 24-hour angling licenses until the end of the license year; amending Minnesota Statutes 1992, section 97A.485, subdivision 8.

The bill was read for the third time and placed upon its final passage.

5726

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	Dawkins	Holsten	Krueger	Munger	Reding	Tunheim
Anderson, R.	Delmont	Hugoson	Lasley	Murphy	Rest	Van Dellen
Asch	Dempsey	Huntley	Leppik	Neary	Rhodes	Van Engen
Battaglia	Dorn	Jacobs	Lieder	Nelson	Rice	Vellenga
Bauerly	Erhardt	Jefferson	Limmer	Olson, E.	Rodosovich	Vickerman
Beard	Evans	Jennings	Lindner	Olson, K.	Rukavina	Waltman
Bergson	Farrell	Johnson, A.	Long	Olson, M.	Sama	Weaver
Bertram	Finseth	Johnson, R.	Lourey	Onnen	Seagren	Wejcman
Bettermann	Frerichs	Johnson, V.	Luther	Opatz	Sekhon	Wenzel
Bishop	Garcia	Kahn	Lynch	Orenstein	Simoneau	Winter
Brown, C.	Girard	Kalis	Macklin	Orfield	Skoglund	Wolf
Brown, K.	Goodno	Kelley	Mahon	Osthoff	Solberg	Worke
Carlson	Greenfield	Kelso	Mariani	Ostrom	Stanius	Workman
Carruthers	Greiling	Kinkel	McCollum	Ozment	Steensma	Spk. Anderson, I.
Clark	Gruenes	Klinzing	McGuire	Pauly	Sviggum	•
Commers	Gutknecht	Knickerbocker	Milbert	Pelowski	Swenson	
Cooper	Hasskamp	Knight	Molnau	Perlt	Tomassoni	
Dauner	Haukoos	Koppendrayer	Morrison	<ul> <li>Peterson</li> </ul>	Tompkins	
Davids	Hausman	Krinkie	Mosel	Pugh	Trimble	

Those who voted in the negative were:

Dehler Ness

The bill was passed and its title agreed to.

H. F. No. 2058, A bill for an act relating to human services; removing the expiration date for the ombudsman committee for mental health and retardation; amending Minnesota Statutes 1993 Supplement, section 245.97, subdivision 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hausman	Krueger	Munger	Reding	Tunheim
Anderson, R.	Dehler	Holsten	Lasley	Murphy	Rest	Van Dellen
Asch	Delmont	Hugoson	Leppik	Neary	Rhodes	Van Engen
Battaglia	Dempsey	Huntley	Lieder	Nelson	Rice	Vellenga
Bauerly	Dom	Jacobs	Limmer	Ness	Rodosovich	Vickerman
Beard	Erhardt	Jefferson	Lindner	Olson, E.	Rukavina	Wagenius
Bergson	Evans	Jennings	Long	Olson, M.	Sarna	Waltman
Bertram	Farrell	Johnson, A.	Lourey	Onnen	Seagren	Weaver
Bettermann	Finseth	Johnson, R.	Luther	Opatz	Sekhon	Wejcman
Bishop	Frerichs	Johnson, V.	Lynch	Orenstein	Simoneau	Wenzel
Brown, C.	Garcia	Kahn	Macklin	Orfield	Skoglund	Winter
Brown, K.	Girard	Kalis	Mahon	Osthoff	Solberg	Wolf
Carlson	Goodno	Kelso	Mariani	Ostrom	Stanius	Worke
Carruthers	Greenfield	Kinkel	McCollum	Ozment	Steensma	Workman
Clark	Greiling	Klinzing	McGuire	Pauly	Sviggum	Spk. Anderson, I.
Commers	Gruenes	Knickerbocker	Milbert	Pelowski	Swenson	
Cooper	Gutknecht	Knight	Molnau	Perlt	Tomassoni	
Dauner	Hasskamp	Koppendrayer	Morrison	Peterson	Tompkins	
Davids	Haukoos	Krinkie	Mosel	Pugh	Trimble	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 2591, A bill for an act relating to utilities; eliminating duplicate reporting relating to energy demand forecasting information by public utilities; authorizing low-income rates in certain circumstances; establishing a pilot program; amending Minnesota Statutes 1992, sections 116C.57, subdivision 3; 216B.16, by adding a subdivision; 216B.241, subdivision 1a; and 216C.17, subdivision 2; Minnesota Statutes 1993 Supplement, sections 216B.2422, by adding a subdivision; and 216C.17, subdivision 3; repealing Minnesota Statutes 1993 Supplement, section 116C.54.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who yoted in the affirmative were:

Abrams	Dawkins	Hausman	Krinkie	Mosel	Pugh	Trimble
Anderson, R.	Dehler	Holsten	Krueger	Munger	Reding	Tunheim
Asch	Delmont	Hugoson	Lasley	Murphy	Rest	Van Dellen
Battaglia	Dempsey	Huntley	Leppik	Neary	Rhodes	Van Engen
Bauerly	Dom	Jacobs	Lieder	Nelson	Rice	Vellenga
Beard	Erhardt	Jefferson	Limmer	Ness	Rodosovich	Vickerman
Bergson	Evans	Jennings	Lindner	Olson, E.	Rukavina	Wagenius
Bertram	Farrell	Johnson, A.	Long	Olson, M.	Sarna	Waltman
Bettermann	Finseth	Johnson, R.	Lourey	Onnen	Seagren	Weaver
Bishop	Frerichs	Johnson, V.	Luther	Opatz	Sekhon	Wejcman
Brown, C.	Garcia	Kahn	Lynch	Orenstein	Simoneau	Wenzel
Brown, K.	Girard	Kalis	Macklin	Orfield	Skoglund	Winter
Carlson	Goodno	Kellev	Mahon	Osthoff	Solberg	Wolf
Carruthers	Greenfield	Kelso	Mariani	Ostrom	Stanius	Worke
Clark	Greiling	Kinkel	McCollum	Ozment	Steensma	Workman
Commers	Gruenes	Klinzing	McGuire	Pauly	Sviggum	Spk. Anderson, I.
Cooper	Gutknecht	Knickerbocker	Milbert	Pelowski	Swenson	<b>1</b>
Dauner	Hasskamp	Knight	Molnau	Perlt	Tomassoni	
Davids	Haukoos	Koppendrayer	Morrison	Peterson	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 2772, A bill for an act relating to state government; public employment; establishing a pilot project in certain agencies; permitting the waiver of rules governing the classified and unclassified service of the state by joint committees.

The bill was read for the third 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 4 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Gruenes	Kelley	Lynch	Olson, K.	Rhodes
Anderson, R.	Dauner	Gutknecht	Kelso	Macklin	Olson, M.	Rice
Asch	Dawkins	Hasskamp	Kinkel	Mahon	Onnen	Rodosovich
Battaglia	Dehler	Haukoos	Klinzing	Mariani	Opatz	Rukavina
Bauerly	Delmont	Hausman	Knickerbocker	McCollum	Orenstein	Sama
Beard	Dempsey	Holsten	Knight	McGuire	Orfield	Seagren
Bergson	Dorn	Hugoson	Koppendrayer	Milbert	Osthoff	Sekhon
Bertram	Erhardt	Huntley	Krueger	Molnau	Ostrom	Simoneau
Bettermann	Evans	lacobs	Lasley	Morrison	Ozment	Skoglund
Bishop	Farrell	Jefferson	Leppik	Mosel	Pauly	Solberg
Brown, C.	Finseth	Jennings	Lieder	Munger	Pelowski	Stanius
Brown, K.	Garcia	Johnson, A.	Limmer	Murphy	Perlt	Steensma
Carlson	Girard	Johnson, R.	Lindner	Neary	Peterson	Sviggum
Carruthers	Goodno	Johnson, V.	Long	Nelson	Pugh	Swenson
Clark	Greenfield	Kahn	Lourey	Ness	Reding	Tomassoni
Commers	Greiling	Kalis	Luther	Olson, E.	Rest	Tompkins
	0			-		-

Trimble Tunheim Van Dellen

Davids

Van Engen Wagenius Weaver Vickerman Wejcman

Krinkie

Wenzel Winter Wolf

Worke Workman -Spk. Anderson, I.

Those who voted in the negative were:

Frerichs

Vellenga

Waltman

The bill was passed and its title agreed to.

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

# MOTIONS AND RESOLUTIONS

Knickerbocker moved that the name of Asch be added as an author on H. F. No. 2139. The motion prevailed.

Krinkie moved that his name be stricken as an author on H. F. No. 2648. The motion prevailed.

Milbert moved that the name of Asch be added as an author on H. F. No. 2784. The motion prevailed.

Wenzel moved that his name be stricken as an author on H. F. No. 2869. The motion prevailed.

Simoneau moved that the name of Greenfield be added as an author on H. F. No. 2922. The motion prevailed.

Beard moved that the name of Pugh be added as an author on H. F. No. 3099. The motion prevailed.

Simoneau moved that H. F. No. 2866 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Local Government and Metropolitan Affairs. The motion prevailed.

Osthoff moved that H. F. No. 3133 be recalled from the Committee on Environment and Natural Resources Finance and be re-referred to the Committee on Transportation and Transit. The motion prevailed.

Osthoff moved that H. F. No. 2552, now on Technical General Orders, be re-referred to the Committee on Taxes. The motion prevailed.

Rice moved that H. F. No. 2799, now on General Orders, be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Neary moved that S. F. No. 1806, now on the Technical Consent Calendar, be re-referred to the Committee on Ways and Means. The motion prevailed.

Winter moved that S. F. No. 1752 be recalled from the Committee on Transportation and Transit and together with H. F. No. 1976, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Frerichs moved that S. F. No. 1967 be recalled from the Committee on Transportation and Transit and together with H. F. No. 2418, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

McCollum moved that S. F. No. 2260 be recalled from the Committee on Transportation and Transit and together with H. F. No. 2359, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Bishop moved that H. F. No. 2712 be returned to its author. The motion prevailed.

5729

# ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 2074:

Skoglund, Murphy, Pugh, Carruthers and Macklin.

# ADJOURNMENT

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Tuesday, March 29, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION — 1994

# SEVENTY-NINTH DAY

# SAINT PAUL, MINNESOTA, TUESDAY, MARCH 29, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Dawkins

Delmont.

Dehler

Dom

Evans

Farrell

Finseth

Frerichs

Garcia

Girard

Goodno

Greiling

Gruenes

Erhardt

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann. Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids

Hausman Holsten Hugoson Dempsey Huntley Iacobs Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Greenfield Kelso Kinkel Klinzing Gutknecht Knickerbocker Hasskamp Knight Haukoos Koppendrayer

Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey . Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Molnau Morrison

Mosel Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski

Perlt Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum

Swenson Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

Jaros was excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Brown, 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. 1752 and H. F. No. 1976, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Winter moved that S. F. No. 1752 be substituted for H. F. No. 1976 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1967 and H. F. No. 2418, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Frerichs moved that S. F. No. 1967 be substituted for H. F. No. 2418 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1968 and H. F. No. 2105, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Trimble moved that S. F. No. 1968 be substituted for H. F. No. 2105 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1983 and H. F. No. 2415, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

# SUSPENSION OF RULES

Rhodes moved that the rules be so far suspended that S. F. No. 1983 be substituted for H. F. No. 2415 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2260 and H. F. No. 2359, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

McCollum moved that the rules be so far suspended that S. F. No. 2260 be substituted for H. F. No. 2359 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2415 and H. F. No. 2630, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Carlson moved that S. F. No. 2415 be substituted for H. F. No. 2630 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2425 and H. F. No. 2836, 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. 2425 be substituted for H. F. No. 2836 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2522 and H. F. No. 2705, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Nelson moved that S. F. No. 2522 be substituted for H. F. No. 2705 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

March 28, 1994

The Honorable Irv Anderson Speaker of the House of Representatives The State of Minnesota

Dear Speaker Anderson:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 1956, relating to local government; authorizing the public library systems of the county of Anoka and the city of Anoka to merge and the county to provide library services for the city.

H. F. No. 1955, relating to Wright county; permitting the transfer of a sheltered workshop facility to its operator without bids or consideration.

H. F. No. 1885, relating to financial institutions; regulating administrative hearings on bank applications, certain bank mergers, certain emergency notices, certain credit union accounts, and motor vehicle sales finance contracts; regulating maximum interest rates; making technical and clarifying changes.

#### Warmest regards,

ARNE H. CARLSON Governor

# STATE OF MINNESOTA OFFICE OF THE SECRETARY OF STATE ST. PAUL 55155

The Honorable Irv Anderson Speaker of the House of Representatives

The Honorable Allan H. Spear President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1994 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F.		Time and		
	H.F.	Session Laws	Date Approved	Date Filed
No.	No.	Chapter No.	<b>1994</b>	<b>1994</b>
	1956	378	11:27 a.m. March 28	March 28
	1955	379	11:25 a.m. March 28	March 28
1820		380	11:20 a.m. March 28	March 28
	1885	382	11:22 a.m. March 28	March 28

Sincerely,

JOAN ANDERSON GROWE Secretary of State

# **REPORTS OF STANDING COMMITTEES**

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 392, A bill for an act relating to public safety; requiring installation of automatic sprinkler systems in certain existing high-rise buildings; excluding the market value of these systems for purposes of property taxation; amending Minnesota Statutes 1992, section 273.11, subdivision 6a; proposing coding for new law in Minnesota Statutes, chapter 299F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [299F.365] [FIRE SAFETY SPRINKLERS IN EXISTING HIGH-RISE BUILDINGS.]

<u>Subdivision 1.</u> [REQUIREMENTS.] This section applies to an existing building in which at least one story used for human occupancy is at least 75 feet or more above the lowest level of fire department vehicle access. An automatic fire safety sprinkler system must be installed in those portions of the entire existing building in which an automatic fire safety sprinkler system would be required if the building were constructed after the effective date of this section. The automatic fire safety sprinkler system must comply with standards in the Minnesota uniform fire code and state building code.

Subd. 2. [EXEMPTIONS.] (a) Subdivision 1 does not apply to an area used exclusively for telecommunications equipment and associated generator and power equipment and under exclusive control of a telecommunications provider if:

(1) the area is separated from the remainder of the building by construction equivalent to a one-hour fire resistant wall and two-hour floor/ceiling assemblies; and

(2) the area has an automatic fire detection and alarm system to respond to visible and invisible particles of combustion and transmit an alarm and comply with standards in the Minnesota uniform fire code and state building code.

(b) Subdivision 1 does not apply to:

(1) a monument or war memorial that is included in the national register of historic places or the Minnesota state register of historic sites and structures;

(2) an airport control tower or control room;

(3) an open parking structure;

(4) a building used for agricultural purposes;

(5) a manufacturing facility that is required to meet the fire safety standards adopted by the occupational safety and health administration in Code of Federal Regulations, title 29, part 1910, subpart L; or

(6) elevator equipment rooms and elevator shafts.

(c) The commissioner, or the state fire marshal as the commissioner's designee, may grant extensions for the times prescribed in subdivision 3 or 4 for the submission of plans or completion of work, or both, if the applicant for extension demonstrates an appropriate effort and a genuine inability to comply with the time prescribed.

Subd. 3. [REPORTING.] Within one year of the effective date of this section, the owner of each building subject to subdivision 1 shall submit for approval a detailed written plan of action describing the methods for installation and schedule for completion by floor or portion of a floor to be used for compliance with subdivision 1. The written plan must be in the form and manner approved by the state fire marshal and must be submitted to the state fire marshal or to the local fire department that the state fire marshal has delegated to review plans.

<u>Subd. 4.</u> [TRANSITION.] (a) Within three years of the effective date of this section there must be water supplies for the fire safety sprinkler system to all floors of the buildings subject to subdivision 1. Installation of operational automatic fire safety sprinkler systems or an accepted equivalent alternative method must comply with the following schedule:

Years after effective date

Percent of nonexempt portions of building with operational automatic sprinkler system or protected by an accepted alternative method

<u>6 years</u> <u>9 years</u> <u>12 years</u> <u>15 years</u> 25 percent 50 percent 75 percent 100 percent

(b) For office buildings and individual spaces within office buildings having documented leases that presently extend beyond six years after the effective date, an extension of an additional one year shall be added to each phase of the time table in paragraph (a) for completion.

(c) The following requirements are the responsibility of the authorized licensed sprinkler contractor and apply where existing class I, class II, or class III standpipes are used to provide a combined standpipe system:

(1) during the installation of sprinkler systems, no standpipe or fire pump may be made inoperative unless the local fire department is given 24-hour prior notice;

(2) if the building contains two or more standpipes, at least one standpipe must be maintained so that water can be discharged through piping, valves, hose outlets, and allied equipment to extinguish a fire. If a building contains only one standpipe riser, modifications to the system must be conducted after normal working hours; and

(3) appropriate temporary signage must be provided at all fire department connections on the building, indicating the operational status of the sprinkler system.

<u>Subd. 5.</u> [RULES.] The commissioner of public safety may adopt rules for: the application of fire safety sprinkler systems in existing high-rise buildings under this section; exemptions permitted by this section; reporting of compliance by owners; and scheduling of installation of fire safety sprinkler systems or alternate methods. The commissioner of public safety shall explore alternative sources of funding for those buildings in need of retrofit. The commissioner shall coordinate with the housing finance agency director for such alternative sources of funding.

Subd. 6. [EFFECT ON OTHER LAWS.] This section does not supersede the Minnesota state building code or Minnesota uniform fire code.

Sec. 2. [WORKING GROUP.]

The commissioner of public safety shall appoint a working group to advise the commissioner on implementation of section 1, including specifically the adoption of rules, and to advise the commissioner on appeals. The group shall include a representative from: the state fire marshal's office, the department of administration, the Minnesota state fire chiefs association, a chapter of the Minnesota building owners and managers association, the Minnesota total multi-housing association, the Minnesota hotel and motel association, the fire marshals association of Minnesota, professional engineers or licensed architects, and the general public.

Sec. 3. [HOUSING BUDGET PRIORITIES.]

Section 1 shall not affect the existing budget priorities of public housing facilities in Minnesota."

Delete the title and insert:

"A bill for an act relating to public safety; requiring installation of automatic sprinkler systems in certain existing high-rise buildings; proposing coding for new law in Minnesota Statutes, chapter 299F."

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 553, A bill for an act relating to children; expanding the crime of child neglect and the child abuse reporting act to include children who are neglected due to reliance by a parent, guardian, or other caretaker on spiritual health care; amending Minnesota Statutes 1992, sections 609.378, subdivision 1; and 626.556, subdivisions 2 and 10e.

Reported the same back with the following amendments:

Pages 1 to 4, delete sections 1 and 2, and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 609.378, subdivision 1, is amended to read:

Subdivision 1. [PERSONS GUILTY OF NEGLECT OR ENDANGERMENT.] (a) [NEGLECT.] (1) A parent, legal guardian, or caretaker who willfully deprives a child of necessary food, clothing, shelter, health care, or supervision appropriate to the child's age, when the parent, guardian, or caretaker is reasonably able to make the necessary provisions and the deprivation harms or is likely to substantially harm the child's physical, mental, or emotional health is guilty of neglect of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. If the deprivation results in substantial harm to the child's physical, mental, or emotional health, the person 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. If a parent, guardian, or caretaker responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of discase or remedial care of the child, this treatment or care is "health care," for purposes of this clause.

(2) A parent, legal guardian, or caretaker who knowingly permits the continuing physical or sexual abuse of a child is guilty of neglect of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(b) [ENDANGERMENT.] A parent, legal guardian, or caretaker who endangers the child's person or health by:

(1) intentionally or recklessly causing or permitting a child to be placed in a situation likely to substantially harm the child's physical, mental, or emotional health or cause the child's death; or

(2) knowingly causing or permitting the child to be present where any person is selling or possessing a controlled substance, as defined in section 152.01, subdivision 4, in violation of section 152.021, 152.022, 152.023, or 152.024; is guilty of child endangerment and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

If the endangerment results in substantial harm to the child's physical, mental, or emotional health, the person 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.

This paragraph does not prevent a parent, legal guardian, or caretaker from causing or permitting a child to engage in activities that are appropriate to the child's age, stage of development, and experience, or from selecting health care as defined in subdivision 1, paragraph (a).

(c) [ENDANGERMENT BY FIREARM ACCESS.] A person who intentionally or recklessly causes a child under 14 years of age to be placed in a situation likely to substantially harm the child's physical health or cause the child's death as a result of the child's access to a loaded firearm is guilty of child endangerment and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

If the endangerment results in substantial harm to the child's physical health, the person 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.

Sec. 2. Minnesota Statutes 1993 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection of a child by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246. Sexual abuse includes threatened sexual abuse.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so, failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so, or failure to take steps to ensure that a child is educated in accordance with state law. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child in lieu of medical care; except that there is a duty to report if a lack of medical care may cause imminent and serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, education, or medical care, a duty to provide that care. Neglect includes prenatal exposure to a controlled substance, as defined in section 253B.02, subdivision 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, or medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance. Neglect also means "medical neglect" as defined in section 260.015, subdivision 2a, clause (5).

(d) "Physical abuse" means any physical or mental injury, or threatened injury, inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical or mental injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245A.01 to 245A.16.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

(k) "Mental injury" means an injury to the psychological capacity or emotional stability of a child as evidenced by an observable or substantial impairment in the child's ability to function within a normal range of performance and behavior with due regard to the child's culture.

(1) "Threatened injury" means a statement, overt act, condition, or status that represents a substantial risk of physical or sexual abuse or mental injury."

Page 5, line 31, delete "1993" and insert "1994"

Amend the title as follows:

Page 1, delete lines 7 and 8, and insert "section 626.556, subdivision 10e; Minnesota Statutes 1993 Supplement, sections 609.378, subdivision 1; and 626.556, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1457, A bill for an act relating to education; increasing the number of higher education representatives on the state board of teaching; amending Minnesota Statutes 1992, sections 125.183, subdivisions 1 and 3; and 125.184, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 15, after the period, insert "No more than seven members of the board may be of one gender."

Page 2, after line 15, insert:

"Sec. 4. [TRANSITION.]

The gender balance requirement of section 1 applies only to appointments made after the effective date of this section. Section 1 does not require displacement of current board members before completion of their terms."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 1830, A bill for an act relating to elections; providing for a voluntary code of fair campaign practices; prohibiting false, misleading, or deceptive campaigning; expanding the jurisdiction of the conciliation court; imposing penalties; amending Minnesota Statutes 1992, section 211B.06, subdivision 1; Minnesota Statutes 1993 Supplement, section 491A.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 211B.

Reported the same back with the following amendments:

Page 3, delete lines 28 to 36 and insert:

"(b) A candidate who believes that an opposing candidate who has signed the code of fair campaign practices has violated that code may file a complaint with the ethical practices board and have the question of whether or not a violation has occurred determined pursuant to this paragraph. The ethical practices board shall establish a procedure for conducting hearings in an expeditious and impartial manner to resolve these complaints. The system must include:

(1) a procedure for selecting three-member panels, each containing a former elective officeholder or office seeker from each of the major political parties and a retired judge to act as chair of the panel;

(2) a requirement that the hearing must be held within three business days of the filing of the complaint;

(3) a limit on the amount of time each party has to present its argument so that each hearing can be concluded and a decision rendered within one day;

(4) provision for electronic hearings when appropriate; and

(5) a requirement that the losing party must pay the costs of the hearing including per diem and travel expenses of the hearing panel and any administrative expenses of the board.

If there is no clear winning or losing party, each party must pay half of the costs of the hearing."

Page 4, delete lines 1 to 6

Pages 4 and 5, delete sections 2 and 3

Amend the title as follows:

Page 1, line 4, delete "expanding the"

Page 1, delete lines 5 to 8

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1847, A bill for an act relating to alternative energy; providing a consumer rebate for the purchase of residential low-emission wood or biomass combustion devices; providing for rulemaking by the Minnesota pollution control agency and the department of public service; prohibiting the sale of contaminated pellets; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216C.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1861, A bill for an act relating to manufactured homes; restricting the venue for repossession actions to the county in which the manufactured home is located; making technical changes; amending Minnesota Statutes 1992, sections 327.63, subdivision 1; 327.64, subdivision 2; and 327.65.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Commerce and Economic Development.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2013, A bill for an act relating to public employment; correcting unintended omissions from previous early retirement legislation; ratifying certain prior payments.

Reported the same back with the following amendments:

Page 1, line 24, delete "May 15" and insert "April 30"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2029, A bill for an act relating to veterans; establishing a veterans' cemetery; providing for funding; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197; repealing Minnesota Statutes 1992, section 197.235.

Reported the same back with the following amendments:

Delete page 1, line 11, to page 2, line 21, and insert "managing the fundraising for the veterans cemetery trust account established in subdivision 7. The council consists of seven members appointed by and serving at the pleasure of the governor. Members serve without per diem and without reimbursement for expenses. The council and the terms of members expire December 31, 1996.

<u>Subd. 2.</u> [MEMBERSHIP.] <u>Members must be persons experienced in policy development, civic and community affairs, forms of public service, or legal work. At least two members must be veterans. At least three, but no more than four of the members must be residents of the metropolitan area, as defined in section 473.121, subdivision 2. No more than four of the members may be of the same gender."</u>

Page 2, line 27, delete everything after "cemetery"

Page 2, line 28, delete everything before the comma

Page 3, line 15, delete everything after "cemetery"

Page 3, line 16, delete "council"

Page 5, line 2, delete everything after "1"

Page 5, line 3, delete "council"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2148, A bill for an act relating to human services; providing monitoring and evaluation of emergency health services on a pilot project basis; authorizing an advisory committee.

Reported the same back with the following amendments:

Page 1, line 22, before the period, insert "under Minnesota Statutes, section 15.059"

Page 2, line 1, after the period, insert "The advisory committee shall expire on July 1, 1995."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2191, A bill for an act relating to agriculture; establishing the agriculture best management practices loan program; establishing a feedlot and manure management advisory committee; appropriating money; amending Minnesota Statutes 1992, section 13.99, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17.

5740

Reported the same back with the following amendments:

Page 1, line 22, delete "may" and insert "shall" and delete the comma

Page 1, line 23, delete "adopt rules for, and implement"

Page 2, line 2, delete "may" and insert "shall"

Page 2, line 3, delete "to develop procedures" and insert "effective until January 1, 1996,"

Page 2, line 4, delete "develop administrative" and insert "adopt emergency and permanent rules"

Page 2, line 5, delete "guidelines" and delete "specifying criteria," and insert "and the program."

Page 2, delete line 6, and insert "<u>The rules shall contain, but not be limited to, application procedures, eligibility</u> criteria, conditions of the loan, and repayment procedures."

Page 7, line 13, after "organizations" insert "not associated with production agriculture"

Page 7, line 15, after the period, insert "No more than eight members may be of one gender."

Page 7, line 22, delete "one" and insert "a member"

Page 7, line 23, delete "livestock producers on the" and delete "livestock"

Page 7, line 24, delete "producers on the"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2226, A bill for an act relating to state government; permitting employees of Minnesota Project Innovation, Inc. to participate in certain state employee benefit programs; amending Minnesota Statutes 1992, section 116O.04, subdivision 2.

Reported the same back with the following amendments:

Page 1, delete lines 17 to 22 and insert:

"(b) The board of Minnesota Project Innovation, Inc., may extend the benefits and coverage referenced in paragraph (a) to all of its employees."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2227, A bill for an act relating to utilities; mandating studies of effects of earth as conductor of electricity, stray voltage, and electromagnetic fields; providing complaint procedure and remedies; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 216B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SCIENTIFIC ADVISORY TASK FORCE.]

Subdivision 1. [CREATION.] The public utilities commission shall appoint a scientific advisory task force consisting of at least five members, including members with education and scientific specialties in physics, electrical engineering, animal physiology, veterinary medicine, dairy science, soil science specializing in the electrical nature of soil, or epidemiology. The task force may not include representatives from utilities or other parties with a financial interest in the outcome of the research recommended or performed by the task force.

The commission shall appoint a representative from the scientific community to serve as liaison between the commission and the task force.

Subd. 2. [PRELIMINARY RESEARCH ASSESSMENT.] The task force shall conduct a preliminary assessment and report to the commission by January 1, 1995, on the need for research projects to identify and examine the potential for and actual effects on dairy cow production and animal health of current in the earth, originating from the utility distribution systems and other sources.

If the task force finds a need for research, it shall frame and recommend to the commission a specific research question on questions and the design, scope, and estimated cost of further research.

The commission shall order research based on the task force report and is granted the authority to access utilities for activities and research consistent with sections 1 to 5.

Subd. 3. [SPECIFIC DUTIES.] The task force shall:

(1) review existing information from other sources, including other states and dairy producers or farm organizations, on the use of the earth for carrying current and its effects on animal health and production and on human health and report to the commission on its findings and recommendations;

(2) determine the gualifications of researchers and make recommendations to the commission on their selection;

(3) explore the availability of nonstate and nonutility funds for research under subdivision 2;

(4) monitor the research into the use of the earth for carrying current and its effects on animal health and production;

(5) submit study results for proper scientific peer review; and

(6) make on-site visits to farms with formal and informal complaints concerning stray voltage and earth as the conductor.

Subd. 4. [FINDINGS AND RECOMMENDATIONS.] The task force shall make findings or recommendations to the commission regarding potential actions to mitigate or eliminate any effects found from current in the earth on dairy cow production or animal health.

<u>Subd. 5.</u> [INDEPENDENT RESEARCHERS REQUIRED.] <u>The commission may only contract with researchers to</u> <u>conduct research under this section who are not employed or contracted by, or receive funding from, either public</u> <u>or municipal utilities, or cooperative electric associations for research or investigation of stray voltage.</u>

Subd. 6. [RESEARCH DEADLINE.] The research conducted under this section and any recommendations by the task force to the commission must be completed or made by June 30, 1996.

Subd. 7. [EXPIRATION.] The task force expires June 30, 1996.

Sec. 2. [SURVEY OF FACILITIES.]

The public utilities commission shall determine the age and condition of electric distribution facilities in the state. The task force shall determine the extent to which these facilities use the earth as a conductor of electric current, whether intentionally or unintentionally, and shall study the risks to dairy animal health and welfare associated with the practice of bonding distribution system conductors to the earth using research conducted under section 1. At the recommendation of the task force, the commission may order the production of any records, maps, plans, or any other documents, testimony, or recollections, relating to stray voltage, ground current, or similar phenomenon, of any owner or operator of any distribution facility or any employee of any owner or operator or any other person with knowledge related to the issue of using the earth to conduct electric current. Data collected by the commission under this section is subject to Minnesota Statutes, chapter 13.

Sec. 3. [DAIRY PRODUCER DATA.]

The department of public service may make grants to a dairy producer or a group of producers organized to address stray voltage issues for data preparation and presentation to the task force. Grantees must complete the preparation of its data for review by the task force and submit their data and recommendations to the task force, within 90 days of receiving a grant. Grantees must provide to the department a specific accounting of grant expenditures. Grantees must also provide a proposed budget to the department that includes performance objectives and deadlines for meeting those objectives.

Data presented for review is public data under Minnesota Statutes, chapter 13.

Sec. 4. [ASSESSMENT.]

(a) To provide funding for activities required under this act, the public utilities commission and the department of public service shall assess a total of up to \$..... under Minnesota Statutes, section 216B.62, against public and municipal utilities providing electrical service and cooperative electric associations. The assessment must be deposited in the general fund. The assessment is not subject to the limits prescribed under Minnesota Statutes, section 216B.62, subdivision 3.

(b) Each utility or association shall be assessed in proportion that its gross operating revenues for the sale of electric service within the state for the last calendar year bears to the total of those revenues for all public and municipal utilities and cooperative associations.

Sec. 5. [APPROPRIATIONS.]

(a) <u>\$.....</u> is appropriated from the general fund to the public utilities commission for the purposes of sections 1 and 2, including expense of the task force and is available until June 30, 1995.

(b) \$..... is appropriated from the general fund to the department of public service for assistance to producers or producer organizations to assist in the preparation and analysis of data for review by the scientific advisory task force. This appropriation is available until June 30, 1995.

(c) \$25,000 is appropriated from the general fund to the department of public service for fiscal year 1995 for the purpose of making grants to producers or producer organizations to allow participation in the proceedings of the scientific advisory task force. This appropriation is available until June 30, 1995.

Sec. 6. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete "; proposing coding" and insert a period

Page 1, delete line 6

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Agriculture.

The report was adopted.

# Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2251, A bill for an act relating to drivers' licenses; allowing social security number to be entered at the option of an applicant for a Class C driver's license; amending Minnesota Statutes 1992, section 171.06, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2275, A bill for an act relating to taxes; making tax policy, collections, and administrative changes; amending Minnesota Statutes 1992, sections 168.011, subdivision 8; 168.012, subdivision 9; 169.86, subdivision 1; 239.05, subdivision 10a; 239.761, subdivision 3; 270.052; 270.0605; 270.10; by adding a subdivision; 270.60, subdivisions 1 and 2; 270.69, subdivision 4, and by adding a subdivision; 270.70, subdivision 2; 270.71; 270.72, subdivision 1; 270B.02, subdivisions 3 and 5; 270B.03, subdivision 1; 270B.12, subdivision 3, and by adding a subdivision; 270B.14, by adding a subdivision; 273.12; 289A.37, subdivision 1; 289A.60, by adding subdivisions; 290.01, subdivision 3a; 290A.08; 290A.18, subdivision 2; 296.01, subdivisions 14, 18, 19, 20, 32, 34, and by adding subdivisions; 296.02, subdivision 1; 296.025, subdivision 1, and by adding a subdivision; 296.06, subdivision 2; 296.12, subdivisions 1, 2, 3, 4, 5, 8, 10, and 11; 296.15, subdivisions 2, 4, 5, and 6; 296.16, subdivision 2; 296.165, subdivision 1; 296.25, subdivision 1, and by adding a subdivision; 297.03, subdivision 7; 297A.01, by adding a subdivision; 297A.02, subdivision 2, and by adding a subdivision; 297A.021, by adding a subdivision; 297A.15, subdivision 5; 297A.25, subdivision 9, and by adding a subdivision; 297A.44, subdivision 4; 297B.01, subdivision 8; 297C.03, subdivision 6; 297C.13, subdivision 1; and 473.446, subdivision 1; Minnesota Statutes 1993 Supplement, sections 116.07, subdivision 10; 270.06; 270.41, subdivision 5; 270B.01, subdivision 8; 272.115, subdivision 1, 273.11, subdivision 16; 273.124, subdivision 13; 275.065, subdivision 6; 289A.11, subdivision 1, 289A.18, subdivision 4; 289A.20, subdivision 4; 290.01, subdivision 19; 290A.04, subdivision 2h; 297A.01, subdivisions 3, 15, and 16; 297A.07, subdivision 1; and 297A.25, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 270; 296; and 297; repealing Minnesota Statutes 1992, sections 270.0604, subdivision 6; 296.03; 296.15, subdivision 3; and 297A.07, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 8, after "width" insert "in travel mode"

Page 3, delete section 3

Pages 5 to 7, delete section 7

Page 12, after line 6, insert:

"Sec. 8. Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 3, is amended to read:

Subd. 3. [DISPARITY REDUCTION AID.] (a) For taxes payable in 1990 1995, and subsequent years, the amount of disparity aid certified for each taxing district within each unique taxing jurisdiction for taxes payable in the prior year shall be multiplied by the ratio of (1) the jurisdiction's tax capacity using the class rates for taxes payable in the year for which aid is being computed, to (2) its tax capacity using the class rates for taxes payable in the year prior to that for which aid is being computed, both based upon market values for taxes payable in the year prior to that for which aid is being computed. For the purposes of this aid determination, disparity reduction aid certified for taxes payable in the prior year for a taxing entity other than a town or school district is deemed to be county government disparity reduction aid. For taxes payable in 1992 and subsequent years, the amount of disparity aid certified to each taxing jurisdiction shall be reduced by any reductions required in the current year or permanent reductions required in previous years under section 477A.0132.

(b) The disparity reduction aid is allocated to each local government levying taxes in the unique taxing jurisdiction in the proportion that the local government's payable gross taxes bears to the total payable gross taxes levied within the unique taxing jurisdiction."

Page 13, line 3, delete "The"

Page 13, delete line 4

Page 13, line 5, delete everything before "The"

Page 13, after line 10, insert:

"The time and place of the subsequent hearing must be announced at the initial public hearing or at the continuation hearing."

Pages 15 to 17, delete section 11

Page 17, after line 34, insert:

"Sec. 12. [384.19] [STATEMENT OF UNPAID DELINQUENT TAXES.]

Upon request of any person the county auditor shall search the official records of the office to determine if unpaid property taxes exist for any tax parcels of land listed in the request. The county auditor shall certify the results of the search for each parcel by showing the amount of tax unpaid for each tax year payable. For purposes of this section, "tax" includes penalty, interest, fees, and costs related to the unpaid tax.

At the option of the county auditor, magnetic tape or other electronic media may be employed to transmit the data request or the search results. For this service a fee may be charged in an amount established by the county board up to a maximum of \$5 per parcel, to recover the reasonable costs incurred to furnish the service. The provisions of section 276.041 are not affected by this section.

Sec. 13. [385.42] [STATEMENT OF UNPAID CURRENT TAXES.]

Upon request of any person the county treasurer shall search the official records of the office to determine if unpaid property taxes exist for the current tax year for any tax parcels of land listed in the request. The county treasurer shall certify the results of the search for each parcel by showing the amount of tax unpaid. For purposes of this section, "tax" includes penalty, interest, fees, and costs related to the unpaid tax.

At the option of the county treasurer, magnetic tape or other electronic media may be employed to transmit the data request or the search results. For this service a fee may be charged in an amount established by the county board up to a maximum of \$5 per parcel, to recover the reasonable costs incurred to furnish the service. The provisions of section 276.041 are not affected by this section.

<u>This section shall not authorize the treasurer or county auditor to charge a fee for certifying to taxes on a deed to be recorded.</u>"

Page 19, lines 11 and 13, strike "assessment" and insert "taxes payable"

Page 20, after line 21, insert:

"Sec. 15. Minnesota Statutes 1992, section 477A.0121, subdivision 4, is amended to read:

Subd. 4. [PUBLIC DEFENDER COSTS.] Each calendar year, four percent of the total appropriation for this section shall be retained by the commissioner of revenue to make reimbursements to the commissioner of finance for payments made under section 611.27. The reimbursements shall be to defray the additional costs associated with court-ordered counsel under section 611.27. Any retained amounts not used for reimbursement in a year shall be carried over and distributed as additional included in the next distribution of county criminal justice aid in the following that is certified to the county auditors for the purpose of property tax reduction for the next taxes payable year."

Page 20, line 23, delete "section" and insert "sections"

Page 20, line 23, delete the third comma, and insert "; 272.09; 272.46, subdivision 1; and 272.47 are"

Page 20, line 24, delete "is"

Page 20, line 26, delete "to 3, and 6" and insert ", 2, and 5"

Page 20, line 27, delete "4, 9, and 15" and insert "3, 7, 12, 13, and 16"

Page 20, line 28, delete "5, 13, and 14" and insert "4, 11, 14, and 15"

Page 20, line 29, before the period, insert "except that the change in section 14, clause (3), is effective for taxes payable in 1995 and thereafter"

Page 20, line 30, delete "7, 8, and 10" and insert "6 and 9"

Page 20, delete lines 32 and 33, and insert:

"Section 8 is effective for aids paid in 1994 and thereafter."

Page 20, line 34, delete "12" and insert "10"

Renumber the sections in article 1 in sequence

Pages 28 and 29, delete section 7

Pages 31 to 36, delete section 10

Pages 38 to 43, delete sections 12 to 16

Pages 44 and 45, delete section 18

Pages 48 to 50, delete sections 21 to 24

Page 50, delete line 35, and insert:

"Section 8 is"

Page 51, line 1, delete everything after "Section" and insert "7 is"

Page 51, line 2, delete everything before "effective"

Page 51, line 4, delete "10, 11, 19, and 20" and insert "9, 11, and 12"

Page 51, delete lines 6 to 11

Page 51, line 12, delete "<u>17 and 25</u>" and insert "<u>10 and 13</u>"

Page 51, delete lines 14 to 17

Page 51, line 31, after "appeal" insert "if the appeal is based upon a constitutional challenge to the tax, and if not, when the decision is made"

Page 53, line 20, delete "due" and insert "as stated in the commissioner's notice"

Page 55, delete lines 21 to 34, and insert:

"Subd. 15. [ASSIGNMENT OF LIENS.] The commissioner may sell and assign to a third party the right of redemption in specific real property for liens filed under this section. The redemption in the hands of the assignee shall not be enforceable by any of the collection remedies provided to the commissioner by law. The assignee is limited to the same rights of redemption the commissioner would have in any mortgage foreclosure proceeding, but in any bankruptcy proceeding does not obtain the priority of the commissioner as a tax claimant. Should the taxpayer or its assigns exercise the right of redemption the assignment by the commissioner is extinguished."

Pages 56 and 57, delete section 6

Page 58, line 16, delete "<u>\$.....</u>" and insert "<u>\$50,000,000</u>"

Page 58, line 20, delete "<u>\$.....</u>" and insert "<u>\$50,000,000</u>"

5746

Page 58, line 23, delete "with" and insert "after July 1 of"

Page 59, line 1, delete "\$......" and insert "\$150,000,000."

Page 60, line 4, after "appeal" insert "if the appeal is based upon a constitutional challenge to the tax, and if not, when the decision of the tax court is made"

Page 60, line 6, delete "7, 9, and 10" and insert "6, 8, and 9"

Page 60, line 10, delete "8" and insert "7"

Page 60, line 11, delete "..." and insert "the day following final enactment"

Page 60, line 12, delete "......" and insert "that date"

Page 60, line 13, delete "......" and insert "that date."

Page 77, line 6, after "In" insert "the"

Page 81, line 12, after the semicolon, insert "296.14;"

Page 88, line 36, delete the new language

Page 89, delete lines 1 and 2

Page 89, line 3, delete everything before the semicolon

Page 89, line 15, strike "that inform" and insert "who informs"

Page 89, delete line 17

Page 89, line 18, delete "compliance with"

Pages 91 and 92, delete section 7

Page 92, lines 15 and 16, reinstate the stricken language and delete the new language

Page 93, line 5, delete "8" and insert "7"

Renumber the sections in sequence and correct internal references

Delete the title and insert:

"A bill for an act relating to taxes; making tax policy, collections, and administrative changes; amending Minnesota Statutes 1992, sections 168.011, subdivision 8; 168.012, subdivision 9; 239.05, subdivision 10a; 239.761, subdivision 3; 270.052; 270.0605; 270.10, by adding a subdivision; 270.60, subdivisions 1 and 2; 270.69, subdivision 4, and by adding a subdivision; 270.70, subdivision 2; 270.72, subdivision 1; 270B.02, subdivisions 3 and 5; 270B.03, subdivision 1; 270B.12, subdivision 3, and by adding a subdivision; 270B.14, by adding a subdivision; 273.12; 289A.37, subdivision 1; 289A.60, by adding subdivisions; 290.01, subdivision 3a; 290A.08; 290A.18, subdivision 2; 296.01, subdivisions 14, 18, 19, 20, 32, 34, and by adding subdivisions; 296.02, subdivision 1; 296.025, subdivision 1, and by adding a subdivision; 296.06, subdivision 2; 296.12, subdivisions 1, 2, 3, 4, 5, 8, 10, and 11; 296.15, subdivisions 2, 4, 5, and 6; 296.16, subdivision 2; 296.165, subdivision 1; 296.25, subdivision 1, and by adding a subdivision; 297.03, subdivision 7; 297A.25, subdivision 9; 297C.13, subdivision 1; 473.446, subdivision 1; and 477A.0121, subdivision 4; Minnesota Statutes 1993 Supplement, sections 116.07, subdivision 10; 270.06; 270.41, subdivision 5; 270B.01, subdivision 8; 272.115, subdivision 1; 273.124, subdivision 13; 273.1398, subdivision 3; 275.065, subdivision 6; 289A.18, subdivision 4; 289A.20, subdivision 4; 290.01, subdivision 19; 297A.01, subdivision 15; 297A.07, subdivision 1; and 297A.25, subdivision 11; proposing coding for new law in Minnesota Statutes, chapters 270; 296; 297; 384; and 385; repealing Minnesota Statutes 1992, sections 270.0604, subdivision 6; 272.09; 272.46, subdivision 1; 272.47; 296.03; 296.14; 296.15, subdivision 3; and 297A.07, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2299, A bill for an act relating to the city of Duluth; clarifying certain language relating to calculation of pension benefits contained in the bylaws of the Duluth firefighters relief association.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

# "ARTICLE 1

# PENSION PLAN PROVISION CLARIFICATION"

Page 1, line 7, delete "RELIEF ASSOCIATION" and insert "CONSOLIDATION ACCOUNT"

Page 1, line 8, delete "LANGUAGE IN BYLAWS" and insert "SALARY FOR BENEFIT CALCULATION PURPOSES"

Page 1, line 9, after "contrary," insert "for the Duluth joint firefighters and police consolidation account administered by the public employees retirement association,"

Page 1, line 12, after "payments" insert "for a regular workweek of a firefighter"

Page 1, line 16, after "payments" insert "to pensioners and other benefit recipients of the former Duluth fire department relief association"

Page 1, line 17, delete "<u>made</u>" and insert "<u>taken from active Duluth firefighters</u>, <u>where applicable</u>," and after the period, insert "<u>If applicable</u>, any <u>postretirement adjustments paid or payable to pensioners and other benefit recipients</u> of the former Duluth fire department relief association under <u>Minnesota Statutes</u>, <u>section 11A.18</u>, <u>must be</u> appropriately recomputed on account of section 1."

Page 1, line 19, delete "<u>This act takes effect when approved</u>" and insert "<u>Sections 1 and 2 are effective upon</u> approval"

Page 1, after line 21, insert:

#### "ARTICLE 2

#### CONFORMING CHANGES

Section 1. Minnesota Statutes 1993 Supplement, section 353B.02, subdivision 10, is amended to read:

Subd. 10. [SALARY.] (a) "Salary" for benefit computation and contribution purposes means the salary of a first class or first grade firefighter or patrol officer, whichever applies, for the former members of the following consolidating relief associations:

(1) Anoka police relief association;

(2) Austin firefighters relief association;

(3) Austin police relief association;

(4) Columbia Heights fire department relief association, paid division;

(5) Fairmont police benefit association;

(6) Faribault fire department relief association;

(7) Mankato fire department relief association;

(8) Minneapolis fire department relief association;

(9) Minneapolis police relief association;

(10) Richfield fire department relief association;

(11) Rochester fire department relief association;

(12) Rochester police relief association;

(13) St. Cloud fire department relief association;

(14) St. Cloud police relief association;

(15) St. Paul fire department relief association;

(16) South St. Paul firefighters relief association;

(17) West St. Paul firefighters relief association;

(18) West St. Paul police relief association; and

(19) Winona fire department relief association.

(b) "Salary" for benefit computation purposes means the salary of a first grade patrol officer for the second month of the previous fiscal year and for contribution purposes means the current salary of a first grade patrol officer, for the former members of the following consolidating relief associations:

(1) Bloomington police relief association;

(2) Crystal police relief association;

(3) Fridley police pension association;

(4) Richfield police relief association;

(5) St. Louis Park police relief association; and

(6) Winona police relief association.

(c) "Salary" for benefit computation purposes means the final salary and for contribution purposes means the current salary for the former members of the following consolidating relief associations:

(1) Albert Lea firefighters relief association;

(2) Albert Lea police relief association;

(3) Buhl police relief association;

(4) Chisholm firefighters relief association;

(5) Crookston fire department relief association;

(6) Crookston police relief association;

(7) Faribault police benefit association;

(8) Red Wing police relief association; and

(9) Virginia fire department relief association.

(d) "Salary" for benefit computation purposes means the average earnings or salary for the final six months of employment before retirement and for contribution purposes means the current salary for the former members of the following consolidating relief associations:

Chisholm police relief association;

(2) Hibbing firefighters relief association; and

(3) Hibbing police relief association.

(e) "Salary" for benefit computation purposes means the greater of the final salary at retirement or the highest salary of a patrol officer and for contribution purposes means the greater of the current salary or the current highest salary of a patrol officer for the former members of the following consolidating relief associations:

(1) Brainerd police benefit association; and

(2) New Ulm police relief association.

(f) "Salary" for benefit computation and contribution purposes means the following for the former members of the consolidating relief associations as indicated:

(1) salary of a top grade patrol officer, including longevity pay and education incentive pay in an amount not to exceed \$235 per month, Columbia Heights police relief association;

(2) maximum pay of a firefighter, <u>including overtime payments for a regular workweek of a firefighter mandated</u> by the federal Fair Labor Standards Act of 1938, as amended, Duluth firefighters relief association;

(3) salary of a first class patrol officer with 16 years of service, Duluth police pension association;

(4) base salary for the rank currently held, plus longevity pay, pay for eligibility for next higher rank and pay for first aid care, Mankato police benefit association;

(5) average annual salary for highest three paid years for benefit computation purposes and current salary for contribution purposes, Red Wing fire department relief association;

(6) pay of the highest grade full-time firefighter, St. Louis Park fire department relief association;

(7) maximum monthly pay of a patrol officer, St. Paul police relief association;

(8) prevailing base pay of rank held at retirement for benefit computation purposes and current salary for contribution purposes, South St. Paul police relief association; and

(9) prevailing pay for rank held for at least six months before retirement for benefit computation purposes and current salary for contribution purposes, Virginia police relief association.

#### Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective upon the effective date of article 1, section 1."

Amend the title as follows:

Page 1, line 2, after "to" insert "retirement;" and delete "city of" and after "Duluth" insert "joint police and firefighters consolidation account"

Page 1, line 5, before the period, insert "; amending Minnesota Statutes 1993 Supplement, section 353B.02, subdivision 10"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## 5750

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2327, A bill for an act relating to human services; permitting certain providers to request a state agency hearing; modifying the conduct of state agency hearings; modifying certain requirements for prior authorization of services under medical assistance; amending Minnesota Statutes 1992, sections 256.045, subdivisions 3, 4, 5 and by adding a subdivision; and 256B.0625, subdivisions 8, 8a, 25, 31, and by adding a subdivision.

Reported the same back with the following amendments:

Page 7, line 25, after the period, insert "No more than three members may be of one gender."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services/Human Services Finance Division.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2349, A bill for an act relating to environmental justice; establishing a task force on environmental justice.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 116D.04, subdivision 2a, is amended to read:

Subd. 2a. Where there is potential for significant environmental effects resulting from any major governmental action, the action shall be preceded by a detailed environmental impact statement prepared by the responsible governmental unit. The environmental impact statement shall be an analytical rather than an encyclopedic document which describes the proposed action in detail, analyzes its significant environmental impacts, discusses appropriate alternatives to the proposed action and their impacts, and explores methods by which adverse environmental impacts of an action could be mitigated. The environmental impact statement shall also analyze those economic, employment and sociological effects, including those related to environmental justice as defined in section 116D.12, that cannot be avoided should the action be implemented. To ensure its use in the decision making process, the environmental impact statement shall be prepared as early as practical in the formulation of an action.

(a) The board shall by rule establish categories of actions for which environmental impact statements and for which environmental assessment worksheets shall be prepared as well as categories of actions for which no environmental review is required under this section.

(b) The responsible governmental unit shall promptly publish notice of the completion of an environmental assessment worksheet in a manner to be determined by the board and shall provide copies of the environmental assessment worksheet to the board and its member agencies. Comments on the need for an environmental impact statement may be submitted to the responsible governmental unit during a 30 day period following publication of the notice that an environmental assessment worksheet has been completed. The responsible governmental unit's decision on the need for an environmental impact statement shall be based on the environmental assessment worksheet and the comments received during the comment period, and shall be made within 15 days after the close of the comment period. The board's chair may extend the 15 day period by not more than 15 additional days upon the request of the responsible governmental unit.

(c) An environmental assessment worksheet shall also be prepared for a proposed action whenever material evidence accompanying a petition by not less than 25 individuals, submitted before the proposed project has received final approval by the appropriate governmental units, demonstrates that, because of the nature or location of a proposed action, there may be potential for significant environmental effects. Petitions requesting the preparation of an environmental assessment worksheet shall be submitted to the board. The chair of the board shall determine the appropriate responsible governmental unit and forward the petition to it. A decision on the need for an

environmental assessment worksheet shall be made by the responsible governmental unit within 15 days after the petition is received by the responsible governmental unit. The board's chair may extend the 15 day period by not more than 15 additional days upon request of the responsible governmental unit.

(d) The board may, prior to final approval of a proposed project, require preparation of an environmental assessment worksheet by a responsible governmental unit selected by the board for any action where environmental review under this section has not been specifically provided for by rule or otherwise initiated.

(e) An early and open process shall be utilized to limit the scope of the environmental impact statement to a discussion of those impacts, which, because of the nature or location of the project, have the potential for significant environmental effects. The same process shall be utilized to determine the form, content and level of detail of the statement as well as the alternatives which are appropriate for consideration in the statement. In addition, the permits which will be required for the proposed action shall be identified during the scoping process. Further, the process shall identify those permits for which information will be developed concurrently with the environmental impact statement. The board shall provide in its rules for the expeditious completion of the scoping process. The determinations reached in the process shall be incorporated into the order requiring the preparation of an environmental impact statement.

(f) Whenever practical, information needed by a governmental unit for making final decisions on permits or other actions required for a proposed project shall be developed in conjunction with the preparation of an environmental impact statement.

(g) An environmental impact statement shall be prepared and its adequacy determined within 280 days after notice of its preparation unless the time is extended by consent of the parties or by the governor for good cause. The responsible governmental unit shall determine the adequacy of an environmental impact statement, unless within 60 days after notice is published that an environmental impact statement will be prepared, the board chooses to determine the adequacy of an environmental impact statement is found to be inadequate, the responsible governmental unit shall have 60 days to prepare an adequate environmental impact statement.

# Sec. 2. [116D.12] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 116D.12 to 116D.15, the definitions in this section have the meanings given them.

<u>Subd.</u> 2. [ENVIRONMENTAL JUSTICE.] "Environmental justice" is the fair treatment of people of all races, cultures, income, and educational levels with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies. Fair treatment means that no person or population of people should be forced to shoulder a disproportionate share of the negative environmental impact, or risks thereof, of pollution or environmental hazards, due to a lack of political or economic strength. Fair treatment also means ensuring adequate protection of public health and the environment and that the benefits of risk reduction are conferred in fair measure to all Minnesota citizens.

Subd. 3. [TASK FORCE.] "Task force" means the task force on environmental justice established in section 116D.13.

#### Sec. 3. [116D.13] [TASK FORCE CREATED.]

(a) A task force of 15 members is established to assist the environmental guality board on environmental justice issues.

(b) Members shall consist of the designated representatives of the Asian-Pacific Minnesotans council, the council on Black Minnesotans, the Indian affairs council, the Spanish-speaking affairs council, the legislative commission on the economic status of women, the attorney general, the department of human rights, and eight private citizens appointed by the chair of the environmental quality board. At least one private citizen must represent the migrant farm worker population in Minnesota, to be designated by Migrant Legal Services. Nine of the task force members must be people of color and low-income communities. Additional ex officio members shall be the chairs of the house and senate environment and natural resources committees and the house health and human services and senate health care committees, or their designees.

(c) The chair of the environmental quality board shall appoint the chair of the task force.

(d) The members of the task force may receive no compensation for their services, but shall be reimbursed for their expenses actually and necessarily incurred in the performance of their duties. Citizen members of the task force may receive per diem compensation as provided in section 15.059, subdivision 3.

(e) Every state and metropolitan agency and public corporation having jurisdiction over environmental and human service programs must cooperate with the task force upon request.

(f) The chair of the environmental guality board must provide staff services to the task force.

Sec. 4. [116D.14] [POWERS AND DUTIES OF THE TASK FORCE.]

The task force shall have the following powers and duties:

(1) to advise and help the environmental guality board to develop and implement a comprehensive program and plan at the state, county, and local levels for the promotion of environmental justice, including draft legislation where appropriate; and

(2) to review existing studies, and to recommend future studies, relating to environmental justice.

Sec. 5. [116D.15] [POWERS AND DUTIES OF THE ENVIRONMENTAL QUALITY BOARD.]

The environmental guality board shall carry out the following powers and duties in consultation with the task force:

(1) to encourage individuals, corporations, associations, organizations, and public agencies to consider the environmental interests of people of color and low-income communities in their decision-making processes;

(2) to study issues relating to the proportional impact and risk of exposure to environmental hazards received by people of color and low-income communities;

(3) to intervene at its discretion in proceedings before state agencies on environmental matters affecting people of color and low-income communities;

(4) to provide local governments and the private sector with improved liaison, interpretation, and focus relating to state and federal programs which bear on environmental justice;

(5) to create materials and forums to educate the public on issues of environmental justice;

(6) to apply for and accept technical and financial assistance on environmental justice from state, metropolitan, and federal agencies, and public and private corporations, and to provide grants for environmental justice assistance; and

(7) to report periodically to the governor and the legislature on the conduct of its activities, but not less than once a year, and to provide a copy of each report to appropriate public and private entities.

Sec. 6. [116D.16] [TERMINATION.]

Sections 116D.12 to 116D.16 expire on June 30, 2000."

Delete the title and insert:

"A bill for an act relating to environmental justice; establishing a task force on environmental justice; requiring the environmental quality board to carry out certain duties; amending Minnesota Statutes 1992, section 116D.04, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 116D."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2370, A bill for an act relating to children; modifying liability provisions for child abuse investigations; providing for attorney fees in certain actions; providing for the establishment of protocols for investigations; prohibiting certain conflicts of interest; providing for access to data regarding determinations of maltreatment; amending Minnesota Statutes 1992, section 626.556, subdivisions 4, 10e, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 626.556, subdivision 11.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 626.556, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] (a) The following persons are immune from any civil or criminal liability ... that otherwise might result from their actions, if they are acting in good faith:

(1) any person making a voluntary or mandated report under subdivision 3 or under section 626.5561 or assisting in an assessment under this section or under section 626.5561;

(2) any social worker appropriately qualified person with responsibility for performing duties under this section or supervisor employed by a local welfare agency complying with subdivision 10d or the provisions of section 626.5561; and

(3) any public or private school, facility as defined in subdivision 2, or the employee of any public or private school or facility who permits access by a local welfare agency or local law enforcement agency and assists in an investigation or assessment pursuant to subdivision 10 or under section 626.5561.

(b) A person who is a supervisor or social worker person with responsibility for performing duties under this section employed by a local welfare agency complying with subdivisions 10 and 11 or section 626.5561 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care in accordance with any established protocols and rules and reasonable professional practice.

(c) This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.

(d) If a person who makes a voluntary or mandatory report under subdivision 3 prevails in a civil action from which the person has been granted immunity under this subdivision, the court may award the person attorney fees and costs.

Sec. 2. Minnesota Statutes 1992, section 626.556, is amended by adding a subdivision to read:

<u>Subd. 4b.</u> [LIABILITY; COSTS AND ATTORNEY FEES.] If a person who is an alleged perpetrator prevails in a civil action arising out of an assessment, determination, or bad faith report made under this section, the court may award the person costs and reasonable attorney fees in the action. This subdivision does not apply to criminal or juvenile court proceedings. This subdivision does not affect the immunity provisions of this section.

Sec. 3. Minnesota Statutes 1992, section 626.556, is amended by adding a subdivision to read:

<u>Subd. 9a.</u> [PROTOCOL GOVERNING ABUSE AND NEGLECT ASSESSMENTS.] The commissioner of human services shall adopt rules establishing a specific protocol to be followed by social workers, child protection workers, and supervisors employed by local welfare agencies and the commissioner in conducting assessments and making determinations under this section. In developing the rules the commissioner shall consult with individuals involved in assessing child abuse and neglect, including physicians and other health professionals, child psychologists, social workers, child protection workers, and supervisors, county attorneys, educators, and law enforcement. Individuals must also include representatives of parent and foster parent groups, facilities, attorneys and other advocates who represent the interests of persons who may be accused of child abuse and neglect, and representatives of communities of color.

Sec. 4. Minnesota Statutes 1992, section 626.556, subdivision 10e, is amended to read:

Subd. 10e. [DETERMINATIONS.] Upon the conclusion of every assessment or investigation it conducts, the local welfare agency shall make two determinations: first, whether maltreatment has occurred; and second, whether child protective services are needed. Determinations under this subdivision must be made based on a preponderance of the evidence.

(a) For the purposes of this subdivision, "maltreatment" means any of the following acts or omissions committed by a person responsible for the child's care:

(1) physical abuse as defined in subdivision 2, paragraph (d);

(2) neglect as defined in subdivision 2, paragraph (c);

(3) sexual abuse as defined in subdivision 2, paragraph (a); or

(4) mental injury as defined in subdivision 2, paragraph (k).

(b) For the purposes of this subdivision, a determination that child protective services are needed means that the local welfare agency has documented conditions during the assessment or investigation sufficient to cause a child protection worker, as defined in section 626.559, subdivision 1, to conclude that a child is at significant risk of maltreatment if protective intervention is not provided and that the individuals responsible for the child's care have not taken or are not likely to take actions to protect the child from maltreatment or risk of maltreatment.

(c) This subdivision does not mean that maltreatment has occurred solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, in lieu of medical care. However, if lack of medical care may result in imminent and serious danger to the child's health, the local welfare agency may ensure that necessary medical services are provided to the child.

Sec. 5. Minnesota Statutes 1993 Supplement, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] Except as provided in subdivisions 10b, 10d, 10g, and 11b, and 11d, all records concerning individuals maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Reports maintained by any police department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority, including county medical examiners or county coroners. Section 13.82, subdivisions 5, 5a, and 5b, apply to law enforcement data other than the reports. The welfare board shall make available to the investigating, petitioning, or prosecuting authority, including county medical examiners or county coroners or their professional delegates, any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. In conducting investigations and assessments pursuant to this section, the notice required by section 13.04, subdivision 2, need not be provided to a minor under the age of ten who is the alleged victim of abuse or neglect. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under assessment or investigation except as otherwise permitted by this subdivision. Any person conducting an investigation or assessment under this section who intentionally discloses the identity of a reporter prior to the completion of the investigation or assessment is guilty of a misdemeanor. After the assessment or investigation is completed, the name of the reporter shall be confidential. The subject of the report may compel disclosure of the name of the reporter only with the consent of the reporter or upon a written finding by the court that the report was false and that there is evidence that the report was made in bad faith. This subdivision does not alter disclosure responsibilities or obligations under the rules of criminal procedure.

Sec. 6. Minnesota Statutes 1992, section 626.556, is amended by adding a subdivision to read:

<u>Subd. 11d.</u> [DISCLOSURE OF INFORMATION TO SUBJECT OF REPORT.] If a determination is made that maltreatment has occurred or that child protective services are needed, the person determined to be maltreating the child and the director of the facility, if applicable, may request a summary of the specific reasons for the determination and the person has access to data documenting the basis for the determination, excluding data that would identify the reporter or other confidential sources.

Sec. 7. Minnesota Statutes 1992, section 626.556, is amended by adding a subdivision to read:

Subd. 14. [CONFLICT OF INTEREST.] A person who conducts an assessment or assists in making an assessment under this section or section 626.5561 may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a child abuse and neglect treatment provider. If an independent assessor is not available, the person responsible for making the determination under this section may use the services of an assessor with a financial interest or referral relationship, as authorized under rules adopted by the commissioner of human services."

#### Delete the title and insert:

"A bill for an act relating to children; modifying liability provisions for child abuse investigations; providing for attorney fees in certain actions; providing for the establishment of protocols for investigations; prohibiting certain conflicts of interest; providing for access to data regarding determinations of maltreatment; amending Minnesota Statutes 1992, section 626.556, subdivisions 4, 10e, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 626.556, subdivision 11."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2402, A bill for an act relating to fire and police state aid; including Indian tribal governments in definition of municipality; amending Minnesota Statutes 1992, section 69.011, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 17, after the comma, insert "and, for purposes of the fire state aid program only, an"

Page 3, line 21, delete everything after "<u>effective</u>" and insert "<u>the day following final enactment and applies to fire</u> <u>state aid paid in fiscal year 1995 and thereafter.</u>"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2411, A bill for an act relating to retirement; providing for coverage of employees of lessee of Itasca Medical Center facilities by the public employees retirement association.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [DEFINITIONS.]

<u>Subdivision 1.</u> [CONVERSION.] "Conversion" means the lease of Itasca medical center facilities to a nonprofit or public corporation under Minnesota Statutes, section 447.47, with the resulting employment transfer of Itasca medical center employees to that nonprofit or public corporation.

5756

Subd. 2. [LESSEE.] "Lessee" means the nonprofit or public corporation which leases the Itasca medical center facilities under the conversion.

Sec. 2. [EMPLOYEES OF ITASCA MEDICAL CENTER LESSEE.]

Under an Itasca medical center conversion, employees who were members of the public employees retirement association due to employment at the Itasca medical center as of the day before the conversion, retain PERA membership under the conversion. Individuals hired by the lessee as medical center employees on or after the conversion are public employees under Minnesota Statutes; section 353.01, subdivision 2, and are eligible for public employee retirement association coverage subject to Minnesota Statutes, chapter 353.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2420, A bill for an act relating to retirement; providing for terms on which surviving spouse benefits are granted to members of the Minneapolis fire department relief association; amending Laws 1965, chapter 519, section 1, as amended.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

# "ARTICLE 1

# MINNEAPOLIS FIRE RELIEF ASSOCIATION SURVIVING SPOUSE BENEFIT CHANGE"

Page 1, lines 19 and 20, reinstate the stricken language

Page 1, line 21, before "and" insert "department in the case of a deceased active member,"

Page 1, line 23, strike "one year" and insert "five years"

Page 3, after line 27, insert:

#### "ARTICLE 2

#### CONFORMING CHANGES

Section 1. Minnesota Statutes 1992, section 353B.11, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; SURVIVING SPOUSE BENEFIT.] (a) Except as specified in paragraph (b), (c), (d), (e), or (f), the person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least one year before the separation from active service if the deceased member was a deceased, deferred, or retired member and who was residing with the member at the time of the death of the deceased member was a deceased member shall be entitled to receive a surviving spouse benefit.

5757

(b) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member at the time of separation from active service if the deceased member was a deceased deferred or retired member and who was residing with the member at the time of the death of the member shall be entitled to receive a surviving spouse benefit in the case of former members of the following consolidating relief associations:

(1) Albert Lea police relief association;

(2) Anoka police relief association;

(3) Austin firefighters relief association;

(4) Austin police relief association;

(5) Brainerd police benefit association;

(6) Columbia Heights police relief association;

(7) Crookston fire department relief association;

(8) Crookston police relief association;

(9) Fairmont police benefit association;

(10) Faribault police benefit association;

(11) Mankato fire department relief association;

(12) Red Wing police relief association;

(13) South St. Paul police relief association;

(14) Virginia fire department relief association;

(15) Virginia police relief association; and

(16) West St. Paul police relief association.

(c) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, and who was legally married to the member at the time of separation from active service if the deceased member was a deceased deferred or retired member shall be entitled to receive a surviving spouse benefit in the case of former members of the following consolidating relief associations:

(1) Chisholm police relief association;

Hibbing police relief association;

(3) Mankato police benefit association; and

(4) New Ulm police relief association.

(d) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least one year five years before the separation from active service if the deceased member was the recipient of a service pension or was entitled to a deferred service pension, and who was residing with the member at the time of the death of the deceased member of the deceased member in the case of former members of the Minneapolis fire department relief association.

(e) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least three years before the separation from active service if the deceased member was a deceased, retired, or deferred member and who was residing with the member at the time of the death of the member shall be entitled to receive a surviving spouse benefit in the case of former members of the South St. Paul firefighters relief association.

(f) The person who survives a deceased active, deferred, or retired member who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least one year before the separation from active service if the deceased member was a deceased, deferred, or retired member and who had not deserted the member at the time of the death of the deceased member shall be entitled to receive a surviving spouse benefit in the case of former members of the St. Paul police relief association.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the effective date of article 1, section 1."

Amend the title as follows:

Page 1, line 5, after "amending" insert "Minnesota Statutes 1992, section 353B.11, subdivision 1; and"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2493, A bill for an act relating to agriculture; changing the law on nuisance liability of agricultural operations; amending Minnesota Statutes 1992, section 561.19, subdivisions 1, 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 3, delete section 3

Amend the title as follows:

Page 1, line 5, delete ", 2, and by adding a subdivision" and insert "and 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2551, A bill for an act relating to retirement; enabling certain retired members of the public employees retirement association to rescind a selection of a joint and survivor annuity and to receive a normal retirement annuity.

Reported the same back with the following amendments:

Page 1, line 8, after "a" insert "person:

<u>(1) who is a</u>"

Page 1, line 9, before "who" insert ";

<u>(2)</u>"

Page 1, line 11, delete ", and" and insert ";

<u>(3)</u>"

Page 1, line 12, after "<u>1989</u>" insert ";

(4) whose marriage with the joint annuitant has been dissolved;

(5) whose marriage dissolution decree provided for a waiver of the optional annuity election; and

(6) who has submitted, with the joint annuitant, a waiver of the joint and survivor optional annuity form"

Page 1, line 14, delete "section" and insert "sections" and after "7" insert "; and 353.30, subdivisions 3, 3a, and 3c"

Page 1, line 16, delete "normal" and insert "revised"

Page 1, line 20, after "<u>spouse</u>." insert "<u>The revised retirement annuity may not exceed the actuarial present value</u> of the joint and survivor optional annuity form payable immediately prior to the retirement annuity revision." and delete "<u>change</u>" and insert "<u>revision</u>"

Page 1, after line 23, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2587, A bill for an act relating to state departments and agencies; department of employee relations; providing for implementation of management training programs, authorizing the use of facsimile machines; abolishing the career executive service; amending Minnesota Statutes 1992, sections 13.67; 43A.21, subdivision 3; and 43A.32, subdivision 2; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

Reported the same back with the following amendments:

Page 2, after line 14, insert:

"Sec. 2. [16B.482] [REIMBURSEMENT FOR MATERIALS AND SERVICES.]

The commissioner of administration may provide materials and services under this chapter to state legislative and judicial branch agencies, political subdivisions, the University of Minnesota, and federal government agencies. Legislative and judicial branch agencies, political subdivisions, the University of Minnesota, and federal government agencies purchasing materials and services from the commissioner of administration shall reimburse the general services, intertechnologies, and cooperative purchasing revolving funds for costs."

Page 3, line 10, strike "certified"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "2;" insert "proposing coding for new law in Minnesota Statutes, chapter 16B;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

5**76**1

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2590, A bill for an act relating to energy; classifying and requiring information on applications for the municipal energy conservation investment loan program; amending Minnesota Statutes 1992, sections 13.99, by adding a subdivision; 216C.37, subdivision 3, and by adding subdivisions; Minnesota Statutes 1993 Supplement, section 216C.37, subdivision 1; repealing Minnesota Statutes 1992, section 216C.37, subdivision 8.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2609, A bill for an act relating to education; defining higher education board authority for bargaining with certain employees; designating certain higher education board employees as unclassified; clarifying transfer provisions for the merger of community colleges, state universities, and technical colleges; transferring bonding authority for the state universities to the higher education board; clarifying the calculation of instructional appropriations; establishing the higher education board as the sole state agency for federal funding for vocational education; providing for appointments of additional student members on the higher education board; authorizing the higher education board to supervise and control construction, improvement, and repair of its facilities; amending Minnesota Statutes 1992, sections 43A.06, subdivision 1; 43A.08, subdivision 1; 43A.18, by adding a subdivision; 135A.03, subdivision 1; 136.31; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38; 136.41, by adding a subdivision; 136C.06; 136E.01, subdivisions 1 and 2; and 179A.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 43A.18, subdivision 4; and 136.41, subdivision 8; Laws 1991, chapter 356, article 9, sections 8, subdivision 1; 9; 12; and 13; proposing coding for new law in Minnesota Statutes, chapter 136E; repealing Minnesota Statutes 1992, sections 136.31, subdivision 6; 136.40; 136.41, subdivisions 1, 2, 3, 4, 5, 6, and 7; and 136.42.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### EMPLOYER DESIGNATION AND BARGAINING

Section 1. Minnesota Statutes 1992, section 43A.06, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] (a) The commissioner, through the labor relations bureau, shall perform the duties assigned to the commissioner by sections 3.855, 179A.01 to 179A.25 and this section.

(b) The deputy commissioner for the labor relations bureau shall be the state labor negotiator for purposes of negotiating and administering agreements with exclusive representatives of employees and shall perform any other duties delegated by the commissioner <u>subject to the limitations in paragraph (c)</u>.

(c) In consultation with the commissioner of employee relations and except as specified below, the higher education board may exercise the powers under this section. The power and authority to engage in collective bargaining or to enter into interest arbitration remains with the commissioner of employee relations, who shall exercise those powers in consultation with the higher education board.

Sec. 2. Minnesota Statutes 1992, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. [UNCLASSIFIED POSITIONS.] Unclassified positions are held by employees who are:

(1) chosen by election or appointed to fill an elective office;

(2) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions, and institutions specifically established by law in the unclassified service;

(3) deputy and assistant agency heads and one confidential secretary in the agencies listed in subdivision 1a and in the office of strategic and long-range planning;

(4) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;

(5) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(6) employees in the offices of the governor and of the lieutenant governor and one confidential employee for the governor in the office of the adjutant general;

(7) employees of the Washington, D.C., office of the state of Minnesota;

(8) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(9) presidents, vice-presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants, and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and community colleges, and the higher education board, but not the custodial, clerical, or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions;

(10) officers and enlisted persons in the national guard;

(11) attorneys, legal assistants, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

(12) judges and all employees of the judicial branch, referees, receivers, jurors, and notaries public, except referees and adjusters employed by the department of labor and industry;

(13) members of the state patrol; provided that selection and appointment of state patrol troopers must be made in accordance with applicable laws governing the classified service;

(14) chaplains employed by the state;

(15) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(16) student workers;

(17) executive directors or executive secretaries appointed by and reporting to any policy-making board or commission established by statute;

(18) employees unclassified pursuant to other statutory authority;

(19) intermittent help employed by the commissioner of agriculture to perform duties relating to pesticides, fertilizer, and seed regulation; and

(20) the administrators and the deputy administrators at the state academies for the deaf and the blind.

Sec. 3. Minnesota Statutes 1993 Supplement, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision must be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. Compensation plans established under paragraphs (b), and (c), (d), and (e) must be approved by the legislature and the legislative commission on employee relations under subdivision 2 before becoming effective.

5763

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer must be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer, respectively.

(b) Total compensation for unclassified positions under section 43A.08, subdivision 1, clause (9), in the state universities and the community colleges not covered by a collective bargaining agreement must be determined by the state university board and the state board for community colleges, respectively.

(e) (b) Total compensation for classified administrative law judges in the office of administrative hearings must be determined by the chief administrative law judge.

(d) (c) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board and in the state board of technical colleges must be determined by the higher education coordinating board and the state board of technical colleges, respectively.

(e) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education board must be determined by the higher education board.

Sec. 4. Minnesota Statutes 1992, section 43A.18, is amended by adding a subdivision to read:

<u>Subd. 3a.</u> [HIGHER EDUCATION BOARD PLAN.] <u>Total compensation for unclassified managerial positions under</u> section 43A.08, subdivision 1, clause (9), in the higher education board not covered by a collective bargaining agreement must be determined by the higher education board. Before submitting a compensation plan to the legislature and the legislative commission on employee relations, the higher education board must submit the plan to the department of employee relations for review and comment. The department must complete its review within 14 days of its receipt. Compensation plans established under this subdivision must be approved by the legislature and the legislative commission on employee relations under section 3.855 before becoming effective.

Sec. 5. Minnesota Statutes 1992, section 179A.10, subdivision 1, is amended to read:

Subdivision 1. [EXCLUSIONS.] The commissioner of employee relations shall meet and negotiate with the exclusive representative of each of the units specified in this section, <u>except as provided in section 43A.06</u>, <u>subdivision 1</u>, <u>paragraph (c)</u>. The units provided in this section are the only appropriate units for executive branch state employees. The following employees shall be excluded from any appropriate unit:

(1) the positions and classes of positions in the classified and unclassified services defined as managerial by the commissioner of employee relations in accordance with section 43A.18, subdivision 3, and so designated in the official state compensation schedules;

(2) unclassified positions in the state university system and the community college system defined as managerial by their respective boards;

(3) positions of physician employees compensated under section 43A.17, subdivision 4;

(4) positions of all unclassified employees appointed by a constitutional officer;

(5) positions in the bureau;

(6) positions of employees whose classification is pilot or chief pilot;

(7) administrative law judge and compensation judge positions in the office of administrative hearings; and

(8) positions of all confidential employees.

The governor may upon the unanimous written request of exclusive representatives of units and the commissioner direct that negotiations be conducted for one or more units in a common proceeding or that supplemental negotiations be conducted for portions of a unit or units defined on the basis of appointing authority or geography.

Sec. 6. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment. Sections 1 and 3 to 5 are effective July 1, 1995.

# ARTICLE 2

# TRANSITION PROVISIONS

Section 1. Laws 1991, chapter 356, article 9, section 9, is amended to read:

# Sec. 9. [TRANSFER OF POWERS PROVISIONS.]

<u>Subdivision 1.</u> [TRANSFER OF POWERS; GENERALLY.] The state board of technical colleges, the state board for community colleges, and the state university board and their respective chancellors retain responsibility for operating and managing their systems until July 1, 1995. On July 1, 1995, the authority, duties, responsibilities, related property of the state board of technical colleges, school boards, intermediate school boards, and joint vocational technical boards with respect to technical colleges, the state board for community colleges, and the state university board are transferred to the higher education board under Minnesota Statutes, section 15.039.

Obligations incurred on behalf of a technical college by a school board, a joint vocational district under Minnesota Statutes, section 136C.60, or an intermediate school district under Minnesota Statutes, chapter 136D, which will not be satisfied on or before June 30, 1995, transfer to the higher education board subject to limits identified in state law or in plans or policies of the higher education board subject to legislative approval.

The state board of technical colleges, state board for community colleges, and state university board are abolished, effective July 1, 1995.

<u>Subd. 1a.</u> [MEMORANDUM OF UNDERSTANDING APPROVED.] The memorandum of understanding dated ..... between the chancellor of the higher education board, the state negotiator, and the bargaining representatives of state employees concerning employee security during the merger of the state universities, the community colleges, and the state technical colleges is ratified.

<u>Subd. 2.</u> [PERSONNEL TRANSFER.] The commissioner of employee relations shall allocate positions and incumbent employees who are primarily employed in post-secondary or extension vocational education positions in an intermediate, joint, or school district on June 30, 1995, to appropriate classes in the state classification plan under Minnesota Statutes, section 43A.07, without loss of pay, or place the positions and incumbent employees in the unclassified service under Minnesota Statutes, section 43A.08, subdivision 9. The commissioner shall also assign positions and incumbent employees to an appropriate state unit under Minnesota Statutes, section 179A.10, subject to challenge or petition of such unit assignment to the bureau of mediation services. Positions transferred with their incumbents do not create vacancies in state service.

Employees serving in unlimited appointments on June 30, 1995, and transferred to unlimited classified positions on July 1, 1995, are transferred to state service without examination.

Employees serving in limited appointments on June 30, 1995, and transferred to limited classified positions or to temporary unclassified positions shall receive emergency, temporary, or temporary unclassified appointments under provisions of Minnesota Statutes, section 43A.15, subdivisions 2 and 3, or 43A.08, subdivision 2a, as appropriate.

<u>Subd.</u> 3. [RETURN FROM LEAVE.] <u>All employees on an approved leave of absence from a post-secondary education position in an intermediate, joint, or school district on June 30, 1995, retain the reinstatement rights specified under the original terms of the leave.</u>

<u>Subd. 4.</u> [REASSIGNMENT; UNEMPLOYMENT COMPENSATION; SEVERANCE PAY.] <u>The reassignment of</u> rights under this section is not a leaving of employment for eligibility for unemployment compensation payments under Minnesota Statutes, chapter 268, or early retirement or severance compensation under Minnesota Statutes, section <u>465.72</u>, or under a policy or contract based on Minnesota Statutes, section <u>465.72</u>.

Sec. 2. Laws 1991, chapter 356, article 9, section 12, is amended to read:

Sec. 12. [EFFECT OF CURRENT COLLECTIVE BARGAINING AGREEMENTS; STATUTORY EMPLOYMENT RIGHTS.]

<u>Subdivision 1.</u> [GENERALLY.] (a) The terms and conditions of a collective bargaining agreement, <u>compensation</u> plans, <u>personnel policies</u>, <u>or other salary and benefit provisions</u> covering an employee transferred to the higher education board <u>remains</u> remain in effect until a successor agreement becomes effective. This section <u>paragraph</u> applies to all employees transferred to the board <u>except as modified by paragraph</u> (b) and section 3.

(b) For employees whose employment was covered by Minnesota Statutes, section 125.12, before their transfer to the higher education board, the provisions of Minnesota Statutes, section 125.12, remain in effect until a successor agreement becomes effective according to Minnesota Statutes, chapter 179A. For employees whose employment was covered by Minnesota Statutes, section 125.17, before their transfer to the higher education board, the provisions of Minnesota Statutes, section 125.17, remain in effect until a successor agreement becomes effective according to Minnesota Statutes, chapter 179A.

[EXCLUSIVE REPRESENTATIVE OF TECHNICAL COLLEGE EMPLOYEES,] The exclusive Subd. 2. representatives of units of technical college employees transferred to the higher education board certified before the effective date of this section shall remain responsible for administration of their contracts and for all other contractual duties and shall enjoy the right to dues and fair share fee deduction and all other contractual privileges and rights until June 30, 1995. The incoming exclusive representatives of employees transferred to the higher education board and certified after the effective date of this subdivision shall immediately upon certification have the responsibility of bargaining on behalf of employees within the unit. The incoming exclusive representative and the new employer have the responsibility of administering grievances arising under previous contracts covering employees included within the unit which remain unresolved on June 30, 1995. Where the employer does not object, these responsibilities may be varied by agreement between the outgoing and incoming exclusive representatives. All other rights and duties of representation begin on July 1, 1995, except that exclusive representatives certified after the effective date of this subdivision shall immediately upon certification have the right to all employer information and all forms of access to employees within the bargaining unit which would be permitted to the current contract holder, including the rights in Minnesota Statutes, section 179A.07, subdivision 6. This subdivision does not affect any existing collective bargaining contract. Incoming exclusive representatives of employees transferred to the higher education board shall immediately upon certification have the responsibility of bargaining on behalf of all previously unrepresented employees assigned to their units. All other rights and duties of exclusive representatives begin on July 1, 1995.

Sec. 3. Laws 1991, chapter 356, article 9, section 13, is amended to read:

Sec. 13. [TRANSITIONAL PERIOD COLLECTIVE BARGAINING.]

<u>Subdivision 1.</u> [GENERALLY.] Contracts for the period commencing July 1, 1995, for employees <u>who are in the</u> technical college, state <u>university</u>, and <u>community college instructional units</u> and the state <u>university administrative</u> <u>unit and who are</u> transferred to the higher education board shall be negotiated with the higher education board <u>under</u> <u>section 43A.06</u>. Negotiations for those contracts can begin anytime after July 1, 1994, and may be initiated by either party notifying the other of the desire to begin the negotiating process. <u>Negotiations shall be subject to this section</u> <u>and Minnesota Statutes, chapter 179A.</u>

<u>Subd. 2.</u> [DATE OF EMPLOYMENT.] <u>The date of first employment by the higher education board is the date on which services were first performed by the employee for the employer from which the employee is being transferred.</u> For employees whose transfer is from a joint technical college district under Minnesota Statutes, sections 136C.60 to 136C.69, the date on which services were first performed by the employee is the date on which services were first performed by the employee is the date on which services were first performed by the employee is the date on which services were first performed by the employee was assigned to the joint technical college district.</u>

Subd. 3. [BENEFITS.] All accumulations of leaves, years of service, and benefits must be credited to each employee subject to terms negotiated in the successor contract. Effective July 1, 1995, all transferred employees will be enrolled in the state employees group insurance program as provided in Minnesota Statutes, sections 43A.22 to 43A.31. The commissioner of employee relations shall provide, to transferred employees, open enrollment in all state employee health and dental insurance plans with no limitation on preexisting conditions except as specified in existing state employee certificates of coverage. The commissioner of employee relations shall provide, to transferred employees, the opportunity to purchase optional life and disability insurance in amounts equivalent to amounts previously purchased by a transferred employee or provided by the employer without limitation on preexisting conditions.

Subd. 4. [PROBATIONARY PERIODS.] Except as otherwise provided in a successor contract, probationary periods are not affected by the transfer of employees to the higher education board.

Subd. 5. [RECALL.] (a) Recall rights described in this subdivision apply until a successor agreement becomes effective.

(b) Members of the technical college instructional bargaining unit who are placed on unrequested leave of absence before July 1, 1995, are transferred to and become employees of the higher education board on July 1, 1995, and have recall rights to the technical college instructional unit for five years from the date originally placed on unrequested leave. For five years after the close of the school year in which the employees were placed on unrequested leave of absence they retain recall rights to vacancies for which they are licensed in the intermediate or school district that placed them on unrequested leave of absence.

(c) Members of the technical college instructional bargaining unit who are laid off by the higher education board after June 30, 1995, have recall rights to the technical college instructional unit for five years, unless modified by a successor contract. They shall also have recall rights for two years to vacancies for which they are licensed in the intermediate or school district from which they were transferred to the higher education board, but only if a transfer or assignment from a technical college position to an elementary or secondary position would have been authorized in that intermediate or school district under the contract in effect immediately before the instructor's transfer to the higher education board.

(d) Nonlicensed technical college employees of an intermediate, joint, or school district who are placed on an involuntary layoff before July 1, 1995, are transferred to and become employees of the state on July 1, 1995. Until June 30, 1997, they may exercise job seniority, promotion, layoff, and lateral transfer rights that were established by contract between an exclusive representative and the district and were in effect on June 30, 1995.

(e) For two years, unless modified by a successor contract, nonlicensed employees who are laid off by the state after June 30, 1995, may exercise job seniority, promotion, layoff, and lateral transfer rights that were established by contract between an exclusive representative and the district and were in effect on June 30, 1995.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day after final enactment.

# **ARTICLE 3**

#### **REVENUE BONDING AUTHORITY**

Section 1. Minnesota Statutes 1992, section 136.31, is amended to read:

136.31 [STATE UNIVERSITY HIGHER EDUCATION BOARD, DUTIES.]

Subdivision 1. [DUTIES.] <u>All references in sections 136.31 to 136.38 to the state university board shall be deemed</u> and construed to include any successor thereof created or established by law. For the state universities, the state university <u>higher education</u> board is hereby authorized to do the following <u>may</u>:

(a) (1) acquire by purchase or otherwise, construct, complete, remodel, equip, operate, control, and manage residence halls, dormitories, dining halls, student union buildings, <u>parking facilities</u>, and any other similar revenue-producing buildings of such type and character as said <u>the</u> board shall from time to time find <u>finds</u> necessary for the good and benefit <del>of any</del> of the state universities <del>under the jurisdiction of said board</del>, and <del>for that purpose</del> may acquire property <del>of any and every kind and description</del>, whether real, personal, or mixed, by gift, purchase, or otherwise; provided that no contract for the construction of any building shall be entered into until financing therefor has been approved by the legislature;

(b) (2) maintain and operate any such buildings or structures and charge for the their use thereof, and earry on such conduct any activities, as that are commonly conducted in connection with any such the buildings or structures;

(e) (3) enter into contracts touching in any manner or any matter within the objects and for the purposes of sections 136.31 136E.80 to 136.38 136E.88;

(d) (4) acquire building sites and buildings or structures by gift, purchase, or otherwise and pledge the revenues thereof from them for the payment of any bonds issued for such that purpose as provided in sections 136.31 136E.80 to 136.38 136E.88;

# TUESDAY, MARCH 29, 1994

(e) (5) borrow money and issue and sell bonds in such <u>an</u> amount or amounts as the legislature shall authorizes <u>authorizes</u> for the purpose of acquiring, constructing, completing, remodeling, or equipping any such buildings or structures, and acquiring sites therefor, and refund and refinance the same from time to time the <u>bonds</u> by the issuance and sale of refunding bonds as often as it shall in when the board's judgment be advantageous to <u>board finds</u> that it is in the public interest so to do. All such The bonds shall be sold and issued by said the board in the manner and upon the terms and conditions provided by chapter 475, except as otherwise provided in this section. Such The bonds shall be <u>are</u> payable solely <u>only</u> from and secured by an irrevocable pledge of the revenues to be derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of such the bonds and in addition thereto from such other income and revenues described in section 136E.82, clause (a) (1), as said the board by resolution shall specify specifies, and notwithstanding this limitation all bonds issued hereunder <u>under sections 136E.80</u> to <u>136E.88</u> shall have the qualities of negotiable instruments under the laws of this state. The legislature intends <u>shall</u> not to appropriate money from the general fund to pay for these bonds.

Subd. 2. [FORM.] Such The bonds may:

(1) bear such the date or dates and may;

(2) mature serially at such a time or times not exceeding 40 years from their date or dates, may;

(3) be in such the form;

(4) carry such the registration privileges, may;

(5) be payable at such a place or places, may;

(6) be subject to such terms of redemption prior to maturity with or without premium, may;

(7) be delivered to the purchasers at such times and places  $\tau_i$  and may

(8) contain such terms and covenants, not inconsistent <u>consistent</u> with sections 136.41 and 136.42 section 136E.88, all as may be provided by resolution of said the board authorizing the issuance of such the bonds.

Subd. 3. [EXECUTION.] The bonds must be executed by the officers of the board designated by the board to execute them and countersigned by the treasurer elected by the board, in the manner authorized by section 475.55.

Subd. 4. [BOND STATEMENT; REGISTRATION.] Each such bond shall state upon its face that it is payable solely from and secured by an irrevocable pledge of the revenues derived from the operation of any such buildings or structures acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of the sale of said the bonds and from such other income and revenues described in section 136.33 136E.82, clause (a) (1), as specified in the resolution providing for its issue, and that it does not constitute a debt or obligation of the state of Minnesota within the meaning or application of any constitutional or statutory limitation or provision. Such bonds will be registered by A copy of the proceedings taken by the board in the issuance of the bonds shall be filed with the commissioner of finance in a bond register to be kept for that purpose wherein shall be entered the amount and purpose of issue, the maturity and rate of interest, and the name of the original purchaser.

Subd. 5. [BOND SECURITIES.] If the board by resolution determines that its treasurer possesses money not currently needed, or that is set aside in a reserve, the board in the resolution may direct the treasurer to invest a specified amount of the money in securities of the types described in section 475.66. The securities must be deposited with and held for the board by the treasurer. If the invested money is needed by the board it shall direct the treasurer to sell all or a designated amount of the securities. Money collected from the investment by the treasurer, as principal, interest, or proceeds of sales, must be credited to and made a part of the fund and account for which the investment is made.

Subd. 6. In any case where the board determines to issue and sell refunding revenue bonds six months or more before the earliest date on which all bonds of the series to be refunded thereby will have matured or will have been redeemed upon call as hereinafter provided, the proceeds of the refunding revenue bonds shall be deposited, together with any revenues available and designated by the board for the purpose, in escrow with a suitable banking institution within or without the state, whose deposits are insured by the Federal Deposit Insurance Corporation and whose combined capital and surplus is not less than one million dollars, and shall be invested, simultaneously with

5767

#### JOURNAL OF THE HOUSE

the delivery of the bonds, in securities maturing or callable at the option of the holder on such dates and bearing interest at such-rates as shall be required to provide funds sufficient, with any cash-retained in the escrow account, to pay when due the interest to accrue on each bond of the series refunded to its maturity or, if prepayable, to an earlier designated date on which it may be called for redemption, and to pay the principal amount of each such bond at maturity or, if prepayable, at its designated earlier redemption date, and to pay any premium required for redemption on such date; and before the refunding revenue bonds are delivered, the board shall by resolution irrevocably appropriate for these purposes, and for the payment of the reasonable charges of banks designated as escrow and paying agents, the escrow account and all payments of principal and interest on the securities held therein, and shall provide for the call of all prepayable bonds of such series, in accordance with their terms, on the redemption date or dates designated. The board may place in escrow pursuant to this subdivision any funds previously pledged and appropriated for the payment of principal and interest on bonds to be refunded; and it may, when deemed necessary in the public interest, issue refunding revenue bonds in the amount necessary to place in escrow the funds required to pay any premium for redemption of refunded bonds before their stated maturities. Investments of the escrow account shall be limited to general obligations of the United States, securities whose principal and interest payments are guaranteed by the United States, and securities issued by the following agencies of the United States: Banks for Cooperatives, Federal Home Loan Banks, Federal Intermediate Credit Banks, Federal Land Banks, and the Federal National Mortgage Association. No refunding revenue bonds shall be issued more than ten years before the last date on which all revenue bonds of the series to be refunded thereby will mature or are directed to be prepaid in accordance with their terms.

Subd. 7. [PAYMENT OF INTEREST; OUTSTANDING REVENUE BONDS.] Except as provided in this subdivision, the board may irrevocably appropriate and use any money, other than direct state appropriations and tuition receipts appropriated by section 136.11, subdivision 1, held by it to discharge or otherwise provide for the payment of the interest coming due on its revenue bonds outstanding on July 1, 1988, until paid and <u>for the payment</u> of the principal and any premium coming due on the bonds at maturity or upon any earlier date upon which the bonds are called for redemption. For this purpose, the board may exercise all powers conferred upon it under <del>subdivision 6 with respect to escrow agents and escrow accounts, and may provide for the funding of the escrow accounts with securities of the type referred to in subdivision 6 and certificates of deposit, time deposits, and investment agreements issued by the escrow agent or any other financial institution <u>section 475.67</u>, subdivisions <u>5</u> to <u>10</u>. This subdivision does not authorize the appropriation or use of board money to secure outstanding revenue bonds contrary to a board resolution authorizing the issuance and providing for the security of the bonds, or the use of other board money contrary to the terms of a contract, specific legislative appropriation, or law.</del>

Sec. 2. Minnesota Statutes 1992, section 136.32, is amended to read:

#### 136.32 [BONDS, INVESTMENTS.]

The state, including the state board of investment, and all counties, cities, incorporated towns and other municipal corporations, political subdivisions and political bodies, and public officers of any thereof of the public entities listed in this section, all banks, bankers, trust companies, savings banks, and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business, and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds issued pursuant to sections 136.31 136E.80 to 136.38, it being 136E.88. The purpose of this section is to authorize the investment in such bonds of all sinking, insurance, retirement, compensation, pension and trust funds, whether owned or controlled by private or public persons or officers; provided, however, that. Nothing contained in this section may be construed as relieving any person, firm or corporation from any duty of exercising due care in selecting securities for purchase or investment. Such The bonds are hereby constituted "authorized securities" within the meaning and for the purposes of section 50.14, notwithstanding the restrictions in part (c) of subdivision 4 thereof section 50.14, subdivision 4, clause (c).

Sec. 3. Minnesota Statutes 1992, section 136.33, is amended to read:

#### 136.33 [RESOLUTION OF BOARD.]

Upon the determination by said university the higher education board or its successor to acquire, construct, complete, remodel, or equip any student residence halls, dormitories, dining halls, student union buildings, <u>parking facilities</u>, or other similar revenue-producing building or buildings, said the board or its successor shall adopt a resolution describing generally the contemplated project, the estimated cost thereof, including legal, engineering and financial expenses and interest on the bonds during the period of constructing the project and for six months

### TUESDAY, MARCH 29, 1994

thereafter, fixing the amount of <u>the</u> bonds, the maturity or maturities, the interest rate, and all details in respect <del>thereof</del> <u>of the bonds</u>. Such <u>The</u> resolution shall contain such covenants as may be determined by said the board or its successor as to:

(a) (1) the pledging of all or any portion of the proceeds of any fees imposed upon students for student activities, student facilities, or for other purposes, and the net revenues from other buildings or facilities heretofore or hereafter constructed or acquired at any <u>state</u> university under the jurisdiction of said board as additional security for the payment of said the bonds;

(b) (2) the regulation as to the use of such the buildings or structures to assure the maximum use or occupancy thereof;

(e) (3) the amount and kind of insurance to be carried, including use and occupancy insurance, the cost of which shall be payable only from the revenues to be derived from such the buildings or structures;

(d) (4) the operation, maintenance, management, accounting and auditing, and the keeping of records, reports and audits of such the buildings or structures;

(e) (5) the obligation of said the board or its successor to maintain such the buildings or structures in good condition and to operate the same them in an economical and efficient manner;

(f) (6) the amendment or modification of the resolution authorizing the issuance of any bonds hereunder, and the manner, terms and conditions, and the amount or percentage of assenting bonds necessary to effectuate such the amendment or modification; and

(g) such (7) other covenants as may be deemed necessary or desirable to assure the prompt and punctual payment of all bonds issued under sections 136.31 136E.80 to 136.38 136E.88.

Sec. 4. Minnesota Statutes 1992, section 136.34, is amended to read:

136.34 [STUDENT ACTIVITIES, FEES CHARGED.]

Whenever bonds are issued as provided in sections 136.31 136E.80 to 136.38 136E.88, it shall be the duty of said the higher education board to establish charges or fees, including without limitation fees for student activities and fees for student facilities, for the use of any buildings or structures sufficient at all times to pay the principal of and interest on such the bonds and to create and maintain suitable reserves therefor for them and the necessary expenses of the their operation and maintenance thereof; and. All revenues derived from the their operation thereof shall be set aside in a separate fund and accounts as hereinafter provided and shall be irrevocably pledged for and used only in paying to pay the principal of and interest upon the bonds issued for the purpose or purposes set forth and described in the resolution authorizing the issuance of said the bonds, and the necessary expenses of the operation and maintenance thereof of the buildings and structures; and such the charges and fees shall be sufficient at all times for such these purposes.

Sec. 5. Minnesota Statutes 1992, section 136.35, is amended to read:

#### 136.35 [SPECIAL REVENUE FUND.]

(a) The gross total income derived from the sale of bonds, and receipts and income derived from charges or fees, rentals, and all other revenue established for the use and service of any such buildings or structures shall, within three days after their receipt thereof, be paid to and held by the treasurer of the higher education board as a special fund known as, "The University Higher Education Board of the State of Minnesota Universities Revenue Fund"." The treasurer shall be custodian of such the special fund, which fund shall be held and disbursed for the purposes provided in sections 136.31 136E.80 to 136.38 136E.88. The said special fund shall be protected by a corporate surety bond executed by the treasurer of the board with a surety authorized to do business under the laws of the state of Minnesota. The amount of such the bond shall be fixed by resolution of said university the board or its successor and may be increased or diminished at any time. The premiums of such the bonds shall be payable from "The University Higher Education Board of the State of Minnesota Universities Revenue Fund" and charged as an item of maintenance expense.

(b) A certified copy of each resolution providing for the issuance of bonds under sections 136.31 136E.80 to 136.38 136E.88 shall be filed with the treasurer of the board, and it shall be the duty of said the treasurer to keep and maintain separate accounts in said the special fund for each bond issue in accordance with the covenants and the directions set out in the resolution providing for the issuance of said the bonds and to disburse funds from the proper account for the payment of the principal of and interest on the bonds in accordance with the directions and covenants of said the resolution authorizing the issue thereof. All disbursements for maintenance and operation costs shall be made from the proper maintenance and operation authorizing the issuance of bonds. All disbursements for construction costs shall be made from a separate account in said the special fund upon by order of said the board or its successor in accordance with the covenants set out in the resolution authorizing set out in the resolution authorizing the issuance of bonds. All disbursements for construction costs shall be made from a separate account in said the special fund upon by order of said the board or its successor in accordance with the covenants set out in the resolution authorizing said the board.

Sec. 6. Minnesota Statutes 1992, section 136.36, is amended to read:

#### 136.36 [ALLOCATION OF RECEIPTS.]

All moneys now or hereafter in the University Higher Education Board of The State of Minnesota Universities Revenue Fund and all income from the operation of such dormitories, cafeterias and student facilities residence halls, dormitories, dining halls, student union buildings, parking facilities and other revenue producing buildings and structures are hereby appropriated first to the payment of expenses of the operation of dormitories, cafeterias and other student the facilities from which the revenues so appropriated are derived and second to the payment of the obligations herein authorized by sections 136E.80 to 136E.88.

Sec. 7. Minnesota Statutes 1992, section 136.37, is amended to read:

#### 136.37 [ADMINISTRATION.]

The administration of sections 136.31 136E.80 to 136.38 136E.88 shall be under the state university higher education board independent of other authority and notwithstanding chapters 16A and 16B.

Sec. 8. Minnesota Statutes 1992, section 136.38, is amended to read:

136.38 [CONTRACTS OF BOARD, PERFORMANCE COMPELLED.]

(a) The provisions of sections 136.31 136E.80 to 136.38 136E.88 and of any resolution or other proceedings authorizing the issuance of bonds shall constitute a contract with the holders of such the bonds and the provisions thereof shall be enforceable either in law or in equity, by suit, action, mandamus or other proceeding in any court of competent jurisdiction to enforce or compel the performance of any duties required by sections 136.31 136E.80 to 136.38 136E.88 and any resolution authorizing the issuance of bonds adopted responsive hereto, including the establishment of sufficient charges or fees for use of any such buildings or structures and the application of the income and revenue thereof from them; and it shall be the duty of said university the higher education board or its successor upon the issuance of any bonds under the provisions of sections 136.31 136E.80 to 136.38 136E.88 to establish by resolution from time to time the fees or charges to be made for the use of any such buildings or structures, which fees or charges shall be adjusted from time to time in order to always provide sufficient income for payment of the principal of and interest on such the bonds issued as provided for in sections 136.31 136E.80 to 136.38 136E.88, and for the necessary expenses of operation and maintenance.

(b) If the existing university higher education board of the state of Minnesota is abolished, all contracts made by said the board and all things done or actions taken by said the board under sections 136.31 136E.80 to 136.38 136E.88 shall be deemed to be contracts of, actions taken and things done by its successor and such the successor shall be bound by all such contracts, actions taken and things done by said the board and such successor shall be subject to all the obligations and duties of said the board under sections 136.31 136E.80 to 136.38.

Sec. 9. Minnesota Statutes 1993 Supplement, section 136.41, subdivision 8, is amended to read:

Subd. 8. [ISSUANCE OF BONDS.] The state university higher education board or a successor may issue additional revenue bonds under sections 136.31 to 136.38 in an aggregate principal amount not exceeding \$40,000,000, subject to the resolutions authorizing its outstanding revenue bonds, and payable from the revenue appropriated to the fund established by section 136.35, and use the proceeds together with other public or private money that may otherwise become available to acquire land, and to acquire, construct, complete, remodel, and equip structures to be used for dormitory, residence hall, student union, food service, and related parking purposes at the state universities. Before

issuing the bonds or any part of them, the board shall consult with and obtain the advisory recommendations of the chairs of the house ways and means committee and the senate finance committee about the facilities to be financed by the bonds.

Sec. 10. Minnesota Statutes 1992, section 136.41, is amended by adding a subdivision to read:

Subd. 10. [SUCCESSOR.] For the purposes of this section, the higher education board is the successor to the state university board.

Sec. 11. [REPEALER.]

<u>Minnesota Statutes 1992, sections 136.31, subdivision 6, 136.40; 136.41, subdivisions 1, 2, 3, 4, 5, 6, and 7; and 136.42, are repealed.</u>

Sec. 12. [REVISOR INSTRUCTION.]

(a) In the 1996 edition of Minnesota Statutes, the revisor shall renumber sections 136.31 as 136E.80; 136.31, subdivision 7, as 136E.80, subdivision 6; 136.32 as 136E.81; 136.33 as 136E.82; 136.34 as 136E.83; 136.35 as 136E.84; 136.36 as 136E.85; 136.37 as 136E.86; 136.38 as 136E.87; 136.41, subdivision 8, as 136E.88, subdivision 1; 136.41, subdivision 9, as 136E.88, subdivision 2; 136.41, subdivision 10, as 136E.88, subdivision 3.

(b) The revisor shall add "Federal Tax on Interest" as a headnote to section 136.41, subdivision 9.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective July 1, 1995.

## ARTICLE 4

## ADMINISTRATION AND FINANCE

Section 1. Minnesota Statutes 1992, section 135A.03, subdivision 1, is amended to read:

Subdivision 1. [DETERMINATION OF APPROPRIATION.] The direct appropriation to each board for instructional services shall equal 67 percent of the estimated total cost of instruction for the University of Minnesota, the state university system universities, and the community college system <u>colleges</u>, and, for technical colleges, at least 67 percent of the estimated total cost of instruction.

Sec. 2. Minnesota Statutes 1992, section 136C.06, is amended to read:

136C.06 [SOLE STATE AGENCY.]

The state-board of technical colleges <u>higher education board</u> is the sole state agency to receive and disburse federal funds authorized by the Vocational Education Act of 1963, as amended in the education amendments of 1976, Public Law Number 94-482, and Code of Federal Regulations, title 34, part 400. The state board shall develop and submit the state plan for vocational technical education. The state board shall develop the state plan according to terms of agreement with the state board of education.

Sec. 3. Minnesota Statutes 1992, section 136E.01, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] The higher education board, referred to in sections 136E.01 to 136E.05 as "the board," consists of 13 15 members appointed by the governor with the advice and consent of the senate. At least one member of the board must be a resident of each congressional district. One member Three members must be a student students or have graduated from an institution governed by the board within one year of the date of appointment. The student members shall include: one member from a community college, one member from a state university, and one member from a technical college. The remaining members must be appointed to represent the state at large.

Sec. 4. Minnesota Statutes 1992, section 136E.01, subdivision 2, is amended to read:

Subd. 2. [TERM; COMPENSATION; REMOVAL; VACANCIES.] The compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. Members are appointed for a term of six years, except that the term of <u>each of</u> the student <u>members members</u> is two years. Terms end on June 30.

## Sec. 5. [136E.65] [CONSTRUCTION, IMPROVEMENT, AND REPAIR OF FACILITIES.]

<u>Subdivision 1.</u> [CONSTRUCTION; IMPROVEMENTS.] The higher education board shall supervise and control the preparation of plans and specifications for the construction, alteration, or enlargement of community college, state university, and technical college buildings, structures, and improvements for which appropriations are made to the board. The board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Subd. 2. [PLANS.] Plans and specifications must be accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided by law.

<u>Subd. 3.</u> [DISPUTE RESOLUTION.] In <u>contracting for projects, the higher education board must not restrict its</u> access to litigation or limit its methods of redress to arbitration or other nonjudicial procedures.

Subd. 4. [REPAIRS.] The higher education board shall supervise and control the making of necessary repairs to all community college, state university, and technical college buildings and structures.

Sec. 6. Laws 1991, chapter 356, article 9, section 8, subdivision 1, is amended to read:

Subdivision 1. [APPOINTMENTS TO BOARD.] Appointments to the higher education board must be made by July 1, 1991. Notwithstanding section 2, the initial higher education board consists of two members each from the state board of technical colleges, state board for community colleges, and the state university board, appointed by their respective boards and six members appointed by the governor. The governor's appointees may also be members of the current governing boards. The members appointed by boards must have been confirmed by the senate to the board from which they are appointed and served for at least one year on the board from which they were appointed. Initial higher education board members appointed by boards are not subject to further senate confirmation. Initial appointees of the governor are not subject to section 3. The governor shall appoint the student members members July 1, 1995. Notwithstanding section 2, subdivision 2, the initial members of the higher education board must be the terms expiring in three, five, and seven years. To the extent possible, the initial board must have the geographic balance required by section 2.

Sec. 7. [REVISOR INSTRUCTION.]

In the 1996 edition of Minnesota Statutes, the revisor shall renumber section 136C.06 as 136E.60.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 5 are effective July 1, 1995."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2626, A bill for an act relating to retirement; authorizing purchase of prior service credit from the teachers retirement association by a certain member.

Reported the same back with the following amendments:

Page 1, line 7, delete "any law" and insert "Minnesota Statutes, sections 192.262 and 354.53"

Page 1, line 10, after "credit" insert "in the teachers retirement association"

Page 1, delete lines 11 to 21 and insert "the portion of this period recognized as active military service, other than a voluntary extension of active military service. The eligible person must provide any documentation related to this prior service credit purchase as required by the executive director of the teachers retirement association.

5772

Subd. 2. [MANNER AND TERMS OF PURCHASE.] To receive service credit under subdivision 1, a person must pay to the executive director of the teachers retirement association an amount equal to the present value on the date of payment of the amount of additional retirement annuity obtained by the purchase of additional service credit. Calculation of this amount must be made by the executive director using the applicable post-retirement interest rate specified in Minnesota Statutes, section 355.215, subdivision 4d, and the mortality table adopted for the fund. Payment must be made in a lump sum within 180 days of the effective date of this section."

Page 2, line 2, delete "the employee payment" and insert "payment under subdivision 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 2657, A bill for an act relating to state parks; allowing handicapped persons to receive a special permit; amending Minnesota Statutes 1992, section 85.053, subdivision 7.

Reported the same back with the following amendments:

Page 1, line 21, after "who" insert "does not own or operate a motor vehicle and"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2670, A bill for an act relating to retirement; adding Hennepin county paramedics and emergency medical technicians to membership in the public employees police and fire fund; amending Minnesota Statutes 1992, section 353.64, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 13, delete "(a)" and insert "(1)"

Page 2, line 15, delete "(b)" and insert "(2)" and after "time" insert "as a paramedic or emergency medical technician" and delete "July" and insert "the effective date specified in section 2"

Page 1, line 16, delete "<u>1, 1994</u>"

Page 1, line 17, delete "(c) is" and insert "(3)" and delete "that" and insert "the effective" and after "date" insert "under section 2"

Page 2, line 10, after "effective" insert "on" and delete "payroll period on or after" and insert "of the month next following:

(1) receipt of an affirmative written determination from the secretary of the federal Department of Health and Human Services of ineligibility for coverage under the federal old age, survivors and disability insurance; and

<u>(2)</u>"

Page 2, line 11, delete "July 1, 1994, upon"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

## JOURNAL OF THE HOUSE

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2673, A bill for an act relating to government; providing that a public body may close one or more meetings for preliminary consideration of charges against an individual subject to its authority; amending Minnesota Statutes 1992, section 471.705, subdivision 1d.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2677, A bill for an act relating to burial grounds; modifying provisions for enforcement of certain civil actions; amending Minnesota Statutes 1993 Supplement, section 307.082.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2700, A bill for an act relating to workers' compensation; modifying provisions relating to independent contractors; proposing coding for new law in Minnesota Statutes, chapter 176.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [79.086] [BUNDLING PROHIBITED.]

No insurer, data service organization, association, or the assigned risk plan may accept more than one application for a workers' compensation insurance minimum premium policy presented in a single package. Any multiple application shall be reported to the special compensation fund.

Sec. 2. Minnesota Statutes 1992, section 176.041, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENTS EXCLUDED.] This chapter does not apply to any of the following:

(a) a person employed by a common carrier by railroad engaged in interstate or foreign commerce and who is covered by the Federal Employers' Liability Act, United States Code, title 45, sections 51 to 60, or other comparable federal law;

(b) a person employed by a family farm as defined by section 176.011, subdivision 11a;

(c) the spouse, parent, and child, regardless of age, of a farmer-employer working for the farmer-employer;

(d) a sole proprietor, or the spouse, parent, and child, regardless of age, of a sole proprietor;

(e) a partner engaged in a farm operation or a partner engaged in a business and the spouse, parent, and child, regardless of age, of a partner in the farm operation or business;

(f) an executive officer of a family farm corporation;

(g) an executive officer of a closely held corporation having less than 22,880 hours of payroll in the preceding calendar year, if that executive officer owns at least 25 percent of the stock of the corporation;

(h) a spouse, parent, or child, regardless of age, of an executive officer of a family farm corporation as defined in section 500.24, subdivision 2, and employed by that family farm corporation;

(i) a spouse, parent, or child, regardless of age, of an executive officer of a closely held corporation who is referred to in paragraph (g);

(j) another farmer or a member of the other farmer's family exchanging work with the farmer-employer or family farm corporation operator in the same community;

(k) a person whose employment at the time of the injury is casual and not in the usual course of the trade, business, profession, or occupation of the employer;

(l) persons who are independent contractors as defined by rules adopted by the commissioner pursuant to section 176.83 except that this exclusion does not apply to an employee of an independent contractor <u>nor to an independent</u> <u>contractor subject to section 176.042</u>;

(m) an officer or a member of a veterans' organization whose employment relationship arises solely by virtue of attending meetings or conventions of the veterans' organization, unless the veterans' organization elects by resolution to provide coverage under this chapter for the officer or member;

(n) a person employed as a household worker in, for, or about a private home or household who earns less than \$1,000 in cash in a three-month period from a single private home or household provided that a household worker who has earned \$1,000 or more from the household worker's present employer in a three-month period within the previous year is covered by this chapter regardless of whether or not the household worker has earned \$1,000 in the present quarter;

(o) persons employed by a closely held corporation who are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to an officer of the corporation, who is referred to in paragraph (g), if the corporation files a written election with the commissioner to exclude such individuals. A written election is not required for a person who is otherwise excluded from this chapter by this section;

(p) a nonprofit association which does not pay more than \$1,000 in salary or wages in a year;

(q) persons covered under the Domestic Volunteer Service Act of 1973, as amended, United States Code, title 42, sections 5011, et. seq.

Sec. 3. Minnesota Statutes 1993 Supplement, 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, not considered an employee pursuant to section 176.042, subdivision 2, 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. 4. [176.042] [INDEPENDENT CONTRACTORS.]

<u>Subdivision 1.</u> [GENERAL RULE; ARE EMPLOYEES.] <u>Except as provided in subdivision 2, every independent</u> contractor doing commercial or residential building construction or improvements in the public or private sector is, for the purpose of this chapter, an employee of any employer under this chapter for whom the independent contractor is performing service in the course of the trade, business, profession, or occupation of that employer at the time of the injury.

Subd. 2. [EXCEPTION.] An independent contractor is not an employee of an employer for whom the independent contractor performs work or services if the independent contractor meets all of the following conditions:

(1) maintains a separate business with the independent contractor's own office, equipment, materials, and other facilities;

(2) holds or has applied for a federal employer identification number;

(3) operates under contracts to perform specific services or work for specific amounts of money and under which the independent contractor controls the means of performing the services or work;

(4) incurs the main expenses related to the service or work that the independent contractor performs under contract;

(5) is responsible for the satisfactory completion of work or services that the independent contractor contracts to perform and is liable for a failure to complete the work or service;

(6) receives compensation for work or service performed under a contract on a commission or per-job or competitive bid basis and not on any other basis;

(7) may realize a profit or suffer a loss under contracts to perform work or service;

(8) has continuing or recurring business liabilities or obligations; and

(9) the success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures."

#### Delete the title and insert:

"A bill for an act relating to workers' compensation; modifying provisions relating to insurance and independent contractors; amending Minnesota Statutes 1992, section 176.041, subdivision 1; Minnesota Statutes 1993 Supplement, section 176.041, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapters 79; and 176."

With the recommendation that when so amended the bill pass.

The report was adopted.

#### TUESDAY, MARCH 29, 1994

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2717, A bill for an act relating to water; providing financial assistance for the clean water partnership program; establishing the drinking water revolving fund administered by the public facilities authority and the department of health; changing the membership of the public facilities authority; increasing the authority's bonding authority; amending Minnesota Statutes 1992, sections 103F.725, by adding a subdivision; 103F.745; 103F.761, subdivision 2; 116.182, subdivisions 2, 3, 4, and 5; 446A.02, subdivision 1, and by adding a subdivision; 446A.03, subdivision 3; 446A.07, subdivisions 4, 6, 8, 9, and 11; 446A.071, subdivision 1; 446A.11, subdivision 1; 446A.12, subdivision 1; and 446A.15, subdivision 6; Minnesota Statutes 1993 Supplement, section 446A.03, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 446A; repealing Minnesota Statutes 1992, section 446A.08.

Reported the same back with the following amendments:

Page 6, line 29, after "sections" insert "17.117,"

Page 7, line 9, after "sections" insert "17.117,"

Page 7, lines 28 to 30, delete the new language

Page 7, line 31, after the period, insert "Eligible activities are those required under the federal Water Pollution Control Act of 1987, as amended."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2737, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees retirement association by an employee of the city of Minneapolis.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2839, A bill for an act relating to retirement; South St. Paul police relief association; clarifying probationary employment for purposes of relief association service credit for certain members.

Reported the same back with the following amendments:

Page 1, line 12, after "hired" insert "as a police officer by the city of South St. Paul"

Page 1, line 14, delete "in excess of six months"

Page 1, line 15, after "employee" insert "that exceeded six months"

Page 1, line 16, delete "that" and insert "the probationary employment" and after "period" insert "in excess of six months"

[79TH DAY

Page 1, line 20, delete the first "that" and insert "the eligible"

Page 1, line 23, after "(a)" insert "that was not paid under paragraph (b)"

Page 2, line 1, after "and" insert "the resulting amortization requirement must be included in"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 3017, A bill for an act relating to dangerous dogs; changing the definition of a dangerous dog; restricting the ability to license a dangerous dog; requiring the production of a dog under certain circumstances; imposing penalties; providing a civil fine for dangerous dog offenses; amending Minnesota Statutes 1992, sections 347.50, subdivisions 2, 3, and 6; 347.51, subdivision 2; and 347.54, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 347.

Reported the same back with the following amendments:

Pages 1 and 2, delete sections 1 to 3

Page 3, lines 10, 11, 13, and 14, delete the new language

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, line 3, delete everything before "restricting"

Page 1, lines 7 and 8, delete "347.50, subdivisions 2, 3, and 6;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 3091, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1992, sections 17.47, subdivision 3; 41A.05, subdivision 2; 60B.04, subdivision 1; 60B.09, subdivisions 1 and 3; 115.41, subdivisions 1 and 2; 115.42; 115.43, subdivision 2; 115.44, subdivision 2; 115.45, subdivision 1; 115.50; 115.52; 115.53; 120.101, subdivisions 2 and 6; 121.88, subdivision 8; 125.611, subdivision 1; 136.24, subdivision 1; 136.622, subdivision 1; 152.02, subdivisions 9, 12, and 13; 160.265; 169.443, subdivision 8; 214.01, subdivision 3; 214.13, subdivision 1; 237.60, subdivision 2; 256D.06, subdivision 1b; 260.151, subdivision 1; 329C.61, subdivision 4; 309.53, subdivision 2; 326.212; 326.224; 326.461, subdivision 1; 327.32, subdivision 8; 327.33; 327.34, subdivision 1; 331A.06, subdivision 4; 348.13; 352.119, subdivision 1; 386.61, by adding a subdivision; 423B.12; 446A.07, subdivision 6; 449.06; 469.174, subdivision 10; 469.181, subdivision 1; and 471A.11; Minnesota Statutes 1993 Supplement, sections 16B.06, subdivision 2a; 16B.122, subdivision 3; 62A.31, subdivision 1n;

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62N.075; 82.195, subdivision 2; 115A.542; 115C.082, subdivision 1; 124.195, subdivision 8; 138.96, subdivision 2; 144.991, subdivisions 3 and 4; 152.11, subdivision 1; 169.121, subdivision 1c; 214.103, subdivision 6; 245A.04, subdivision 3b; 256D.44, subdivision 3; 257.67, subdivision 3; 268.92, subdivision 1; 296.035; 325F.755, subdivision 5; 326.111, subdivision 4; 326.975, subdivision 2; 349.217, subdivision 1; 386.66; 491A.01, subdivision 3; 549.09, subdivision 1; 609.5312, subdivision 3; 609.605, subdivision 1; and 609.749, subdivision 5; repealing Minnesota Statutes 1992, sections 216B.164, subdivision 7; 385.08; and 473.872; Laws 1977, chapter 11, section 8; Laws 1982, chapter 514, sections 18 and 19; Laws 1983, chapter 247, section 130; Laws 1984, chapter 628, article 2, section 4; Laws 1985, First Special Session chapters 9, article 2, sections 81 and 82; 13, section 191; and 14, article 9, section 16; Laws 1987, chapters 197, section 1; 315, section 4, subdivision 2; and 336, section 35; Laws 1988, chapters 441, section 2; 486, sections 15 and 68; 496, section 8; 514, section 5; and 636, section 3; Laws 1989, chapters 89, sections 1 (in part) and 13; 133, section 1; 144. article 2, section 8; 209, article 2, sections 8 and 34; 222, sections 10, 21, 22, and 36; 271, section 32; 282, article 2, sections 144 and 186; 293, section 74; 319, article 13, sections 22 and 55; 329, article 5, section 10; 334, article 2, section 17; 335, article 1, sections 200 and 255; 353, section 10; and 356, section 18; Laws 1990, chapters 426, article 1, sections 5 and 32; 480, articles 5, sections 6 and 9; and 9, section 3; 512, section 12; 562, article 10, section 1; 571; section 39; 574, section 5; and 594, article 3, sections 6 and 7; Laws 1991, chapters 58, sections 1, 2, 3, 4, 5, 6, 7, and 8; 130, section 24; 174, section 8; 199, article 1, section 71; 238, article 1, section 7; 265, article 4, section 19; 292, article 4, section 45; 336, article 2, section 2; 340, sections 1 and 32; and 345, article 2, section 46; Laws 1992, chapters 432, article 2, section 41; 437, section 1; and 499, article 6, section 15; Laws 1993, chapters 4, section 9; 47, sections 1, 4, 6, and 9; 78, section 3; 101, section 1; 224, article 13, sections 3 and 43; 247, articles 1, section 11; and 2, section 9; 269, section 17; 286, sections 2 and 21; 303, sections 15, 17, and 18; 339, section 12; and 369, sections 38 and 128; Laws 1993, First Special Session chapter 1, article 2, section 6.

Reported the same back with the following amendments:

Page 49, after line 10, insert:

"Sec. 63. Laws 1991, chapter 306, section 26, is repealed.

Sec. 64. Laws 1992, chapter 513, article 4, section 60, is amended to read:

Sec. 60. [REPEALER.]

Minnesota Statutes 1990, section 41A.051, is repealed. Minnesota Statutes 1990, section 270.185, is repealed effective January 1, 1993. On that date, any balance in the reassessment account of the special revenue fund is transferred to the general fund. The repeal of Minnesota Statutes 1991 Supplement, section 326.991, provided for in Laws 1991, chapter 306, section 26, is postponed until July 31, 1994."

Page 7, after line 2, the memorandum of explanation (5222MEM), insert:

"Secs. 63 and 64. <u>Explanation</u>. Minnesota Statutes, section 326.991, was repealed effective March 31, 1993, by Laws 1991, chapter 306, section 26. Laws 1992, chapter 513, article 4, section 60 postponed the repeal until July 31, 1994. Laws 1993, chapter 245, section 38, amended section 326.991 and added language providing that subdivision 1 of that section expires March 31, 2000, and subdivision 2 is permanent. The repeal and amendment are necessary to accomplish the department's intent to keep section 326.991, subdivision 2 in effect."

Amend the title as follows:

Page 1, line 37, delete "and"

Page 1, line 38, after the semicolon, insert "and Laws 1992, chapter 513, article 4, section 60;"

Page 2, line 19, after the first semicolon, insert "306, section 26;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Beard from the Committee on Labor-Management Relations to which was referred:

H. F. No. 3108, A bill for an act relating to insurance; workers' compensation self-insurance; creating a mutual self-insurers' security fund; providing for its oversight and operation; amending Minnesota Statutes 1992, section 79A.02, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 79A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## "ARTICLE 1

#### MUTUAL SELF-INSURANCE

Section 1. Minnesota Statutes 1992, section 79A.01, subdivision 4, is amended to read:

Subd. 4. [INSOLVENT SELF-INSURER.] "Insolvent self-insurer" means either: (1) a member private self-insurer who has failed to pay compensation as a result of a declaration of bankruptcy or insolvency by a court of competent jurisdiction and whose security deposit has been called by the commissioner pursuant to chapter 176, or; (2) a member self-insurer who has failed to pay compensation and who has been issued a certificate of default by the commissioner and whose security deposit has been called by the commissioner pursuant to chapter 176; or (3) a member or former member private self-insurer who has failed to pay an assessment required by section 79A.12, subdivision 2, and who has been issued a certificate of default by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner and whose security deposit has been called by the commissioner.

Sec. 2. Minnesota Statutes 1992, section 79A.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] For the purposes of assisting the commissioner, there is established a workers' compensation self-insurers' advisory committee of five seven members that are employers authorized to self-insure in Minnesota. Three of the members shall be elected by the members of the self-insurers' security fund, and two shall be appointed by the commissioner.

Sec. 3. Minnesota Statutes 1992, section 79A.02, subdivision 2, is amended to read:

Subd. 2. [ADVICE TO COMMISSIONER.] At the request of the commissioner, the committee shall meet and shall advise the commissioner with respect to whether or not an applicant to become a private self-insurer in the state of Minnesota has met the statutory requirements to self-insure. The department of commerce may furnish the committee with any financial data which it has, but a member of the advisory committee who may have a conflict of interest in reviewing the financial data shall not have access to the data nor participate in the discussions concerning the applicant. All members of the advisory committee shall treat financial data received from the commissioner as nonpublic data. The committee shall advise the commissioner if it has any information that any private self-insurer may become insolvent. Disclosure of this data other than for the purposes of this subdivision is a misdemeanor.

Sec. 4. Minnesota Statutes 1992, section 79A.02, subdivision 4, is amended to read:

Subd. 4. [RECOMMENDATIONS TO COMMISSIONER REGARDING REVOCATION.] After each fifth anniversary from the date each individual and group self-insurer, and mutual self-insurance pool becomes certified to self-insure, the committee shall review all relevant financial data filed with the department of commerce that is otherwise available to the public and make a recommendation to the commissioner about whether each self-insurer's certificate should be revoked.

Sec. 5. Minnesota Statutes 1993 Supplement, section 79A.04, subdivision 2, is amended to read:

Subd. 2. [MINIMUM DEPOSIT.] The minimum deposit is 110 percent of the private self-insurer's estimated future liability. Up to ten percent of that deposit may be used to secure payment of all administrative and legal costs, and <u>unpaid assessments required by section 79A.12</u>, subdivision 2, relating to or arising from the employer's self-insuring.

As used in this section, "private self-insurer" includes both current and former members of the self-insurers' security fund; and "private self-insurers' estimated future liability" means the private self-insurers' total of estimated future liability as determined by an Associate or Fellow of the Casualty Actuarial Society every year for group member private self-insurers and, for a nongroup member private self-insurer's authority to self-insure, every year for the first five years. After the first five years, the nongroup member's total shall be as determined by an Associate or Fellow of the Casualty Actuarial Society every year for the first five years, and each such actuarial study shall include a projection of future losses during the two-year period until the next scheduled actuarial study, less payments anticipated to be made during that time.

All data and information furnished by a private self-insurer to an Associate or Fellow of the Casualty Actuarial Society for purposes of determining private self-insurers' estimated future liability must be certified by an officer of the private self-insurer to be true and correct with respect to payroll and paid losses, and must be certified, upon information and belief, to be true and correct with respect to reserves. The certification must be made by sworn affidavit. In addition to any other remedies provided by law, the certification of false data or information pursuant to this subdivision may result in a fine imposed by the commissioner of commerce on the private self-insurer up to the amount of \$5,000, and termination of the private self-insurers' authority to self-insure. The determination of private self-insurers' estimated future liability by an Associate or Fellow of the Casualty Actuarial Society shall be conducted in accordance with standards and principles for establishing loss and loss adjustment expense reserves by the Actuarial Standards Board, an affiliate of the American Academy of Actuaries. The commissioner may reject an actuarial report that does not meet the standards and principles of the Actuarial Standards Board, and may further disqualify the actuary who prepared the report from submitting any future actuarial reports pursuant to this chapter. Within 30 days after the actuary has been served by the commissioner with a notice of disqualification, an actuary who is aggrieved by the disqualification may request a hearing to be conducted in accordance with chapter 14. Based on a review of the actuarial report, the commissioner of commerce may require an increase in the minimum security deposit in an amount the commissioner considers sufficient.

Estimated future liability is determined by first taking the total amount of the self-insured's future liability of workers' compensation claims and then deducting the total amount which is estimated to be returned to the self-insurer from any specific excess insurance coverage, aggregate excess insurance coverage, and any supplementary benefits or second injury benefits which are estimated to be reimbursed by the special compensation fund. Supplementary benefits or second injury benefits will not be reimbursed by the special compensation fund unless the special compensation fund assessment pursuant to section 176.129 is paid and the reports required thereunder are filed with the special compensation fund. In the case of surety bonds, bonds shall secure administrative and legal costs in addition to the liability for payment of compensation reflected on the face of the bond. In no event shall the security be less than the last retention limit selected by the self-insurer with the workers' compensation reinsurance association. The posting or depositing of security pursuant to this section shall release all previously posted or deposited security from any obligations under the posting or depositing and any surety bond so released shall be returned to the surety. Any other security shall be returned to the depositor or the person posting the bond.

As a condition for the granting of a certificate to self-insure, the commissioner may require a private self-insurer to furnish any additional security the commissioner considers sufficient to insure payment of all claims under chapter 176.

Sec. 6. Minnesota Statutes 1992, section 79A.04, subdivision 9, is amended to read:

Subd. 9. [INSOLVENCY, BANKRUPTCY, OR DEFAULT; UTILIZATION OF SECURITY DEPOSIT.] The commissioner of labor and industry shall notify the commissioner and the security fund if the commissioner of labor and industry has knowledge that any private self-insurer has failed to pay workers' compensation benefits as required by chapter 176. If the commissioner determines that a court of competent jurisdiction has declared the private self-insurer to be bankrupt or insolvent, and the private self-insurer has failed to pay workers' compensation as required by chapter 176 or, if the commissioner issues a certificate of default against a private self-insurer for failure to pay workers' compensation as required by chapter 176, or failure to pay an assessment to the self-insurer' security fund when due, then the security deposit shall be utilized to administer and pay the private self-insurers' workers' compensation or assessment obligations.

Sec. 7. Minnesota Statutes 1992, section 79A.15, is amended to read:

79A.15 [SURETY BOND FORM.]

The form for the surety bond under this chapter shall be:

#### JOURNAL OF THE HOUSE

#### STATE OF MINNESOTA DEPARTMENT OF COMMERCE SURETY BOND OF SELF-INSURER OF WORKERS' COMPENSATION

IN THE MATTER OF THE CERTIFICATE OF

Employer, Certificate No: .....)

KNOW ALL PERSONS BY THESE PRESENTS:

whose address is .....

as Principal, and .....

(Surety)

a corporation organized under the laws of ..... and authorized to transact a general surety business in the State of Minnesota, as Surety, are held and firmly bound to the State of Minnesota in the penal sum of .....) for which payment we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS in accordance with Minnesota Statutes, chapter 176, the principal elected to self-insure, and made application for, or received from the commissioner of commerce of the state of Minnesota, a certificate to self-insure, upon furnishing of proof satisfactory to the commissioner of commerce of ability to self-insure and to compensate any or all employees of said principal for injury or disability, and their dependents for death incurred or sustained by said employees pursuant to the terms, provisions, and limitations of said statute;

NOW THEREFORE, the conditions of this bond or obligation are such that if principal shall pay and furnish compensation, pursuant to the terms, provisions, and limitations of said statute to its employees for injury or disability, and to the dependents of its employees, then this bond or obligation shall be null and void; otherwise to remain in full force and effect.

FURTHERMORE, it is understood and agreed that:

1. This bond may be amended, by agreement between the parties hereto and the commissioner of commerce as to the identity of the principal herein named; and, by agreement of the parties hereto, as to the premium or rate of premium. Such amendment must be by endorsement upon, or rider to, this bond, executed by the surety and delivered to or filed with the commissioner.

2. The surety does, by these presents, undertake and agree that the obligation of this bond shall cover and extend to all past, present, existing, and potential liability of said principal, as a self-insurer, to the extent of the penal sum herein named without regard to specific injuries, date or dates of injuries, happenings or events.

3. The penal sum of this bond may be increased or decreased, by agreement between the parties hereto and the commissioner of commerce, without impairing the obligation incurred under this bond for the overall coverage of the said principal, for all past, present, existing, and potential liability, as a self-insurer, without regard to specific injuries, date or dates of injuries, happenings or events, to the extent, in the aggregate, of the penal sum as increased or decreased. Such amendment must be by endorsement.

4. The aggregate liability of the surety hereunder on all claims whatsoever shall not exceed the penal sum of this bond in any event.

This bond shall be continuous in form and shall remain in full force and effect unless terminated as follows:

(a) The obligation of this bond shall terminate upon written notice of cancellation from the surety, given by registered or certified mail to the commissioner of commerce, state of Minnesota, save and except as to all past, present, existing, and potential liability of the principal incurred, including obligations resulting from claims which are incurred but not yet reported, as a self-insurer prior to effective date of termination. This termination is effective 60 days after receipt of notice of cancellation by the commissioner of commerce, state of Minnesota.

(b) This bond shall also terminate upon the revocation of the certificate to self-insure, save and except as to all past, present, existing, and potential liability of the principal incurred, including obligations resulting from claims which are incurred but not yet reported, as a self-insurer prior to effective date of termination. The principal and the surety, herein named, shall be immediately notified in writing by said commissioner, in the event of such revocation.

6. Where the principal posts with the commissioner of commerce, state of Minnesota, or the state treasurer, state of Minnesota, a replacement security deposit, in the form of a surety bond, irrevocable letter of credit, cash, securities, or any combination thereof, in the full amount as may be required by the commissioner of commerce, state of Minnesota, to secure all incurred liabilities for the payment of compensation of said principal under Minnesota Statutes, chapter 176, the surety is released from obligations under the surety bond upon the date of acceptance by the commissioner of commerce, state of Minnesota, of said replacement security deposit.

7. If the said principal shall suspend payment of workers' compensation benefits or shall become insolvent or a receiver shall be appointed for its business, or the commissioner of commerce, state of Minnesota, issues a certificate of default, the undersigned surety will become liable for the workers' compensation obligations of the principal on the date benefits are suspended. The surety shall begin payments within 14 days under paragraph 8, or 30 days under paragraph 10, after receipt of written notification by certified mail from the commissioner of commerce, state of Minnesota, to begin payments under the terms of this bond.

8. If the surety exercises its option to administer claims, it shall pay benefits due to the principal's injured workers within 14 days of the receipt of the notification by the commissioner of commerce, state of Minnesota, pursuant to paragraph 7, without a formal award of a compensation judge, the commissioner of labor and industry, any intermediate appellate court, or the Minnesota supreme court and such payment will be a charge against the penal sum of the bond. Administrative and legal costs <u>and payment of assessments</u> incurred by the surety in discharging its obligations and payment of the principal's obligations for administration and legal expenses <u>and payment of assessments</u> under Minnesota Statutes, chapter 176, and sections 79A.01 to 79A.17 and Laws 1988, chapter 674, section 23, shall also be a charge against the penal sum of the bond; however, the total amount of this surety bond set aside for the payment of said administrative and legal expenses <u>and payment of assessments</u> shall be limited to a maximum ten percent of the total penal sum of the bond unless otherwise authorized by the security fund.

9. If any part or provision of this bond shall be declared unenforceable or held to be invalid by a court of proper jurisdiction, such determination shall not affect the validity or enforceability of the other provisions or parts of this bond.

10. If the surety does not give notice to the security fund and the commissioner of commerce, state of Minnesota, within two business days of receipt of written notification from the commissioner of commerce, state of Minnesota, pursuant to paragraph 7, to exercise its option to administer claims pursuant to paragraph 8, then the self-insurer's security fund will assume the payments of the workers' compensation obligations of the principal pursuant to Minnesota Statutes, chapter 176. The surety shall pay, within 30 days of the receipt of the notification by the commissioner of commerce, state of Minnesota, pursuant to paragraph 7, to the self-insurer's security fund as an initial deposit an amount equal to ten percent of the penal sum of the bond, and shall thereafter, upon notification from the security fund that the balance of the initial deposit had fallen to one percent of the penal sum of the bond, remit to the security fund an amount equal to the payments made by the security fund in the three calendar months immediately preceding said notification. All such payments will be a charge against the penal sum of the bond.

11. Disputes concerning the posting, renewal, termination, exoneration, or return of all or any portion of the principal's security deposit or any liability arising out of the posting or failure to post security, or the adequacy of the security or the reasonableness of administrative costs, including legal costs, arising between or among a surety, the issuer of an agreement of assumption and guarantee of workers' compensation liabilities, the issuer of a letter of credit, any custodian of the security deposit, the principal, or the self-insurers' security fund shall be resolved by the commissioner of commerce pursuant to Minnesota Statutes, chapter 176 and sections 79A.01 to 79A.17 and Laws 1988, chapter 674, section 23.

12. Written notification to the surety required by this bond shall be sent to:

# Name of Surety

To the attention of Person or Position

Address

City, State, Zip

Written notification to the principal required by this bond shall be sent to:

Name of Principal

To the attention of Person or Position

Address

. . . . . . . .

City, State, Zip

13. This bond is executed by the surety to comply with Minnesota Statutes, chapter 176, and said bond shall be subject to all terms and provisions thereof.

Name of Surety

Address

. . . . . . . .

City, State, Zip

THIS bond is executed under an unrevoked appointment or power of attorney.

I certify (or declare) under penalty of perjury under the laws of the state of Minnesota that the foregoing is true and correct.

Signature of Attorney-In-Fact

. . . . . . . . . . . . . . .

Printed or Typed Name of Attorney-In-Fact

A copy of the transcript or record of the unrevoked appointment, power of attorney, bylaws, or other instrument, duly certified by the proper authority and attested by the seal of the insurer entitling or authorizing the person who executed the bond to do so for and in behalf of the insurer, must be filed in the office of the commissioner of commerce or must be included with this bond for such filing.

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. . . . . . .

Date

### Sec. 8. [79A.165] [MUTUAL SELF-INSURERS' SECURITY FUND.]

<u>Subdivision 1.</u> [CREATION.] The <u>mutual self-insurers' security fund is established as a nonprofit corporation under</u> <u>chapter 317. If any provision of this chapter conflicts with chapter 317, this chapter applies. Each group insurer and</u> <u>each mutual self-insurance pool that is established after July 1, 1994, shall participate as a member of this security</u> <u>fund. This participation is a condition of maintaining its certificate to self-insure.</u>

Mutual self-insurance pools shall not be required to participate in the self-insurers' security fund.

<u>Subd. 2.</u> [BOARD OF TRUSTEES.] The security fund shall be governed by a nine-member board of trustees. Five of the trustees shall be representatives of private self-insurers who shall be elected by the members of the security fund, other than group self-insurers, each member having one vote. One of the trustees shall be a representative of the private group self-insurers who shall be elected by the members of the security fund who are group self-insurers, each group having one vote. Three of the trustees, including the group self-insurer trustee, initially elected by the members shall serve two-year terms, and three shall serve four-year terms. Thereafter, trustees shall be elected to four-year terms, and shall serve until their successors are elected and assume office pursuant to the bylaws of the security fund. Three additional trustees shall be appointed by the commissioner. Two of these trustees shall serve four-year terms, and shall serve until their successors are appointed and assume office pursuant to the bylaws of the security fund. In addition to the nine trustees elected by the members or appointed by the commissioner, the commissioner of labor and industry or the commissioner's designee shall be an ex officio, nonvoting member of the board of trustees. A member of the board of trustees may designate another person to act in the member's place as though the member were acting and the designee's actions shall be deemed those of the member.

<u>Subd. 3.</u> [BYLAWS.] The security fund shall establish bylaws and a plan of operation, subject to the prior approval of the commissioner, necessary to the purposes of this chapter and to carry out the responsibilities of the security fund. The security fund may carry out its responsibilities directly or by contract, and may purchase services and insurance and borrow funds as it deems necessary for the protection of the members and their employees.

<u>Subd. 4.</u> [CONFIDENTIAL INFORMATION.] The security fund may receive private data concerning the financial condition of private self-insurers whose liabilities to pay compensation have become its responsibility and shall adopt bylaws to prevent dissemination of that information.

Subd. 5. [EMPLOYEES.] Security fund employees are not state employees and are not subject to any state civil service regulations.

<u>Subd. 6.</u> [MUTUAL SELF-INSURANCE POOL REQUIREMENTS.] <u>A mutual self-insurance pool is subject to all</u> the requirements of a group self-insurer, except that a mutual self-insurance pool may:

(1) consist of two or more employers in the same industry, or located in the same geographical area or having any other reasonable basis for affiliating to self-insure;

(2) demonstrate the initial financial condition of its members by means of compilation level financial standards;

(3) select a retention level with the workers' compensation reinsurance association of no more than \$100,000; or

(4) use personal guarantees of individual owners or shareholders of members, clean letters of credit, reinsurance, or similar means to allow pools and pool members to satisfy financial requirements.

<u>A mutual self-insurance pool must provide in its bylaws or plan of operation for the active involvement and oversight by the board of directors or committees composed of members appointed by the board of directors, in the operation, risk management, member selection, and financial condition of the pool.</u>

The commissioner shall also provide that in at least the first three years of the pool's operation, the oversight and review of the department of commerce must be increased.

<u>Subd. 7.</u> [APPLICATION OF LAW.] <u>The provisions of this chapter and the rules adopted under it that apply to</u> the security fund created in section 79A.09 apply to the mutual self-insurers' security fund and shall be construed in a manner consistent with this subdivision.

## Sec. 9. [COMMISSIONER OF COMMERCE; REVIEW OF GROUP INSURANCE POOLS.]

The commissioner shall review all other requirements for group insurance and determine which provide barriers to formation of pools. The commissioner shall consider which of these requirements may be waived or reduced and replaced by simple alternative tests that protect members, including but not limited to, increased audits and review by the department of commerce. The commissioner shall propose legislative amendments and rule amendments as are necessary to effect these changes. The commissioner shall have the authority until July 1, 1995, to waive any financial or other requirement for the formation of mutual self-insurance pools which the commission considers to be a hindrance to their formation and for which adequate alternative safeguards are available. The commission may impose other alternative requirements the commissioner considers appropriate.

#### Sec. 10. [INFORMATIONAL MEETINGS.]

The commissioners of commerce and trade and economic development shall between June 1, 1994 and October 1, 1994, hold at least eight informational meetings throughout the state of Minnesota to inform employers of the availability of mutual self-insurance pools and to assist them in forming pools. Both agencies shall continue to provide this assistance after these initial meetings in the normal course of their operations.

The Minnesota workers' compensation insurance association, department of labor and industry, and workers' compensation reinsurance association assigned risk plan shall assist the departments by providing them with the names and addresses of all employers known to them. The commissioners shall mail notice of the meetings to all employers so identified.

Sec. 11. [MUTUAL SELF-INSURERS' SECURITY FUND MEMBERSHIP; WITHDRAWAL FROM SELF-INSURERS' SECURITY FUND.]

Any group self-insurer that is a member of the self-insurers' security fund on January 1, 1995, may elect to withdraw from that fund and become a member of the mutual self-insurers' security fund. This does not relieve them of any obligation to that fund that they would be responsible for during the period of their membership in the self-insurers' security fund. In applying the assessment limitation of section 79A.12, pools withdrawing from the self-insurers' security fund shall combine the assessments from both funds. If the combined assessments exceed the limitation of section 79A.12, the group self-insurers shall pay each fund their pro rata portion of the combined assessment.

All group self-insurers established after January 1, 1995, shall be members of the mutual self-insurers' security fund. Notwithstanding Minnesota Statutes, section 79.34, subdivision 2, the workers' compensation reinsurance association shall establish a retention limit for mutual self-insurance pools of no greater than \$100,000. This does not preclude the use of higher retention limits if the members of a self-insurance pool agree to those higher limits.

Sec. 12. [EFFECTIVE DATE.]

#### Sections 2, 4, and 8 to 11 are effective the day following final enactment.

## ARTICLE 2

## INSURANCE RATE REGULATION

Section 1. Minnesota Statutes 1992, section 79.01, subdivision 1, is amended to read:

Subdivision 1. [TERMS.] Unless the language or context clearly indicates that a different meaning is intended, the following terms, for the purposes of sections 79.01 to 79.211 this chapter, shall have the meanings ascribed to given them.

Sec. 2. Minnesota Statutes 1992, section 79.074, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [UNFAIRLY DISCRIMINATORY.] <u>A rate, rating plan, or schedule of rates is unfairly discriminatory in relation to another if it clearly fails to reflect equitably the differences in expected losses, expenses, and the degree of risk. Rates, rating plans, or schedules of rates are not unfairly discriminatory because different premiums result for policyholders with like loss exposures but different expense factors, or like expense factors but different loss exposures, so long as the rates, rating plan, or schedule of rates reflect the differences with reasonable accuracy.</u>

Sec. 3. Minnesota Statutes 1992, section 79.074, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [EXCESSIVENESS.] <u>Rates, rating plans, or schedules of rates are excessive if the expected underwriting profit, together with expected income from invested reserves for the market in question, that would accrue to an insurer would be unreasonable in relation to the risk undertaken by the insurer in transacting the business.</u>

Sec. 4. Minnesota Statutes 1992, section 79.074, is amended by adding a subdivision to read:

Subd. 5: [INADEQUACY.] Rates, rating plans, or schedules of rates are inadequate if, together with the investment income associated with an insurer's Minnesota workers' compensation insurance business, they are insufficient to sustain projected losses and expenses of the insurer and if their continued use could lead to an insolvent situation for the insurer.

Sec. 5. Minnesota Statutes 1992, section 79.074, is amended by adding a subdivision to read:

Subd. 6. [FLEXIBLE RANGE OF RATES.] An insurer may write insurance at rates that are lower than the rates approved by the commissioner if the rates are not unfairly discriminatory.

Sec. 6. [79.254] [PRIOR RATES.]

<u>Subdivision 1.</u> [PRESUMPTION.] <u>Rates, schedules of rates, and rating plans that have been filed with the commissioner before January 1, 1994, are conclusively presumed to satisfy the requirements of this article until the initial schedule of rates has been approved by order of the commissioner.</u>

Subd. 2. [FILING.] If a rate was not filed by an insurer before the effective date of this section, an insurer may file a rate for any classification for which a rate was not previously filed. The rate shall not be used until it is approved by the commissioner. The commissioner may approve a rate up to the rate level approved for use by the assigned risk plan for that rate class. The rates may remain in force until the commissioner has approved a schedule of rates under section 9. If the commissioner disapproves of any rate or rating plan pursuant to authority granted in this subdivision, the disapproval shall not be subject to chapter 14 and the decision shall be final.

Subd. 3. [APPROVAL.] Until the commissioner issues an order approving a schedule of rates under section 9, an insurer may not, through the use of any rating plan, charge a rate higher than the rates applicable to the insurer under subdivision 1 or 2. This subdivision does not prohibit the use of approved experience rate plans or retrospective rating plans that have been adopted in the filed rates by insurers, the assigned risk plan, or a data service organization. This section does not prohibit the adjustment of a schedule of rates to reflect adjustments in the assessment rate for the special compensation fund, any adjustment in the assessment for the assigned risk plan pursuant to section 79.251, subdivision 5, any adjustment in the assessment for the Minnesota insurance guarantee association pursuant to section 60C.05, or any other assessment required by law.

Subd. 4. [INTERIM RATES.] <u>Rates, schedules of rates, and rating plans filed after December 31, 1993, may not be</u> used after the effective date of this article and the rates, schedules of rates, and rating plans in effect prior to January 1, 1994, are reinstated.

<u>Subd. 5.</u> [EFFECTIVE DATE.] <u>This section shall apply only to policies issued or renewed to be effective after the effective date of this section.</u>

Sec. 7. Minnesota Statutes 1992, section 79.50, is amended to read:

79.50 [PURPOSES.]

The purposes of chapter 79 are to:

(a) Promote public welfare by regulating insurance rates so that premiums are not excessive, inadequate, or unfairly discriminatory;

(b) Promote quality and integrity in the data bases used in workers' compensation insurance ratemaking;

(c) Prohibit price fixing agreements and anticompetitive behavior by insurers; and

(d) Promote price competition and provide rates that are responsive to competitive market conditions;

(e) Provide a means of establishment of proper rates if competition is not effective;

(f) Define the function and scope of activities of data service organizations;

(g) Provide for an orderly transition from regulated rates to competitive market conditions; and

(h) Encourage insurers to provide alternative innovative methods whereby employers can meet the requirements imposed by section 176.181.

Sec. 8. Minnesota Statutes 1992, section 79.59, is amended to read:

79.59 [INSURERS AND, DATA SERVICE ORGANIZATIONS, <u>AND</u> <u>RATING</u> <u>ASSOCIATIONS</u>; PROHIBITED ACTIVITIES.]

Subdivision 1. [MONOPOLIZATION.] No insurer or data service organization or rating association shall attempt to monopolize or combine or conspire with any other person to monopolize the business of insurance.

Subd. 2. [AGREEMENT PROHIBITED.] No insurer shall agree with any other insurer, <u>rating association</u>, or with a data service organization to adhere to or to use any rate, rating plan, rating schedule, rating rule, or underwriting rule except as specifically authorized by this chapter or for the purpose of creating experience modifications for employers with employees in more than one state.

Subd. 3. [TRADE RESTRAINT.] No insurer, <u>rating association</u>, or data service organization shall make an agreement with any other insurer, data service organization, or other person which has the purpose or the effect of restraining trade or of substantially lessening competition.

Subd. 4. [EXCEPTIONS.] The fact that insurers writing not more than 25 percent of the workers' compensation premiums in Minnesota use the same rates, rating plans, rating schedules, rating rules, underwriting rules, or similar materials shall not alone constitute a violation of subdivision 1 or 2.

Two or more insurers under common ownership or operating under common management or control may act in concert between or among themselves with respect to matters authorized under this chapter as if they constituted a single insurer, provided that the rating plan of such insurers shall be considered to be a single plan for the purposes of determining unfair discrimination.

Subd. 5. [ADDITIONAL PROHIBITION.] In addition to other prohibitions contained in this chapter, no data service organization or rating association shall:

(a) Refuse to supply any service for which it is licensed or any data, except for data identifiable to an individual insurer, to any insurer authorized to do business in this state which offers to pay the usual compensation for the service or data;

(b) Require the purchase of any specific service as a condition to obtaining any other services sought;

(c) Participate in the development or distribution of rates, rating plans, or rating rules except as specifically authorized by this chapter or by rules adopted pursuant to this chapter; or

(d) Refuse membership to any licensed insurer.

Sec. 9. [79.71] [RATES; HEARINGS.]

<u>Subdivision 1.</u> [PETITION FOR ADOPTION OF RATE SCHEDULE.] (a) The commissioner shall adopt a schedule of workers' compensation insurance rates for use in this state for each classification under which business is written. The schedule of rates shall not be excessive, inadequate, or unfairly discriminatory.

(b) In adopting a schedule of rates, the commissioner may act on the written petition of the association, the department of labor and industry, or any other interested party who requests that a hearing be held to adopt a schedule of rates. Upon receipt of a petition requesting a hearing for adoption of a schedule of rates, the commissioner

shall determine whether the petition sufficiently sets forth facts that show that the existing schedule of rates is excessive, inadequate, unfairly discriminatory, or otherwise in need of modification so as to indicate the need to hold a hearing. If the association is a petitioner, the commissioner may decline to grant a hearing if the association has failed to provide information requested by previous orders that modify the schedule of rates, if the request was reasonable. The commissioner may accept or reject the petition for a hearing and shall give notice of a determination to the petitioning party. If the commissioner rejects the petition, the commissioner shall notify the petitioning party of the reasons for the rejection.

<u>Subd. 2.</u> [HEARING.] (a) The commissioner shall determine, within 90 days of receipt of the petition whether to accept or reject the petition. If the commissioner accepts the petition for hearing, the commissioner shall order a hearing on matters set forth in the petition. The hearing shall be held pursuant to the contested case procedures in chapter 14. The burden of proof is on the petitioning party.

(b) The commissioner shall forward a copy of the order for hearing to the chief administrative law judge. The chief administrative law judge must, within 30 days of the receipt of the order, set a hearing date, assign an administrative law judge to hear the matter, and notify the commissioner of the hearing date and the administrative law judge assigned to hear the matter. The commissioner shall publish notice of the hearing in the State Register at least 20 days before the hearing date. Approval of the notice before publication by the administrative law judge is not required.

(c) The administrative law judge may admit without the traditional evidentiary foundation documentary and statistical evidence accepted and relied on by an expert whose expertise is related to workers' compensation rate matters. An employer, person representing a group of employers, or other person that will be directly affected by a change in an insurer's existing rate level or rating plan, and the commissioner of labor and industry, must be allowed to intervene and participate in any hearing to challenge the rate level or rating plan as being excessive, inadequate, or unfairly discriminatory.

(d) The report of the administrative law judge must be issued within 180 days from the date of receipt of the order by the chief administrative law judge. Within 60 days of the completion of the hearing, the administrative law judge must submit a report to the commissioner. The parties, or the administrative law judge if the parties cannot agree, shall adjust all time requirements under the contested case procedures to conform with the time requirements set forth in this subdivision. After the close of the hearing record, the administrative law judge shall transmit to the commissioner the entire record of the hearing, including the transcript, exhibits, and all other material properly accepted into evidence, together with the finding of facts, conclusions, and recommended order made by the administrative law judge. The time for submitting the report may be extended by the chief administrative law judge for good cause.

<u>Subd. 3.</u> [HEARING DETERMINATION.] <u>The commissioner may accept, reject, or modify, in whole or in part,</u> <u>matters raised in the petition for adoption of the schedule of rates or matters raised in the findings and</u> <u>recommendations of the administrative law judge.</u> The commissioner's determination shall be based upon substantial <u>evidence.</u> The commissioner of commerce is an interested party if the commissioner's decision is appealed.

<u>Subd. 4.</u> [DEADLINE FOR DETERMINATION.] <u>The commissioner shall make a final determination with respect</u> to <u>adoption</u> of a <u>schedule of rates within 90 days after receipt of the administrative law judge's report. If the</u> <u>commissioner fails to act within the 90-day period, the findings, conclusions, and recommended order of the</u> <u>administrative law judge become the final order of the commissioner on the 91st day after receipt.</u>

<u>Subd. 5.</u> [CONSULTANTS; COMMISSIONER OF COMMERCE.] <u>The commissioner of commerce may hire</u> consultants, including a consulting actuary and other experts, deemed necessary to assist in the establishment or modification of the schedule of rates.

<u>Subd. 6.</u> [CONSULTANTS; ADMINISTRATIVE JUDGES.] <u>The office of administrative hearings, upon approval</u> of the chief administrative law judge, may hire consultants necessary to assist the administrative law judge assigned to a workers' compensation rate proceeding.

<u>Subd. 7.</u> [APPOINTMENT OF ACTUARY.] The commissioner of commerce shall employ the services of a casualty actuary experienced in workers' compensation whose duties shall include but not be limited to investigation of complaints by insured parties about rates, rate classifications, or the discriminatory practices of an insurer. The salary of the actuary employed pursuant to this section is not subject to the provisions of section 43A.17, subdivision 1.

## Sec. 10. [79.72] [PETITION FOR REHEARING.]

<u>Subdivision 1.</u> [PETITION CONTENTS.] Any party may petition the commissioner for rehearing and reconsideration of a determination made under section 9. The petition for rehearing and reconsideration shall be served on the commissioner and all parties to the rate hearing within 30 days after service of the commissioner's final order. The petition shall set forth factual grounds in support of the petition. Any party adversely affected by a petition for review and reconsideration has 15 days to respond to factual matters alleged in the petition.

<u>Subd. 2.</u> [GRANT OF REHEARING.] <u>The commissioner may grant a rehearing upon the filing of a petition under</u> <u>subdivision 1. On rehearing, the commissioner may limit the scope of factual matters that are subject to rehearing and</u> <u>reconsideration</u>. <u>The rehearing is subject to the provisions of this section</u>.

Subd. 3. [MODIFICATION OF ORDER.] Following rehearing, the commissioner may modify the terms of the initial order adopting a change in the schedule of rates upon a determination that adequate factual grounds exist to support modification. Adequate factual grounds include, but are not limited to, erroneous testimony by any witness or party to the hearing, a material change in Minnesota loss or expense data that occurs after a petition for adoption of the schedule of rates has been filed, or any other mistake of fact that has a substantial effect upon the schedule of rates adopted in prior orders of the commissioner.

Sec. 11. [79.73] [JUDICIAL REVIEW.]

Final orders of the commissioner pursuant to sections 9 and 11 are subject to judicial review pursuant to sections 14.63 to 14.69 but shall remain in effect during the pendency of any appeal.

## Sec. 12. [79.74] [INTERIM SCHEDULE OF RATES.]

(a) The rating association, the commissioner of labor and industry, or any interested party may file a petition for an adjustment in the schedule of rates when there has been a law change in the benefit payable under chapter 176. "Law change" means only statutory changes or supreme court decisions. When a petition for a change in the schedule of rates due to a law change is received by the commissioner, the commissioner shall review the petition for up to 30 days to determine if it presents facts that warrant a hearing. If the commissioner accepts a petition for hearing, it shall be conducted pursuant to the contested case procedures in chapter 14.

(b) The chief administrative law judge shall assign an administrative law judge to hear a petition for a change in the schedule of rates within 30 days. The administrative law judge shall conclude the hearing within 60 days of assignment by the chief administrative law judge and file findings of fact, conclusions of law, and a proposed order with the commissioner within 30 days of concluding the hearing. The administrative law judge shall, after the close of the record, file a report with recommendations in the same manner as in section 9. The time for holding the hearing and filing the report with the commissioner may be extended by the chief administrative law judge upon a showing of good cause for an additional 30 days.

(c) The commissioner's order may affirm, reverse, or modify the findings and order of the administrative law judge. The petitioning party shall have the burden of proof in any hearing held pursuant to this subdivision. Interim rate hearings are available only for changes in the schedule of workers' compensation rates that result from law changes. All evidentiary, procedural, and review standards in section 9 shall apply to interim rate hearings, except the time requirements in this subdivision.

(d) Interim rate hearings are subject to judicial review pursuant to chapter 14, except that the commissioner's interim rate order shall remain in effect during the pendency of any appeal by any party. The commissioner is an interested party if the commissioner's decision is appealed pursuant to chapter 14.

(e) Interim rate hearings may only be held after an initial schedule of rates has been approved by the commissioner unless requested by the commissioner of labor and industry.

## Sec. 13. [79.75] [AUTOMATIC ADJUSTMENT OF RATES.]

(a) The commissioner shall adopt a rule to establish a mechanism to automatically adjust a schedule of rates to reflect benefit changes mandated by operation of law after the most recent change in the schedule of rates, an adjustment in the assessment rate for the special compensation fund, any adjustment in the assessment for the assessment for the assessment for the assessment for the most recent in the assessment for the mission 5, any adjustment in the assessment for the Minnesota insurance guaranty association pursuant to section 60C.05, or any other assessment required by law.

(b) At each rate hearing held pursuant to section 9 or rehearing pursuant to section 10, following an automatic adjustment, the commissioner shall review the rate adjustment to assure that the schedule of rates adopted after the adjustment are not excessive, inadequate, or unfairly discriminatory. If the commissioner finds that the schedule of rates adopted after the adjustment are excessive, inadequate, or unfairly discriminatory, the commissioner shall order appropriate remedial action.

Sec. 14. [79.76] [INSURERS SHALL BE MEMBERS OF ASSOCIATION.]

Every insurer that issues workers' compensation insurance in this state shall be a member of the association, known as the Minnesota Insurers Rating Association, organized under section 15, to be maintained in this state for the following purposes:

(1) to separate the industries of this state that are subject to workers' compensation insurance into proper classes for compensation insurance purposes;

(2) to inspect compensation risks and establish the merit and experience rating system approved for use in this state;

(3) to establish charges and credits under the system;

(4) to report all facts affecting compensation insurance risks and those necessary for approving policies of compensation insurance as conforming with classifications, rates, and rating plans previously promulgated by the association and approved by the commissioner; and

(5) to assist the commissioner and insurers in determining rates, hazards, and other material facts in connection with compensation risks, and to assist in promoting safety in the industries.

Sec. 15. [79.77] [ORGANIZATION OF ASSOCIATION.]

The association shall adopt articles of incorporation, bylaws, and a plan of operation. The articles, bylaws, and plan of operation and all amendments shall be filed with, and approved by, the commissioner and shall not be effective until filed and approved. The association shall admit to membership any insurer authorized to transact workers' compensation insurance in this state. The charges and service of the association shall be fixed in the articles or bylaws and shall be equitable and nondiscriminatory as between members. The initial articles, bylaws, and plan of operation shall be filed with the commissioner no later than January 1, 1995. If the initial articles, bylaws, and plan of operation are not filed by January 1, 1995, the commissioner shall adopt the initial articles, bylaws, and plan of operation.

Sec. 16. [79.78] [EXPENSE; HOW PAID.]

Each member of the association shall pay an equitable and nondiscriminatory share of the cost of operating the association. If the members of the association cannot agree upon an apportionment of cost, any member may in writing petition the commissioner to establish a basis for apportioning the cost. If any member is aggrieved by an apportionment made by the association, it may in writing petition the commissioner for a review of the apportionment. The commissioner shall, upon not less than five days' notice to each member of the association, hold a hearing on any petition. All members are entitled to be present and to be heard. The commissioner shall determine the matter and mail a copy of the determination to each member of the association. The decision of the commissioner shall be final and binding upon all members of the association.

Sec. 17. [79.79] [BOARD OF DIRECTORS.]

(a) A board of directors of the rating association is created and is responsible for the operation of the rating association consistent with the plan of operation and this chapter. The board consists of 13 directors. Five directors shall represent insurers; two directors shall represent employees; three directors shall represent employees; one director shall represent small employers as defined in section 177.24; and two directors shall represent the public. Insurer members of the rating association shall elect the directors who represent insurers; employer members shall be selected one each by the Minnesota Business Partnership and the Minnesota Chamber of Commerce and Industry; employee members shall be selected one each by the Commissioner of labor and industry; and the public directors shall be selected by the commissioner of labor and industry; and the public directors shall be selected by the governor.

Each director is entitled to one vote. Terms of the directors shall be two years. The board shall select a chair and other officers it deems appropriate.

(b) A majority of the directors currently holding office constitutes a quorum. Action may be taken by a majority vote of the directors present.

The board shall take reasonable and prudent action regarding the management of the rating association including but not limited to the management of the daily affairs of the rating association.

(c) The initial board of directors shall consist of the current board of directors of the data service organization authorized by section 79.62 who shall serve until their current data service organization terms expire.

Sec. 18. [79.80] [PLAN OF OPERATION.]

Subdivision 1. [PROVISIONS.] The plan of operation shall provide for all of the following:

(a) the establishment of necessary facilities;

(b) the management and operation of the rating association;

(c) a preliminary assessment, payable by each member in proportion to its total premium in the year preceding the inauguration of the rating association, for initial expenses necessary to commence operation of the rating association;

(d) procedures governing the actual payment of assessments to the rating association;

(e) reimbursement of each member of the board by the rating association for actual and necessary expenses incurred on rating association business; and

(f) any other matters required by or necessary to effectively implement this chapter.

Subd. 2. [AMENDMENTS.] (a) The plan of operation shall be subject to approval by the commissioner after consultation with the members of the association, representatives of the public, and other affected individuals and organizations. If the commissioner disapproves all or part of the proposed plan of operation, the directors shall within 15 days submit for review all or part of an appropriate revised plan of operation. If a revised plan is not submitted within 15 days, the commissioner shall promulgate all or part of a plan of operation. The plan of operation approved or promulgated by the commissioner shall become effective and operational upon order of the commissioner.

(b) Amendments to the plan of operation may be made by the commissioner or by the directors of the association, subject to the approval of the commissioner.

Sec. 19. [79.81] [APPLICABILITY OF CHAPTER 79.]

<u>Subdivision 1.</u> [EXAMINATION BY COMMISSIONER.] The rating association is subject to all the provisions of this chapter. The commissioner or an authorized representative of the commissioner may visit the rating association at any time and examine, audit, or evaluate the rating association's operations, records, and practices. For purposes of this section, "authorized representative of the commissioner" includes employees of the department of commerce or labor and industry and other parties retained by the commissioner.

Subd. 2. [COSTS AND EXPENSES.] The commissioner shall order and the rating association shall pay the costs and expenses of any examination, audit, or evaluation conducted pursuant to subdivision 1.

Sec. 20. [79.82] [MANUALS.]

<u>Subdivision 1.</u> [INITIAL FILING REQUIRED.] (a) <u>On or before October 1, 1995, the association must file with the commissioner all underwriting and rating manuals that are used in the classification of risks and the calculation of rating plans, rates, and fees. The association must provide the commissioner with at least six copies of each manual. A copy of each manual filed shall also be provided to the commissioner of labor and industry.</u>

5793

(b) The commissioner shall review the manuals and on or before January 1, 1996, approve or disapprove all or part of the manuals. The evidentiary, procedural, and review standards of section 9 shall apply to the review of the manuals. Until the commissioner has approved or disapproved the manuals, they shall remain in force. The association may contest the disapproval of a manual or part of a manual pursuant to the contested case procedures of chapter 14. Until the conclusion of the contested case proceeding, the portions of the manuals that were not approved shall remain in force.

<u>Subd. 2.</u> [NEW MANUALS AND AMENDMENTS.] If the association adopts or amends a manual, the manual or the amendment to the manual shall not be effective until approved by the commissioner. The association must provide the commissioner with at least six copies of each manual or amendment. A copy of each manual or amendment filed shall also be provided to the commissioner of labor and industry. The commissioner shall approve or disapprove any manual or amendment within 90 days of filing. The evidentiary, procedural, and review standards of section 9 shall apply to the review of the manuals. Any manual or amendment not approved within 90 days shall be deemed to be disapproved. As to a disapproved manual or amendment, the association may contest the disapproval pursuant to the contested case procedures of chapter 14.

<u>Subd. 3.</u> [BURDEN OF PROOF.] <u>The burden of proof in a proceeding under this section shall be upon the party</u> requesting the adoption of a manual or an amendment of a manual.

<u>Subd. 4.</u> [COSTS.] The costs of the commissioner and the commissioner of labor and industry in regard to a contested case proceeding under this section, including the costs of consultants, staff, related costs, and costs billed by the attorney general's office shall be paid from the special compensation fund.

<u>Subd. 5.</u> [PUBLIC ACCESS.] <u>Copies of all approved manuals must be made available to the public for inspection</u> <u>during regular business hours at the office of the association.</u> <u>Proposed manuals and amendments to manuals must</u> <u>be made available in the same manner.</u>

Sec. 21. [79.83] [EXEMPTION.]

The rating association is not subject to sections 15.0597 and 471.705, chapter 13, or any other law or rule that pertains to a public body. For purposes of Minnesota laws and rules, the association is not a public body.

Sec. 22. [79.84] [ANNUAL STATEMENT.]

The association on or before March 1 each year shall file with the commissioner a statement describing its activities for the year ending on the preceding December 31. This report shall describe its financial transactions and other matters connected with its operation, including employee compensation and the specific expenditures as required by the commissioner. The commissioner shall prescribe the form of the report. The association and its members are subject to supervision and examination by the commissioner or any examiner authorized by the commissioner on such matters as the commissioner deems appropriate. Examination may be made as often as the commissioner deems necessary.

Sec. 23. [79.85] [ASSOCIATION SHALL MAKE CLASSIFICATION.]

(a) The association shall, on behalf of its members, assign each compensation risk in this state to its proper classification. The determination as to the proper classification by the association shall be subject to the approval of the commissioner.

(b) The association shall inspect and make a written survey of each risk to which the system of merit rating approved for use in this state is applicable. It shall file with the commissioner its classification of risks and keep on file at the office of the association the written surveys of all risks inspected by it. The survey shall show the location and description of all items producing charges and credits, if any, and other facts as are material in the writing of insurance. It shall file any subsequent proposed classification or later survey and all rules and regulations which do or may affect the writing of these risks. The association classification shall be binding upon all insurers.

(c) The association and its representatives shall give all information as to classifications, rates, surveys, and other facts collected and intended for the common use of insurers subject to this chapter to all these insurers at the same time. A copy of the complete survey by the association, with the approved classification and rates and the effective date, shall be furnished to the insurer of record as soon as approved. The approved classification and rates upon a specific risk shall be furnished upon request to any other insurer upon the payment of a reasonable charge for the service.

(d) Every insurer shall promptly file with the association a copy of each payroll audit, which shall be checked by the association for correctness of classification and rate. The commissioner may require the association to file the copy and may verify any payroll audit by a reaudit of the books of the employer or in such other manner as may appear most expedient. Upon written complaint stating facts sufficient to warrant action by it, the association shall verify any payroll audit reported to the commissioner.

Sec. 24. [79.86] [INFORMATION.]

(a) In addition to other information that the commissioner requests pursuant to section 9, the rating association shall file with the commissioner, the following information on its Minnesota experience:

(1) reserves for incurred but not reported losses of its members;

(2) paid claims;

(3) reserves for open claims;

(4) a schedule of claims in which its members have established a reserve in excess of \$50,000;

(5) the income on invested reserves of its members;

(6) an itemized list of policies written at other than the filed rates;

(7) loss adjustment expenses;

(8) subrogation recoveries;

(9) administrative expenses; and

(10) commission and lobbying expenses.

The filing of the information of Minnesota experience must be based on separate records containing only Minnesota information separately maintained by the association. The commissioner may request and the association must provide the separate records to the commissioner.

(b) Losses and reserves shall be reported separately as to medical and indemnity expenses. The rating association shall file an itemized breakdown of its lobbying expenses.

(c) The commissioner shall consider this information in an appropriate manner in adopting a schedule of rates and shall decline to grant a hearing pursuant to section 9 for purposes of considering a rate increase if the association fails to provide the information.

(d) The rating association shall be domiciled, chartered, and principally located in the state of Minnesota. Except with the approval of the commissioner, the rating association may not contract for its data collection responsibilities with data service organizations domiciled, chartered, or principally located outside the state of Minnesota.

Sec. 25. [79.87] [RECORD; ASSOCIATION SHALL FURNISH INFORMATION.]

The association shall keep a record of its proceedings. It shall furnish, upon demand, to any employer whose workers' compensation risk has been surveyed, full information about the survey, including the method of the computation and a detailed description and location of all items producing charges or credits. The association shall provide a means, approved by the commissioner, for hearing any member or employer whose risk has been inspected, either in person or by a representative, before the governing or rating committee or other proper representatives with reference to any matter affecting the risk. Any insurer or employer may appeal from a decision of the association to the commissioner. The association shall make rules governing appeals to be filed with and approved by the commissioner may require the association to file any information connected with its activities.

Sec. 26. [79.88] [RATES FILED.]

Every insurer writing workers' compensation insurance in this state, except as ordered by the commissioner, must file with the commissioner its rates for compensation insurance and all additions or changes. All rates so filed must comply with the requirements of law and are not effective until approved by the commissioner.

5795

Sec. 27. [79.89] [RATES UNIFORM; EXCEPTIONS.]

<u>No insurer may write insurance at a rate above that established by the association and approved by the commissioner.</u> The insurer may reduce or increase a rate by the application to individual risks of the system of merit or experience rating which has been approved by the commissioner. This reduction or increase shall be set forth in the policy or by endorsement. Upon written request, an insurer shall furnish a written explanation to the insured of how and why the individual rate was adjusted by application of a system of merit or experience rating. This explanation shall be mailed to the insured within 30 days of the request.

Sec. 28. [79.90] [DUTIES OF COMMISSIONER.]

The commissioner of commerce shall require compensation insurers, or their agents, to file the necessary reports for the purposes of this chapter for use by the commissioner.

Sec. 29. [79.91] [VIOLATIONS; PENALTIES.]

Any insurer, rating association, agent, or other representative or employee of any insurer or rating association that fails to comply with or violates any of the provisions of this chapter, or any order or ruling of the commissioner, shall be punished by a fine of not less than \$50 nor more than \$5,000. In addition, the license of any insurer, agent, or broker guilty of such violation may be revoked or suspended by the commissioner.

Sec. 30. [79.92] [RULEMAKING.]

The commissioner may adopt rules to carry out the commissioner's duties assigned by this chapter.

Sec. 31. [79.93] [LIABILITY UNDER OTHER LAW.]

The regulatory scheme established by this chapter does not relieve any person from liability under sections 325D.49 to 325D.66, or United States Code, title 15, sections 1 to 38.

Sec. 32. [TRANSITION PROVISIONS; EMPLOYEES.]

Until January 1, 1998, initial appointment to the professional positions authorized by section 9 shall be deemed to be provisional or exceptional appointments as defined by Minnesota Statutes, section 43A.15, subdivisions 4 and 8, and the commissioner of employee relations must authorize those appointments as requested by the commissioner of commerce or labor and industry. Upon request of the commissioner of commerce or labor and industry, the appointments under this section shall be considered an unusual employment condition as defined by Minnesota Statutes, section 43A.17, subdivision 3, and salaries may be set accordingly.

Sec. 33. [LEGISLATIVE INTENT.]

It is the intent of the legislature in enacting this article to reinstate the prior state workers' compensation insurance rate regulatory system that was repealed effective January 1, 1984. Judicial and administrative decisions regarding the prior law shall be deemed to be applicable to this article in the same manner as to the prior law.

Sec. 34. [DATA SERVICE ORGANIZATION CONTINUED EXISTENCE.]

<u>A licensed data service organization shall continue to operate pursuant to Minnesota Statutes, sections 79.61 and 79.62, until December 31, 1997, or until the plan of operation of the rating association has been approved by the commissioner, whichever occurs first.</u>

Sec. 35. [RATE, CLASSIFICATION, AND CREDIT FREEZE.]

Until January 1, 1995, no insurer, data service organization, association, or the assigned risk plan may increase the workers' compensation rates of an employer, reclassify the operation of an employer or reduce a premium credit previously offered an employer. This section does not prohibit adjustment of an employer's experience rating in accordance with the rating plan of an insurer, data service organization, association or the assigned risk plan filed with the commissioner of commerce on or before December 31, 1993.

## Sec. 36. [PREMIUM REDUCTION; REINSURANCE REFUND.]

Any amount received by an insurer or the assigned risk plan from the reinsurance association as surplus must be applied to proportionately reduce the premiums of the insured employers of the insurer or the assigned risk plan.

## Sec. 37. [APPROPRIATION.]

\$1,300,000 is appropriated from the special compensation fund to the department of commerce for the purpose of this article. The appropriation is available immediately and is available until expended. The complement of the department of commerce is increased by a maximum of ten positions.

#### Sec. 38. [EFFECTIVE DATE.]

Sections 1 to 37 are effective the day following final enactment.

## ARTICLE 3

## WORKERS' COMPENSATION

Section 1. Minnesota Statutes 1992, section 175.007, subdivision 1, is amended to read:

Subdivision 1. [CREATION; COMPOSITION.] (a) There is created a permanent council on workers' compensation consisting of 12 voting members as follows: the presidents of the largest statewide Minnesota business and organized labor organizations as measured by the number of employees of its business members and in its affiliated labor organizations in Minnesota on July 1, 1992, and every five years thereafter, who shall serve as co-chairs of the council; five additional members representing business, and five additional members representing organized labor. The commissioner of labor and industry shall serve as chair of the council and shall be a nonvoting member.

(b) The governor, the majority leader of the senate, the speaker of the house of representatives, the minority leader of the senate, and the minority leader of the house of representatives shall each select a business and a labor representative. At least four of the labor representatives shall be chosen from the affiliated membership of the Minnesota AFL-CIO. At least two of the business representatives shall be representatives of small employers as defined in section 177.24, subdivision 1, paragraph (a), clause (2). None of the council members shall represent attorneys, health care providers, qualified rehabilitation consultants, or insurance companies. If the appointing officials cannot agree on a method of appointing the required number of Minnesota AFL-CIO and small business representatives by the second Monday in June of the year in which appointments are made, they shall notify the secretary of state. The distribution of appointments shall then be determined publicly by lot by the secretary of state or a designee in the presence of the appointing officials or their designees on the third Monday in June.

(c) Each council member shall appoint an alternate. Alternates shall serve in the absence of the member they replace.

(d) The ten appointed voting members shall serve for terms of five years and may be reappointed.

(e) The council shall designate liaisons to the council representing workers' compensation insurers; medical, hospital, and rehabilitation providers; and the legal profession. The speaker and minority leader of the house of representatives shall each appoint a caucus member as a liaison to the council. The majority and minority leaders of the senate shall each appoint a caucus member to serve as a liaison to the council.

(f) The compensation and removal of members shall be as provided in section 15.059.

Sec. 2. Minnesota Statutes 1992, section 176.011, subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire including the following:

(1) an alien;

(2) a minor;

(3) a sheriff, deputy sheriff, constable, marshal, police officer, firefighter, county highway engineer, and peace officer while engaged in the enforcement of peace or in the pursuit or capture of a person charged with or suspected of crime;

(4) a person requested or commanded to aid an officer in arresting or retaking a person who has escaped from lawful custody, or in executing legal process, in which cases, for purposes of calculating compensation under this chapter, the daily wage of the person shall be the prevailing wage for similar services performed by paid employees;

(5) a county assessor;

(6) an elected or appointed official of the state, or of a county, city, town, school district, or governmental subdivision in the state. An officer of a political subdivision elected or appointed for a regular term of office, or to complete the unexpired portion of a regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(7) an executive officer of a corporation, except those executive officers excluded by section 176.041;

(8) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioners of human services and corrections similar to those of officers and employees of the institutions, and whose services have been accepted or contracted for by the commissioner of human services or corrections as authorized by law. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(9) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision of it. The daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed by paid employees;

(10) a voluntary uncompensated worker participating in a program established by a county welfare board. In the event of injury or death of the worker, the wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid in the county at the time of the injury or death for similar services performed by paid employees working a normal day and week;

(11) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089. The daily wage of the worker for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

(12) a voluntary uncompensated worker in the building and construction industry who renders services for joint labor-management nonprofit community service projects. The daily wage of the worker for the purpose of calculating compensation under this chapter shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

(13) a member of the military forces, as defined in section 190.05, while in state active service, as defined in section 190.05, subdivision 5a. The daily wage of the member for the purpose of calculating compensation under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(14) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138. The daily wage of the worker, for the purposes of calculating compensation under this chapter, shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

(15) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota state academy for the deaf or the Minnesota state academy for the blind, and whose services have been accepted or contracted for by the state board of education, as authorized by law. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed in institutions by paid employees;

(16) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed in institutions by paid employees;

(17) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of human services for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose;

(18) students enrolled in and regularly attending the medical school of the University of Minnesota in the graduate school program or the postgraduate program. The students shall not be considered employees for any other purpose. In the event of the student's injury or death, the weekly wage of the student for the purpose of calculating compensation under this chapter, shall be the annualized educational stipend awarded to the student, divided by 52 weeks. The institution in which the student is enrolled shall be considered the "employer" for the limited purpose of determining responsibility for paying benefits under this chapter;

(19) a faculty member of the University of Minnesota employed for an academic year is also an employee for the period between that academic year and the succeeding academic year if:

(a) the member has a contract or reasonable assurance of a contract from the University of Minnesota for the succeeding academic year; and

(b) the personal injury for which compensation is sought arises out of and in the course of activities related to the faculty member's employment by the University of Minnesota;

(20) a worker who performs volunteer ambulance driver or attendant services is an employee of the political subdivision, nonprofit hospital, nonprofit corporation, or other entity for which the worker performs the services. The daily wage of the worker for the purpose of calculating compensation under this chapter shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

(21) a voluntary uncompensated worker, accepted by the commissioner of administration, rendering services as a volunteer at the department of administration. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed in institutions by paid employees;

(22) a voluntary uncompensated worker rendering service directly to the pollution control agency. The daily wage of the worker for the purpose of calculating compensation payable under this chapter is the usual going wage paid at the time of injury or death for similar services if the services are performed by paid employees; and

(23) a voluntary uncompensated worker while volunteering services as a first responder or as a member of a law enforcement assistance organization while acting under the supervision and authority of a political subdivision. The daily wage of the worker for the purpose of calculating compensation payable under this chapter is the usual going wage paid at the time of injury or death for similar services if the services are performed by paid employees; and

(24) a voluntary uncompensated member of the civil air patrol rendering service on the request and under the authority of the state or any of its political subdivisions. The daily wage of the member for the purposes of calculating compensation payable under this chapter is the usual going wage paid at the time of injury or death for similar services if the services are performed by paid employees.

If it is difficult to determine the daily wage as provided in this subdivision, the trier of fact may determine the wage upon which the compensation is payable.

Sec. 3. Minnesota Statutes 1992, section 176.011, subdivision 15, is amended to read:

Subd. 15. [OCCUPATIONAL DISEASE.] (a) "Occupational disease" means a disease arising out of and in the course of employment peculiar to the occupation in which the employee is engaged and due to causes in excess of the hazards ordinary of employment and shall include undulant fever. Ordinary diseases of life to which the general public is equally exposed outside of employment are not compensable, except where the diseases follow as an incident of an occupational disease, or where the exposure peculiar to the occupation makes the disease an occupational disease hazard. A disease arises out of the employment only if there be a direct causal connection between the conditions under which the work is performed and if the occupational disease follows as a natural incident of the work as a result of the exposure occasioned by the nature of the employment. An employer is not liable for compensation for any occupational disease which cannot be traced to the employment as a direct and proximate cause and is not recognized as a hazard characteristic of and peculiar to the trade, occupation, process, or employment or which results from a hazard to which the worker would have been equally exposed outside of the employment. (b) If immediately preceding the date of disablement or death, an employee was employed on active duty with an organized fire or police department of any municipality, as a member of the Minnesota state patrol, conservation officer service, state crime bureau, as a forest officer by the department of natural resources, or sheriff or full-time deputy sheriff of any county, or <u>emergency medical services personnel as defined in section 144.761</u>, subdivision 5, clauses (1) and (3), and the disease is that of myocarditis, coronary sclerosis, pneumonia or its sequel, and at the time of employment such employee was given a thorough physical examination by a licensed doctor of medicine, and a written report thereof has been made and filed with such organized fire or police department, with the Minnesota state patrol, conservation officer service, state crime bureau, department of natural resources, or sheriff's department of any county, or the employer of the emergency medical services personnel as defined in section 144.761, subdivision 5, clauses (1) and (3), which examination and report negatived any evidence of myocarditis, coronary sclerosis,

of any county, or the employer of the emergency medical services personnel as defined in section 144.761, subdivision 5, clauses (1) and (3), which examination and report negatived any evidence of myocarditis, coronary sclerosis, pneumonia or its sequel, the disease is presumptively an occupational disease and shall be presumed to have been due to the nature of employment. If immediately preceding the date of disablement or death, any individual who by nature of their position provides emergency medical care, or an employee who was employed as a licensed police officer under section 626.84, subdivision 1; firefighter; paramedic; emergency medical technician; or licensed nurse providing emergency medical care; and who contracts an infectious or communicable disease to which the employee was exposed in the course of employment outside of a hospital, then the disease is presumptively an occupational disease and shall be presumed to have been due to the nature of employment and the presumption may be rebutted by substantial factors brought by the employer or insurer.

(c) A firefighter on active duty with an organized fire department who is unable to perform duties in the department by reason of a disabling cancer of a type caused by exposure to heat, radiation, or a known or suspected carcinogen, as defined by the International Agency for Research on Cancer, and the carcinogen is reasonably linked to the disabling cancer, is presumed to have an occupational disease under paragraph (a). If a firefighter who enters the service after August 1, 1988, is examined by a physician prior to being hired and the examination discloses the existence of a cancer of a type described in this paragraph, the firefighter is not entitled to the presumption unless a subsequent medical determination is made that the firefighter no longer has the cancer.

Sec. 4. Minnesota Statutes 1992, section 176.011, subdivision 18, is amended to read:

Subd. 18. [WEEKLY WAGE.] "Weekly wage" is arrived at by multiplying the daily wage by the number of days and fractional days normally worked in the business of the employer for the employment involved. If the employee normally works less than five days per week or works an irregular number of days per week, the number of days normally worked shall be computed by dividing the total number of days in which the employee actually performed any of the duties of employment in the last 26 weeks by the number of weeks in which the employee actually performed such duties, provided that the weekly wage for part time employment during a period of seasonal or temporary layoff shall be computed on the number of days and fractional days normally worked in the business of the employer for the employment involved. If, at the time of the injury, the employee was regularly employed by two or more employers, the employee's days of work for all such employments shall be included in the computation of weekly wage. Occasional overtime is not to be considered in computing the weekly wage, but if overtime is regular or frequent throughout the year it shall be taken into consideration. The maximum weekly compensation payable to an employee, or to the employee's dependents in the event of death, shall not exceed 66-2/3 percent of the product of the daily wage times the number of days normally worked, provided that the compensation payable for permanent partial disability under section 176.101, subdivision 3 3v, and for permanent total disability under section 176.101, subdivision 4, or death under section 176.111, shall not be computed on less than the number of hours normally worked in the employment or industry in which the injury was sustained, subject also to such maximums as are specifically otherwise provided.

Sec. 5. Minnesota Statutes 1992, section 176.021, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.] All employers shall commence payment of compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except for medical, burial, and other nonperiodic benefits, payments shall be made as nearly as possible at the intervals when the wage was payable, provided, however, that payments for permanent partial disability shall be governed by section 176.101. If doubt exists as to the eventual permanent partial disability, payment for the economic recovery compensation or impairment compensation, whichever is due, pursuant to section 176.101, shall be then made when due for the minimum permanent partial disability ascertainable, and further payment shall be made upon any later ascertainment of greater permanent partial disability. Prior to or at the time of commencement of the payment of economic recovery compensation or lump sum or periodic payment of impairment compensation, permanent partial disability the employee and employer shall be furnished with a copy of the medical report upon which the payment is based and all other medical reports which the insurer has that

#### JOURNAL OF THE HOUSE

indicate a permanent partial disability rating, together with a statement by the insurer as to whether the tendered payment is for minimum permanent partial disability or final and eventual disability. After receipt of all reports available to the insurer that indicate a permanent partial disability rating, the employee shall make available or permit the insurer to obtain any medical report that the employee has or has knowledge of that contains a permanent partial disability rating which the insurer does not already have. Economic recovery compensation or impairment compensation Permanent partial disability compensation pursuant to section 176.101, subdivision 3v, is payable in addition to but not concurrently with compensation for temporary total disability but is payable pursuant to section <del>176.101</del>. Impairment compensation Permanent partial disability is payable concurrently and in addition to compensation for permanent total disability pursuant to section 176.101. Economic recovery compensation or impairment compensation pursuant to section 176.101 shall be withheld pending completion of payment for temporary <del>total disability, and</del> No credit shall be taken for payment of <del>economic recovery compensation or impairment</del> compensation permanent partial disability compensation against liability for temporary total or future permanent total disability. Liability on the part of an employer or the insurer for disability of a temporary total, temporary partial, and permanent total nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and compensation is payable accordingly, subject to section 176.101. Economic recovery compensation or impairment compensation Permanent partial disability compensation is payable for functional loss of use or impairment of function, permanent in nature, and payment therefore shall be separate, distinct, and in addition to payment for any other compensation, subject to section 176.101. The right to receive temporary total, temporary partial, or permanent total disability payments vests in the injured employee or the employee's dependents under this chapter or, if none, in the employee's legal heirs at the time the disability can be ascertained and the right is not abrogated by the employee's death prior to the making of the payment.

The right to receive economic recovery compensation or impairment compensation permanent partial disability compensation vests in an injured employee at the time the disability can be ascertained provided that the employee lives for at least 30 days beyond the date of the injury. Upon the death of an employee who is receiving economic recovery compensation or impairment compensation, permanent partial disability, further compensation is payable pursuant to section 176.101. Impairment compensation is payable under this paragraph if vesting has occurred, the employee dies prior to reaching maximum medical improvement, and the requirements and conditions under section 176.101, subdivision 3e, are not met.

Disability ratings for permanent partial disability shall be based on objective medical evidence.

Sec. 6. Minnesota Statutes 1992, section 176.021, subdivision 3a, is amended to read:

Subd. 3a. [PERMANENT PARTIAL BENEFITS, PAYMENT.] Payments for permanent partial disability as provided in section 176.101, subdivision 3 <u>3v</u>, shall be made in the following manner:

(a) If the employee returns to work, payment-shall be made by lump sum;

(b) If temporary total payments have ceased, but the employee has not returned to work, payment shall be made at the same intervals as temporary total payments were made.

(c) If temporary total disability payments cease because the employee is receiving payments for permanent total disability or because the employee is retiring or has retired from the work force, then payment shall be made by lump sum;

(d) If the employee completes a rehabilitation plan pursuant to section 176.102, but the employer does not furnish the employee with work the employee can do in a permanently partially disabled condition, and the employee is unable to procure such work with another employer, then payment shall be made by lump sum.

Sec. 7. Minnesota Statutes 1992, section 176.061, subdivision 10, is amended to read:

Subd. 10. [INDEMNITY.] Notwithstanding the provisions of chapter 65B or any other law to the contrary, an employer has a right of indemnity for any compensation paid or payable pursuant to this chapter, including temporary total compensation, temporary partial compensation, permanent partial disability, economic recovery compensation, impairment compensation permanent partial disability compensation, medical compensation, rehabilitation, death, and permanent total compensation.

5800

### TUESDAY, MARCH 29, 1994

Sec. 8. Minnesota Statutes 1992, section 176.101, subdivision 1, is amended to read:

Subdivision 1. [TEMPORARY TOTAL DISABILITY.] (a) For injury producing temporary total disability, the compensation is 66-2/3 percent of the weekly wage at the time of injury.

(b) During the year commencing on October 1, 1992, and each year thereafter, the maximum weekly compensation payable is 105 percent of the statewide average weekly wage for the period ending December 31 of the preceding year.

(c) The minimum weekly compensation payable is 20 percent of the statewide average weekly wage for the period ending December 31 of the preceding year or the injured employee's actual weekly wage, whichever is less.

(d) <u>Subject to subdivisions 3a to 3u</u> This compensation shall be paid during the period of disability, <u>except as</u> <u>provided in this section</u>, payment to be made at the intervals when the wage was payable, as nearly as may be.

(e) Except as provided in section 176.102, subdivision 11, paragraph (b), temporary total disability compensation may not be paid for more than 100 weeks of actual payment, regardless of when payment is made.

Sec. 9. Minnesota Statutes 1992, section 176.101, subdivision 2, is amended to read:

Subd. 2. [TEMPORARY PARTIAL DISABILITY.] (a) In all cases of temporary partial disability the compensation shall be 66-2/3 percent of the difference between the weekly wage of the employee at the time of injury and the wage the employee is able to earn in the employee's partially disabled condition. This compensation shall be paid during the period of disability except as provided in this section, payment to be made at the intervals when the wage was payable, as nearly as may be, and subject to the maximum rate for temporary total compensation.

(b) Except as provided under subdivision 3k in paragraph (e), temporary partial compensation may be paid only while the employee is employed, earning less than the employee's weekly wage at the time of the injury, and the reduced wage the employee is able to earn in the employee's partially disabled condition is due to the injury.

(c) Except as provided in section 176.102, subdivision 11, paragraph (b), temporary partial compensation may not be paid for more than 225 350 weeks, or after 450 weeks after the date of injury, whichever occurs first of actual payment, regardless of when payment is made.

(c) (d) Temporary partial compensation must be reduced to the extent that the wage the employee is able to earn in the employee's partially disabled condition plus the temporary partial disability payment otherwise payable under this subdivision exceeds 500 percent of the statewide average weekly wage.

(e) An employee who is not employed may receive temporary partial disability only if the employee is not eligible for temporary total disability and the employee is medically disabled from working because of the injury.

Sec. 10. Minnesota Statutes 1992, section 176.101 is amended by adding a subdivision to read:

<u>Subd. 3v.</u> [PERMANENT PARTIAL DISABILITY.] <u>An employee who suffers a permanent partial disability due</u> to a personal injury shall receive compensation in an amount as provided by this subdivision. The amount shall be equal to the proportion that the loss of function of the disabled part bears to the whole body multiplied by \$110,000. Payments for permanent disability of more than one body part due to a personal injury in a single occurrence may not exceed 100 percent of the whole body.

Sec. 11. Minnesota Statutes 1992, section 176.101, subdivision 4, is amended to read:

Subd. 4. [PERMANENT TOTAL DISABILITY.] For permanent total disability, as defined in subdivision 5, the compensation shall be 66-2/3 percent of the daily wage at the time of the injury, subject to a maximum weekly compensation equal to the maximum weekly compensation for a temporary total disability and a minimum weekly compensation equal to the minimum weekly compensation for a temporary total disability. This compensation shall be paid during the permanent total disability of the injured employee but after a total of \$25,000 of weekly compensation has been paid, the amount of the weekly compensation benefits being paid by the employer shall be reduced by the amount of any disability benefits being paid by any government disability benefit program if the disability benefits are occasioned by the same injury or injuries which give rise to payments under this subdivision. This reduction shall also apply to any old age and survivor insurance benefits. Payments shall be made at the intervals when the wage was payable, as nearly as may be. In case an employee who is permanently and totally

disabled becomes an inmate of a public institution, no compensation shall be payable during the period of confinement in the institution, unless there is wholly dependent on the employee for support some person named in section 176.111, subdivision 1, 2 or 3, in which case the compensation provided for in section 176.111, during the period of confinement, shall be paid for the benefit of the dependent person during dependency. The dependency of this person shall be determined as though the employee were deceased. <u>Permanent total disability ends at retirement</u>. There is a presumption that an employee is retired at age 72.

Sec. 12. Minnesota Statutes 1992, section 176.101, subdivision 6, is amended to read:

Subd. 6. [MINORS; APPRENTICES.] (a) If any employee entitled to the benefits of this chapter is an apprentice of any age and sustains a personal injury arising out of and in the course of employment resulting in permanent total or a compensable permanent partial disability, for the purpose of computing the compensation to which the employee is entitled for the injury, the compensation rate for temporary total, temporary partial, <u>or</u> a permanent total disability <del>or economic recovery compensation</del> shall be the maximum rate for temporary total disability under subdivision 1.

(b) If any employee entitled to the benefits of this chapter is a minor and sustains a personal injury arising out of and in the course of employment resulting in permanent total disability, for the purpose of computing the compensation to which the employee is entitled for the injury, the compensation rate for a permanent total disability shall be the maximum rate for temporary total disability under subdivision 1.

Sec. 13. Minnesota Statutes 1992, section 176.102, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] (a) This section applies only to vocational rehabilitation of injured employees and their spouses as provided under subdivision 1a. Physical rehabilitation of injured employees is considered treatment subject to section 176.135.

(b) Rehabilitation is intended to restore the injured employee so the employee may return to a job related to the employee's former employment or to a job in another work area which produces an economic status as close as possible to that the employee would have enjoyed without disability. Rehabilitation to a job with a higher economic status than would have occurred without disability is permitted if it can be demonstrated that this rehabilitation is necessary to increase the likelihood of reemployment. Economic status is to be measured not only by opportunity for immediate income but also by opportunity for future income.

(c) Rehabilitation consultations and services provided under this section or section 176.1351 must be provided or supervised by a qualified rehabilitation consultant.

Sec. 14. Minnesota Statutes 1992, section 176.102, is amended by adding a subdivision to read:

Subd. 1b. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings provided in this subdivision.

(a) [QUALIFIED EMPLOYEE.] "Qualified employee" means an employee who, because of the effects of a work-related injury or disease, whether or not combined with the effects of a prior injury or disability:

(1) is precluded or is likely to be precluded from engaging in the employee's usual and customary occupation or from engaging in the job the employee held at the time of injury;

(2) requires rehabilitation services in order to return to suitable gainful employment with the date of injury employer; and

(3) can reasonably be expected to return to suitable gainful employment only through the provision of rehabilitation services, considering the treating physician's opinion of the employee's work ability.

(b) [QUALIFIED REHABILITATION CONSULTANT.] "Qualified rehabilitation consultant" means a person who is professionally trained and experienced and who is registered by the commissioner to provide a rehabilitation consultation and to develop and implement an appropriate plan of rehabilitation services for an employee entitled to rehabilitation benefits under this section. A qualified rehabilitation consultant shall possess at least one of the following credentials:

(1) a baccalaureate degree and certification by the board of rehabilitation certification as a certified rehabilitation counselor or a certified insurance rehabilitation specialist;

(2) a baccalaureate degree and certification by the association of rehabilitation nurses as a certified rehabilitation registered nurse; or

(3) a baccalaureate degree and certification by the American Occupational Therapy Certification Board as a registered occupational therapist. Certification by the American Occupational Therapy Board must have been held for five years before registration by the commissioner.

Beginning January 1, 1995, a qualified rehabilitation consultant must be a current member of a professional rehabilitation organization that provides in its constitution or bylaws for a process of review by peers of its members' professional conduct and services.

(c) [REHABILITATION CONSULTATION.] <u>"Rehabilitation consultation" means a meeting of the employee and assigned qualified rehabilitation consultant to determine whether the employee is a qualified employee, as defined in paragraph (a) to receive rehabilitation services, as defined in paragraph (d), considering the treating physician's opinion of the employee's work ability.</u>

(d) [REHABILITATION SERVICES.] "Rehabilitation services" means a program of vocational rehabilitation, including medical management, designed to return an individual to work consistent with subdivision 1, paragraph (b). The program begins with the first in-person visit of the employee by the assigned qualified rehabilitation consultant, including a visit for purposes of a rehabilitation consultation. The program consists of the sequential delivery and coordination of services by rehabilitation providers under an individualized rehabilitation plan. Specific services under this program may include, but are not limited to, vocational evaluation, counseling, job analysis, job modification, job development, job placement, labor market survey, vocational testing, transferable skills analysis, work adjustment, job seeking skills training, on-the-job training, and retraining.

(e) [SUITABLE GAINFUL EMPLOYMENT.] "Suitable gainful employment" means employment that is reasonably attainable and offers an opportunity to restore the injured employee as soon as possible and as nearly as possible to employment that produces an economic status as close as possible to that which the employee would have enjoyed without the disability. Consideration must be given to the employee's former employment and the employee's qualifications, including, but not limited to, the employee's age, education, previous work history, interests, and skills.

Sec. 15. Minnesota Statutes 1992, section 176.102, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATORS.] The commissioner shall hire a director of rehabilitation services in the classified service. The commissioner shall monitor and supervise rehabilitation services, including, but not limited to, making determinations regarding the selection and delivery of rehabilitation services and the criteria used to approve qualified rehabilitation consultants and rehabilitation vendors. The commissioner may also make determinations regarding fees for rehabilitation services and shall by rule establish a fee schedule or otherwise limit fees charged by qualified rehabilitation consultants and vendors. The commissioner shall annually review the fees and give notice of any adjustment in the State Register. An annual adjustment is not subject to chapter 14. By March 1, 1993, the commissioner shall report to the legislature on the status of the commission's monitoring of rehabilitation services. The commissioner may hire qualified personnel to assist in the commissioner's duties under this section and may delegate the duties and performance.

Sec. 16. Minnesota Statutes 1992, section 176.102, subdivision 4, is amended to read:

Subd. 4. [REHABILITATION PLAN; DEVELOPMENT.] (a) A rehabilitation consultation must be provided by the employer to an injured employee upon request of the employee, the employer, or the commissioner. When the commissioner has received notice or information that an employee has sustained an injury that may be compensable under this chapter, the commissioner must notify the injured employee of the right to request a rehabilitation consultation to assist in return to work. The notice may be included in other information the commissioner gives to the employee under section 176.235, and must be highlighted in a way to draw the employee's attention to it. If a rehabilitation consultation is requested, the employer shall provide a qualified rehabilitation consultant. If the injured employee objects to the employer's selection, the employee may select a qualified rehabilitation consultant of the employee's own choosing within up until 60 days following the filing of a copy of the employee's rehabilitation plan with the commissioner. If the consultation indicates that rehabilitation services are not appropriate under subdivision 1, the employer shall notify the employee of this determination within 14 days after the consultation. The employer or insurer shall provide written notice to the injured employee within five days after the employee has 30 days of lost work time due to the injury that the employee has a right to request a rehabilitation consultation paid for by the employer.

(b) In order to assist the commissioner in determining whether or not to request rehabilitation consultation for an injured employee, an employer shall notify the commissioner whenever the employee's temporary total disability will likely exceed 13 weeks. The notification must be made within 90 days from the date of the injury or when the likelihood of at least a 13-week disability can be determined, whichever is earlier, and must include a current physician's report.

(c) The qualified rehabilitation consultant shall disclose in writing at the first meeting or written communication with the employee the employee's right under paragraphs (a) and (d) to select or request a qualified rehabilitation consultant and any ownership interest or affiliation between the firm which employs the qualified rehabilitation consultant and the employer, insurer, adjusting or servicing company, including the nature and extent of the affiliation or interest.

The consultant shall also disclose to all parties any affiliation, business referral or other arrangement between the consultant or the firm employing the consultant and any other party, attorney, or health care provider involved in the case.

(d) After the initial provision or selection of a qualified rehabilitation consultant as provided under paragraph (a), the employee may request a different qualified rehabilitation consultant which shall be granted or denied by the commissioner or compensation judge according to the best interests of the parties.

(e) The employee and employer shall enter into a program if one is prescribed in a rehabilitation plan within 30 days of the rehabilitation consultation if the qualified rehabilitation consultant determines that rehabilitation is appropriate. A copy of the plan, including a target date for return to work, shall be submitted to the commissioner within 15 days after the plan has been developed.

(f) If the employer does not provide rehabilitation consultation requested under paragraph (a), the commissioner or compensation judge shall notify the employer that if the employer fails to provide a qualified rehabilitation consultant within 15 days to conduct a rehabilitation consultation, the commissioner or compensation judge shall appoint a qualified rehabilitation consultant to provide the consultation at the expense of the employer unless the commissioner or compensation judge determines the consultation is not required.

(g) In developing a rehabilitation plan consideration shall be given to the employee's qualifications, including but not limited to age, education, previous work history, interest, transferable skills, and present and future labor market conditions.

(h) The commissioner or compensation judge may waive rehabilitation <u>consultations and</u> services under this section if the commissioner or compensation judge is satisfied that the employee will return to work in the near future or that rehabilitation services will not be useful in returning an employee to work. for a period of 180 days following the injury if:

(1) the injured employee is offered a job by the date of injury employer within 60 days of the injury;

(2) the job will begin within the 180-day period following the injury;

(3) the job offered is the date of injury job or other suitable gainful employment with the same employer; and

(4) the treating physician has approved the proposed job as being within the physical restrictions of the employee.

If a rehabilitation consultation is waived and the employer withdraws its job offer, the injured employee shall be entitled to a rehabilitation consultation and services provided by a qualified rehabilitation consultant of the injured employee's choice. The commissioner shall report annually to the workers' compensation advisory council the number of waivers granted and denied and the number of employers who obtain waivers and fail to take the injured employee back to work.

Sec. 17. Minnesota Statutes 1992, section 176.105, subdivision 2, is amended to read:

Subd. 2. [RULES; INTERNAL ORGANS.] The commissioner shall by rule establish a schedule of internal organs that are compensable and indicate in the schedule to what extent the organs are compensable under section 176.101, subdivision 3 <u>3v</u>.

Sec. 18. Minnesota Statutes 1992, section 176.105, subdivision 4, is amended to read:

Subd. 4. [LEGISLATIVE INTENT; RULES; LOSS OF MORE THAN ONE BODY PART.] (a) For the purpose of establishing a disability schedule pursuant to clause (b), the legislature declares its intent that the commissioner establish a disability schedule which, assuming the same number and distribution of severity of injuries, the aggregate total of impairment compensation and economic recovery compensation benefits under section 176.101, subdivisions 3a to 3u be approximately equal to the total aggregate amount payable for permanent partial disabilities under section 176.101, subdivision 3, provided, however, that awards for specific injuries under the proposed schedule need not be the same as they were for the same injuries under the schedule pursuant to section 176.101, subdivision 3. The schedule shall be determined by sound actuarial evaluation and shall be based on the benefit level which exists on January 1, 1983.

(b) The commissioner shall by rulemaking adopt procedures setting forth rules for the evaluation and rating of functional disability and the schedule for permanent partial disability and to determine the percentage of loss of function of a part of the body based on the body as a whole, including internal organs, described in section 176.101, subdivision 3, and any other body part not listed in section 176.101, subdivision 3, which the commissioner deems appropriate.

The rules shall promote objectivity and consistency in the evaluation of permanent functional impairment due to personal injury and in the assignment of a numerical rating to the functional impairment.

Prior to adoption of rules the commissioner shall conduct an analysis of the current permanent partial disability schedule for the purpose of determining the number and distribution of permanent partial disabilities and the average compensation for various permanent partial disabilities. The commissioner shall consider setting the compensation under the proposed schedule for the most serious conditions higher in comparison to the current schedule and shall consider 'decreasing awards for minor conditions in comparison to the current schedule.

The commissioner may consider, among other factors, and shall not be limited to the following factors in developing rules for the evaluation and rating of functional disability and the schedule for permanent partial disability benefits:

(1) the workability and simplicity of the procedures with respect to the evaluation of functional disability;

(2) the consistency of the procedures with accepted medical standards;

(3) rules, guidelines, and schedules that exist in other states that are related to the evaluation of permanent partial disability or to a schedule of benefits for functional disability provided that the commissioner is not bound by the degree of disability in these sources but shall adjust the relative degree of disability to conform to the expressed intent of clause (a);

(4) rules, guidelines, and schedules that have been developed by associations of health care providers or organizations provided that the commissioner is not bound by the degree of disability in these sources but shall adjust the relative degree of disability to conform to the expressed intent of clause (a);

(5) the effect the rules may have on reducing litigation;

(6) the treatment of preexisting disabilities with respect to the evaluation of permanent functional disability provided that any preexisting disabilities must be objectively determined by medical evidence; and

(7) symptomatology and loss of function and use of the injured member.

The factors in paragraphs (1) to (7) shall not be used in any individual or specific workers' compensation claim under this chapter but shall be used only in the adoption of rules pursuant to this section.

Nothing listed in paragraphs (1) to (7) shall be used to dispute or challenge a disability rating given to a part of the body so long as the whole schedule conforms with the expressed intent of clause (a).

(c) If an employee suffers a permanent functional disability of more than one body part due to a personal injury incurred in a single occurrence, the percent of the whole body which is permanently partially disabled shall be determined by the following formula so as to ensure that the percentage for all functional disability combined does not exceed the total for the whole body:

where: A is the greater percentage whole body loss of the first body part; and B is the lesser percentage whole body loss otherwise payable for the second body part. A + B (1 A) is equivalent to A + B AB.

For permanent partial disabilities to three body parts due to a single occurrence or as the result of an occupational disease, the above formula shall be applied, providing that A equals the result obtained from application of the formula to the first two body parts and B equals the percentage for the third body part. For permanent partial disability to four or more body parts incurred as described above, A equals the result obtained from the prior application of the formula, and B equals the percentage for the fourth body part or more in arithmetic progressions.

Sec. 19. Minnesota Statutes 1992, section 176.132, subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under this section shall be the difference between the amount the employee receives on or after January 1, 1976, under section 176.101, subdivision 1 or 4, and 65 percent of the statewide average weekly wage as computed annually. For injuries that occur on or after October 1, 1994, the supplementary benefit payable under this section to an employee age 68 or older shall be the difference between the sum of the amount payable under section 176.101, subdivision 1 or 4, plus any governmental old age, survivor, or disability benefit; and 65 percent of the statewide average weekly wage as computed annually.

(b) In the event an eligible recipient is currently receiving no compensation or is receiving a reduced level of compensation because of a credit being applied as the result of a third party liability or damages, the employer or insurer shall compute the offset credit as if the individual were entitled to the actual benefit or 65 percent of the statewide average weekly wage as computed annually, whichever is greater. If this results in the use of a higher credit than otherwise would have been applied and the employer or insurer becomes liable for compensation benefits which would otherwise not have been paid, the additional benefits resulting shall be handled according to this section.

(c) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of a valid agreement in settlement of a claim, no supplementary benefit shall be payable under this section. Attorney's fees shall be allowed in settlements of claims for supplementary benefits in accordance with this chapter.

(d) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of prior limitations in the maximum amount payable for permanent total disability or because of reductions resulting from the simultaneous receipt of old age or disability benefits, the supplementary benefit shall be payable for the difference between the actual amount of compensation currently being paid and 65 percent of the statewide average weekly wage as computed annually.

(e) In the event that an eligible recipient is receiving simultaneous benefits from any government disability program, the amount of supplementary benefits payable under this section shall be reduced by five percent. If the individual does not receive the maximum benefits for which the individual is eligible under other governmental disability programs due to the provisions of United States Code, title 42, section 424a(d), this reduction shall not apply.

(f) Notwithstanding any other provision in this subdivision to the contrary, if the individual does not receive the maximum benefits for which the individual is eligible under other governmental disability programs due to the provision of United States Code, title 42, section 424a(d), the calculation of supplementary benefits payable to the individual shall be as provided under this section in Minnesota Statutes 1988.

Sec. 20. Minnesota Statutes 1992, section 176.132, subdivision 3, is amended to read:

Subd. 3. [PAYMENT.] The payment of supplementary benefits shall be the responsibility of the employer or insurer currently paying total disability benefits, or any other payer of such benefits. When the eligible individual is not currently receiving benefits because the total paid has reached the maximum prescribed by law the employer and insurer shall, nevertheless, pay the supplementary benefits that are prescribed by law. The employer or insurer paying the supplementary benefit shall have the right of full reimbursement from the special compensation fund for the amount of such benefits paid for injuries prior to October 1, 1994.

Sec. 21. Minnesota Statutes 1992, section 176.178, is amended to read:

176.178 [FRAUD.]

<u>Subdivision 1.</u> [INTENT.] Any person who, with intent to defraud, receives workers' compensation benefits to which the person is not entitled by knowingly misrepresenting, misstating, or failing to disclose any material fact is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3.

<u>Subd. 2.</u> [FORMS.] The text of subdivision 1 shall be placed on all forms prescribed by the commissioner for claims or responses to claims for workers' compensation benefits under this chapter. The absence of the text does not constitute a defense against prosecution under subdivision 1.

Sec. 22. Minnesota Statutes 1992, section 176.179, is amended to read:

176.179 [RECOVERY OF OVERPAYMENTS.]

Notwithstanding section 176.521, subdivision 3, or any other provision of this chapter to the contrary, except as provided in this section, no lump sum or weekly payment, or settlement, which is voluntarily paid to an injured employee or the survivors of a deceased employee in apparent or seeming accordance with the provisions of this chapter by an employer or insurer, or is paid pursuant to an order of the workers' compensation division, a compensation judge, or court of appeals relative to a claim by an injured employee or the employee's survivors, and received in good faith by the employee or the employee's survivors shall be refunded to the paying employer or insurer in the event that it is subsequently determined that the payment was made under a mistake in fact or law by the employer or insurer. When the payments have been made to a person who is entitled to receive further payments of compensation for the same injury, the mistaken compensation may be taken as a full credit against future lump sum benefit entitlement and as a partial credit against future weekly benefits. The credit applied against further payments of temporary total disability, temporary partial disability, permanent total disability, retraining benefits, or death benefits<del>, or weekly payments of economic recovery or impairment compensation</del> shall not exceed 20 percent of the amount that would otherwise be payable.

A credit may not be applied against medical expenses due or payable.

Where the commissioner or compensation judge determines that the mistaken compensation was not received in good faith, the commissioner or compensation judge may order reimbursement of the compensation. For purposes of this section, a payment is not received in good faith if it is obtained through fraud, or if the employee knew that the compensation was paid under mistake of fact or law, and the employee has not refunded the mistaken compensation.

Sec. 23. Minnesota Statutes 1992, section 176.221, subdivision 6a, is amended to read:

Subd. 6a. [MEDICAL, REHABILITATION, ECONOMIC RECOVERY, AND IMPAIRMENT PERMANENT PARTIAL DISABILITY COMPENSATION.] The penalties provided by this section apply in cases where payment for treatment under section 176.135, rehabilitation expenses under section 176.102, subdivisions 9 and 11, economic recovery compensation or impairment or permanent partial disability compensation are not made in a timely manner as required by law or by rule adopted by the commissioner.

Sec. 24. Minnesota Statutes 1992, section 176.225, is amended by adding a subdivision to read:

Subd. 6. [VIOLATIONS OF SAFETY PROVISIONS; PENALTY.] If injury is caused by the failure of the employer to comply with any statute or any lawful order of the department, compensation and death benefits provided in this chapter shall be increased 15 percent but the total increase may not exceed \$15,000. Failure of an employer reasonably to enforce compliance by employees with that statute or order of the department constitutes failure by the employer to comply with that statute or order.

Sec. 25. Minnesota Statutes 1992, section 176.225, is amended by adding a subdivision to read:

Subd. 7. [DECREASED COMPENSATION.] If injury is caused by the failure of the employee to use safety devices which are provided in accordance with any statute or lawful order of the department and are adequately maintained, and the use of which is reasonably enforced by the employer, or if injury results from the employee's failure to obey any reasonable rule adopted and reasonably enforced by the employer for the safety of the employee and of which the employee has notice, the compensation and death benefit provided in this chapter shall be reduced 15 percent but the total reduction may not exceed \$15,000.

Sec. 26. Minnesota Statutes 1992, section 176.645, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] For injuries occurring after October 1, 1975 for which benefits are payable under section 176.101, subdivisions 1, 2 and 4, and section 176.111, subdivision 5, the total benefits due the employee or any dependents shall be adjusted in accordance with this section. On October 1, 1981, and thereafter on the anniversary of the date of the employee's injury the total benefits due shall be adjusted by multiplying the total benefits due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, of the year two years previous to the adjustment and the numerator of which is the statewide average weekly wage for December 31, of the year previous to the adjustment. For injuries occurring after October 1, 1975, all adjustments provided for in this section shall be included in computing any benefit due under this section. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section shall exceed six percent a year; in those instances where the adjustment under the formula of this section would exceed this maximum, the increase shall be deemed to be six percent. For injuries occurring on or after October 1, 1992, no adjustment under the formula of this section shall exceed four percent a year; in those instances where the adjustment under this section shall exceed four percent a year; in those instances of the section shall exceed four percent a year; in those instances where the formula of this section shall exceed four percent a year; in those instances where the formula of this section shall exceed four percent a year; in those instances where the formula of this section shall exceed four percent a year; in those instances where the formula of this section shall exceed this maximum, the increase shall be deemed to be four percent.

Sec. 27. Minnesota Statutes 1992, section 176.83, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] In addition to any other section under this chapter giving the commissioner the authority to adopt rules, the commissioner may adopt, amend, or repeal rules to implement the provisions of this chapter. The rules include but are not limited to the rules listed in this section. The commissioner has no authority to adopt or amend rules to have the substance or effect of the 1993 rehabilitation rules, treatment standards rules, rules of practice, and medical rules of practice.

Sec. 28. Minnesota Statutes 1992, section 176.83, subdivision 2, is amended to read:

Subd. 2. [REHABILITATION.] Rules necessary to implement and administer section 176.102, including the establishment of qualifications necessary to be a qualified rehabilitation consultant and the requirements to be an approved registered vendor of rehabilitation services.

The rules may also provide for penalties to be imposed by the commissioner against insurers or self-insured employers who fail to provide rehabilitation consultation to employees pursuant to section 176.102.

These rules may also establish criteria for determining "reasonable moving expenses" under section 176.102.

The rules shall also establish criteria, guidelines, methods, or procedures to be met by an employer or insurer in providing the initial rehabilitation consultation required under this chapter which would permit the initial consultation to be provided by an individual other than a qualified rehabilitation consultant. In the absence of rules regarding an initial consultation shall be conducted pursuant to section 176.102.

Sec. 29. Minnesota Statutes 1992, section 176.83, subdivision 5, is amended to read:

Subd. 5. [TREATMENT STANDARDS FOR EXCESSIVE MEDICAL SERVICES.] In consultation with the medical services review board or the rehabilitation review panel, the commissioner shall adopt emergency and permanent rules establishing standards and procedures for health care provider treatment. The rules shall apply uniformly to all providers including those providing managed care under section 176.1351. The rules shall be used to determine determining whether a provider of health care services and rehabilitation services, including a provider of medical, chiropractic, podiatric, surgical, hospital or other services, is performing procedures or providing services at a level or with a frequency that is excessive, unnecessary, or inappropriate based upon accepted medical standards for quality health care and accepted rehabilitation standards.

The rules shall-include, but are not limited to, the following:

(1) criteria for diagnosis and treatment of the most common work-related injuries including, but not limited to, low back injuries and upper extremity repetitive trauma injuries;

(2) criteria for surgical procedures including, but not limited to, diagnosis, prior conservative treatment, supporting diagnostic imaging and testing, and anticipated outcome criteria;

(3) criteria for use of appliances, adoptive equipment, and use of health elubs or other exercise facilities;

(4) criteria for diagnostic imaging procedures;

(5) criteria for inpatient hospitalization; and

(6) criteria for treatment of chronic pain.

If it is determined by the payer that the level, frequency or cost of a procedure or service of a provider is excessive, unnecessary, or inappropriate according to the standards established by the rules, the provider shall not be paid for the <u>excessive</u> procedure, service, or cost by an insurer, self-insurer, or group self-insurer, and the provider shall not be reimbursed or attempt to collect reimbursement for the <u>excessive</u> procedure, service, or cost from any other source, including the employee, another insurer, the special compensation fund, or any government program unless the commissioner or compensation judge determines at a hearing or administrative conference that the level, frequency, or cost was not excessive in which case the insurer, self-insurer, or group self-insurer shall make the payment deemed reasonable.

A rehabilitation provider who is determined by the rehabilitation review panel board, after hearing, to be consistently performing procedures or providing services at an excessive level or cost may be prohibited from receiving any further reimbursement for procedures or services provided under this chapter. A prohibition imposed on a provider under this subdivision may be grounds for revocation or suspension of the provider's license or certificate of registration to provide health care or rehabilitation service in Minnesota by the appropriate licensing or certifying body. The medical services review board shall review excessive, inappropriate, or unnecessary health care provider treatment under section 176.103, subdivision 2.

Sec. 30. [SUNSET.]

The workers' compensation court of appeals expires December 31, 1997. All appeals to the workers' compensation court of appeals are transferred to district court, which shall sit as an appellate court.

Sec. 31. [REVISOR'S INSTRUCTION.]

The revisor of statutes shall change the words "workers' compensation court of appeals" and "court of appeals" wherever they appear in Minnesota Statutes, chapter 176, to "district court."

Sec. 32. [REPEALER; COURT OF APPEALS.]

Minnesota Statutes 1992, sections 175A.01; 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; and 176.011, subdivision 7, are repealed.

Sec. 33. [MINNESOTA RULES REPEALED.]

Minnesota Rules, parts 5220.0100 to 5220.1900; 5221.0100 to 5221.0700; and 5221.6010 to 5221.8900, are repealed.

Sec. 34. [REPEALER; TWO TIER SYSTEM; PROPOSED RULES.]

Minnesota Statutes 1992, sections 176.011, subdivisions 25 and 26; 176.101, subdivisions 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u, are repealed.

The rules of practice proposed June 21, 1993, in the State Register to be codified as Minnesota Rules, parts 5220.2500 to 5220.2940, shall not take effect. If the rules are in effect before the effective date of this section, Minnesota Rules, parts 5220.2500 to 5220.2940, are repealed and the rules in effect before them are reinstated.

Sec. 35, [EFFECTIVE DATE.]

Sections 1 to 25, 27, 28, 33, and 34 are effective October 1, 1994, and apply to injuries on or after that date. Section 26 is effective the day following final enactment and applies retroactively to October 1, 1992. Sections 30 to 32 are effective December 31, 1997. Sections 30 to 32 do not take effect if the workers' compensation advisory council unanimously recommends to the legislature that sections 30 to 32 not take effect, and if sections 30 to 32 are repealed before December 31, 1997.

### ARTICLE 4

## COLLECTIVE BARGAINING

### Section 1. [176.1812] [COLLECTIVE BARGAINING AGREEMENTS.]

<u>Subdivision 1.</u> [REQUIREMENTS.] Upon appropriate filing, the commissioner, compensation judge, workers' compensation court of appeals, and courts shall recognize as valid and binding a provision in a collective bargaining agreement between an employer and the recognized or certified and exclusive representative of its employees to establish certain obligations and procedures relating to workers' compensation. This agreement must be limited to, but need not include, all of the following:

(a) an alternative dispute resolution system to supplement, modify, or replace the provisions of this chapter. The system may include mediation, arbitration, or other dispute resolution proceedings, the results of which may be binding upon the parties. A system of arbitration may provide that the decision of the arbiter is subject to review either by the workers' compensation court of appeals in the same manner as an award or order of a compensation judge or, in lieu of review by the workers' compensation court of appeals, by the district court, by the Minnesota court of appeals, or by the supreme court in the same manner as the workers' compensation court of appeals;

(b) an agreed list of providers of medical treatment that may be the exclusive source of all medical and related treatment provided under this chapter, if an employer has not opted to participate in a managed care plan as provided in section 176.1351;

(c) the use of a limited list of impartial physicians to conduct independent medical examinations;

(d) the creation of a light duty, modified job, or return to work program;

(e) the establishment of vocational rehabilitation or retraining programs;

(f) the establishment of safety committees and safety procedures; and

(g) the adoption of a 24-hour health care coverage plan.

<u>Subd. 2.</u> [FILING AND REVIEW.] <u>A copy of the agreement and the approximate number of employees who will be covered under it must be filed with the commissioner. Within 21 days of receipt of an agreement, the commissioner shall review the agreement for compliance with this chapter and notify the parties of any additional information required or any modification that must be made to bring the agreement into compliance. Upon receipt of any requested information or modification, the commissioner must notify the parties within 21 days that the agreement has or has not been approved. The agreement must be approved if the commissioner finds that the agreement:</u>

(1) proposes to provide quality services required by this chapter in a manner that is timely, effective, and convenient for the worker;

(2) provides these services in an area geographically convenient to the employees it serves;

(3) provides appropriate incentives to reduce service costs and utilization without sacrificing the quality of service;

(4) as appropriate, provides aggressive case management for injured workers and implements a program to encourage an early return to work and cooperative efforts by the workers and the employer to promote workplace health and safety consultative and other services; and

(5) provides a timely and accurate method of reporting to the commissioner necessary information regarding service cost and utilization to enable the commissioner to annually report to the legislature. The information provided to the commissioner must include aggregate data on the:

(i) person hours covered by agreements filed;

(ii) number of claims filed;

(iii) average cost per claim;

## TUESDAY, MARCH 29, 1994

(iv) number of litigated claims, including the number of claims submitted to arbitration, the workers' compensation court of appeals, the district court, the Minnesota court of appeals, or the supreme court;

(v) number of contested claims resolved prior to arbitration;

(vi) projected incurred costs and actual costs of claims;

(vii) employer's safety history;

(viii) number of workers participating in vocational rehabilitation; and

(ix) number of workers participating in light-duty programs.

<u>Subd. 3.</u> [REFUSAL TO APPROVE.] <u>A person aggrieved by the commissioner's decision concerning an agreement</u> may request in writing, within 30 days of the date the notice is issued, the initiation of a contested case proceeding under chapter 14. The request to initiate a contested case must be received by the department by the 30th day after the commissioner's decision. An appeal from the commissioner's final decision and order may be taken to the workers' compensation court of appeals pursuant to sections 176.421 and 176.442.

Subd. 4. [VOID AGREEMENTS.] Nothing in this section shall allow any agreement that diminishes an employee's entitlement to benefits as otherwise set forth in this chapter. Any agreement in violation of this chapter is null and void.

<u>Subd. 5.</u> [APPROVAL OF INSURANCE CARRIER.] <u>If the employer is insured under this chapter, the provision</u> <u>shall not be recognized by the commissioner, compensation judge, workers' compensation court of appeals, and other</u> <u>courts unless agreed to by the employer's insurance carrier, which may withhold its approval.</u>

Subd. 6. [RULES.] The commissioner may adopt emergency or permanent rules necessary to implement this section."

Delete the title and insert:

"A bill for an act relating to workers' compensation; modifying provisions relating to insurance, procedures and benefits; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 79.01, subdivision 1; 79.074, by adding subdivisions; 79.50; 79.59; 79A.01, subdivision 4; 79A.02, subdivisions 1, 2, and 4; 79A.04, subdivision 9; 79A.15; 175.007, subdivision 1; 176.011, subdivisions 9, 15, and 18; 176.021, subdivisions 3 and 3a; 176.061, subdivision 10; 176.101, subdivisions 1, 2, 4, 6, and by adding a subdivision; 176.102, subdivisions 1, 2, 4, and by adding a subdivision; 176.105, subdivisions 2 and 4; 176.132, subdivisions 2 and 3; 176.178; 176.179; 176.221, subdivision 6a; 176.225, by adding subdivisions; 176.645, subdivision 1; and 176.83, subdivisions 1, 2, and 5; Minnesota Statutes 1993 Supplement, section 79A.04, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 79; 79A; and 176; repealing Minnesota Statutes 1992, sections 175A.01; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; 176.011, subdivisions 7, 25, and 26; and 176.101, subdivisions 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u; Minnesota Rules, parts 5220.0100 to 5220.1900; 5220.2500 to 5220.2940; 5221.0100 to 5221.0700; and 5221.6010 to 5221.8900."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

S. F. No. 819, A bill for an act relating to telephone services; prohibiting collection of charges for information services as if they were charges for telephone services; providing for notice of certain call blocking options; amending Minnesota Statutes 1992, section 237.66, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Page 1, line 22, after "transmitted" insert "exclusively orally"

Page 2, line 1, delete ", <u>1-976</u>,"

Page 3, line 36, delete "common carrier" and insert "telephone company or independent telephone company"

Page 4, line 19, after the period, insert: "<u>This subdivision does not apply to the issuance of identification codes or personal identification numbers to consumers by a financial institution as defined in United States Code, title 18, section 20, or an affiliate or subsidiary of a financial institution."</u>

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 392, 553, 1457, 1830, 2013, 2148, 2226, 2251, 2275, 2299, 2402, 2411, 2420, 2493, 2551, 2587, 2590, 2626, 2657, 2670, 2673, 2677, 2700, 2737, 2839, 3017 and 3091 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1752, 1967, 1968, 1983, 2260, 2415, 2425, 2522 and 819 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Nelson introduced:

H. F. No. 3174, A bill for an act relating to capital improvements; appropriating money to the commissioner of transportation to construct addition to Detroit Lakes welding shop; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Capital Investment.

Cooper and Greenfield introduced:

H. F. No. 3175, A bill for an act relating to occupations and professions; establishing the professional counseling licensing board; requiring professional counselors to be licensed; requiring rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 148A.01, subdivision 5; 148B.60, subdivision 3; and 214.04, subdivision 3; Minnesota Statutes 1993 Supplement, sections 116J.70, subdivision 2a; 214.01, subdivision 2; and 609.341, subdivision 17; proposing coding for new law in Minnesota Statutes, chapter 148B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Kahn introduced:

H. F. No. 3176, A bill for an act relating to the metropolitan waste control commission; applying the uniform municipal contracting law to purchases for the metropolitan disposal system; amending Minnesota Statutes 1992, section 473.523, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Clark introduced:

H. F. No. 3177, A bill for an act relating to consumer protection; video cassette tapes; requiring captioning for deaf or hearing-impaired persons; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

The Speaker called Kahn to the Chair.

## **MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1823, 2237, 2242, 1870, 1835, 2149, 1951 and 2450.

PATRICK E. FLAHAVEN, Secretary of the Senate

# FIRST READING OF SENATE BILLS

S. F. No. 1823, A bill for an act relating to government data practices; listing provisions codified outside the government data practices act that limit access to data; amending Minnesota Statutes 1992, section 13.99, subdivisions 7, 39, 45, 53, 60, 71, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 2237, A bill for an act relating to game and fish; changing certain dates relating to the taking of fish; changing requirements relating to when fish houses and dark houses may be on the ice; amending Minnesota Statutes 1992, sections 97C.345, subdivisions 1, 2, and 3; 97C.355, subdivision 7; and 97C.371, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 2242, A bill for an act relating to crimes; defining escaping while held in lawful custody to include absconding from electronic monitoring devices; amending Minnesota Statutes 1992, section 609.485, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1870, A bill for an act relating to crime victims; requiring the court at sentencing to inform victims how to implement their right to notice of offender release from correctional facilities; proposing coding for new law in Minnesota Statutes, chapter 611A.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1835, A bill for an act relating to corrections; prohibiting payment of costs of elective or cosmetic procedures for prison and jail inmates; amending Minnesota Statutes 1992, sections 241.021, subdivision 4; and 641.15, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

5814

S. F. No. 2149, A bill for an act relating to the environment; making the field citation pilot project permanent law; authorizing penalties for unauthorized waste disposal; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1951, A bill for an act relating to insurance; health; restricting termination or reductions of coverage for fibrocystic conditions; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

S. F. No. 2450, A bill for an act relating to the Minnesota historical society; clarifying law relating to its status; amending Minnesota Statutes 1992, section 138.01, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Elections.

## CONSENT CALENDAR

H. F. No. 2622, A bill for an act relating to state lands; authorizing the department of natural resources to sell certain state land in the counties of Itasca and St. Louis.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth	Hausman Holsten Hugoson Huntley Jácobs Jefferson Jennings Johnson, A. Johnson, R.	Krinkie Krueger Lasley Leppik Lieder Limmer Limmer Long Lourey	Mosel Murger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson M	Perlt Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina	Swenson Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman
		Huntley	Leppik	Neary		Trimble
	Erhardt					Van Dellen
Bergson	Evans	Jennings	Lindner	Olson, E.	Rice	Van Engen
	Farrell	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bettermann	Finseth	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bishop	Frerichs	Johnson, V.	Luther	Onnen	Sama	Wagenius
Brown, C.	Garcia	Kahn	Lynch	Opatz	Seagren	Waltman
Brown, K.	Girard	Kalis	Macklin	Orenstein	Sekhon	Weaver
Carlson	Goodno	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carruthers	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Wenzel.
Clark	Greiling	Kinkel	McCollum	Ostrom	Smith	Winter
Commers	Gruenes	Klinzing	McGuire	Ozment	Solberg	Wolf
Cooper	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Worke
Dauner	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Workman
Davids	Haukoos	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 2770 was reported to the House.

Wejcman moved that H. F. No. 2770 be stricken from the Consent Calendar and be placed on General Orders. The motion prevailed.

#### REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Carruthers, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for today:

H. F. Nos. 2665, 2248, 2710, 2373, 1778, 1915 and 2064.

## SPECIAL ORDERS

H. F. No. 2665, A bill for an act relating to parks and recreation; adding lands to certain state parks; converting certain recreation areas to state parks; deleting land from a recreation area; combining a trail and certain waysides into a recreation area; abolishing a state park; amending Minnesota Statutes 1992, section 85.054, by adding a subdivision; repealing Minnesota Statutes 1992, section 85.013, subdivisions 16, 18a, 24, 26, and 28.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Holsten	Krueger	Munger	Pugh	Tompkins
Anderson, R.	Delmont	Hugoson	Lasley	Murphy	Reding	Trimble
Asch	Dempsey	Huntley	Leppik	Neary	Rest	Tunheim
Battaglia	Dorn	Jacobs	Lieder	Nelson	Rhodes	Van Dellen
Bauerly	Erhardt	Jefferson	Limmer	Ness	Rice	Van Engen
Beard	Evans	Jennings	Lindner	Olson, K	Rodosovich	Vellenga
Bergson Bertram Bettermann Bishop Brown, K. Carlson Carlson Carruthers Clark Commers Cooper	Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greeiling Gruenes Gutknecht	Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker	Long Lourey Luther Lynch Macklin Makon Mariani McCollum McGuire Milbert	Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty	Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma	Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman
Dauner	Hasskamp	Knight	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Haukoos	Koppendrayer	Morrison	Perlt	Swenson	
Dawkins	Hausman	Krinkie	Mosel	Peterson	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 2248, A bill for an act relating to agriculture; changing certain pesticide posting requirements; amending Minnesota Statutes 1992, section 18B.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 132 yeas and 0 nays as follows:

Farrell

Finseth Frerichs

Garcia

Girard

Goodno Greenfield

Greiling Gruenes

Gutknecht

Those who voted in the affirmative were:

Abrams	Beard	Brown, K.	Cooper	Delmont
Anderson, R.	Bergson	Carlson	Dauner	Dempsey
Asch	Bertram	Carruthers	Davids	Dorn
Battaglia	Bettermann	Clark	Dawkins	Erhardt
Bauerly	Bishop	Commers	Dehler	Evans

## JOURNAL OF THE HOUSE

#### 79TH DAY

•	•					
Hasskamp	Kelley	Long	Murphy	Pauly	Sekhon	Van Engen
Haukoos	Kelso	Lourey	Neary	Pawlenty	Simoneau	Vellenga
Hausman	Kinkel	Luther	Nelson	Pelowski	Skoglund	Vickerman
Holsten	Klinzing	Lynch	Ness	Perlt	Smith	Wagenius
Hugoson	Knickerbocker	Macklin	Olson, E.	Peterson	Solberg	Waltman
Huntley	Knight	<ul> <li>Mahon</li> </ul>	Olson, K.	Pugh	Stanius	Weaver
Jacobs	Koppendrayer	Mariani	Olson, M.	Reding	Steensma	Wejcman
Jefferson	Krinkie	McCollum	Onnen	Rest	Sviggum	Wenzel
Jennings	Krueger	McGuire	Opatz	Rhodes	Swenson	Winter
Johnson, A.	Lasley	Milbert	Orenstein	Rice	Tomassoni	Wolf
Johnson, R.	Leppik	Molnau	Orfield	Rodosovich	Tompkins	Worke
Johnson, V.	Lieder	Morrison	Osthoff	Rukavina	Trimble	Workman
Kahn	Limmer	Mosel	Ostrom	Sama	Tunheim	Spk. Anderson, I.
Kalis	Lindner	Munger	Ozment	Seagren	Van Dellen	•

The bill was passed and its title agreed to.

H. F. No. 2710, A bill for an act relating to state government; requiring the commissioner of administration to study and report on the best way to increase electronic services to citizens; proposing coding for new law in Minnesota Statutes, chapter 16B.

The bill was read for the third 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	Dawkins	Hausman	Krueger	Murphy	Pugh	Tompkins
Anderson, R.	Dehler	Holsten	Lasley	Neary	Reding	Trimble
Asch	Delmont	Hugoson	Leppik	Nelson	Rest	Tunheim
Battaglia	Dempsey	Huntley	Lieder	Ness	Rhodes	Van Dellen
Bauerly	Dorn	Jacobs	Limmer	Olson, E.	Rice	Van Engen
Beard	Erhardt	Jefferson	Long	Olson, K.	Rodosovich	Vellenga
Bergson	Evans	Jennings	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Farrell	Johnson, A.	Luther	Onnen	Sarna	Wagenius
Bettermann	Finseth	Johnson, R.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Johnson, V.	Macklin	Orenstein	Sekhon	Weaver
Brown, C.	Garcia	Kahn	Mahon	Orfield	Simoneau	Wejcman
Brown, K.	Girard	Kalis	Mariani	Osthoff	Skoglund	Wenzel
Carlson	Goodno	Kelley	McCollum	Ostrom	Smith	Winter
Carruthers	Greenfield	Kelso	McGuire	Ozment	Solberg	Wolf
Clark	Greiling	Kinkel	Milbert	Pauly	Stanius	Worke
Commers	Gruenes	Klinzing	Molnau	Pawlenty	Steensma	Workman
Cooper	Gutknecht	Knickerbocker	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Dauner	Hasskamp	Knight	Mosel	Perlt	Swenson	-
Davids	Haukoos	Krinkie	Munger	Peterson	Tomassoni	

Those who voted in the negative were:

#### Koppendrayer Lindner

The bill was passed and its title agreed to.

H. F. No. 2373, A bill for an act relating to agriculture; modifying certain provisions relating to wheat and barley promotion orders and the payment and refund of checkoff fees; 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.

## TUESDAY, MARCH 29, 1994

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:

AbramsDawkinsHausmanAnderson, R.DehlerHolstenAschDelmontHugosonBattagliaDempseyJacobsBauerlyDornJeffersonBeardErhardtJenningsBergsonEvansJohnson, A.BettramFarrellJohnson, R.BettermannFinsethJohnson, V.BishopFrerichsKahnBrown, C.GarciaKalisBrown, K.GirardKelleyCarlsonGoodnoKelsoCarruthersGreenfieldKinkelClarkGreilingKlinzingCooperGutknechtKnightDaunerHasskampKoppendrayeDavidsHaukoosKrinkie	Molnau	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt	Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson	Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worknan Spk. Anderson, I.
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Those who voted in the negative were:

Huntley

The bill was passed and its title agreed to.

H. F. No. 1778, A bill for an act relating to retirement; establishing minimum qualifications for audits of police and fire relief associations; establishing reporting requirements for certain public pension funds; requiring notice of meetings of relief associations and requiring meetings to be open to the public; changing employer contributions rates for the Bloomington fire relief association; amending Minnesota Statutes 1992, sections 69.051, subdivision 1; 69.773, subdivision 4; and 424A.04, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 75 yeas and 57 nays as follows:

Those who voted in the affirmative were:

						1
Abrams	Delmont	Jacobs	Lieder	Neary	Rest	Tomassoni
Asch	Dempsey	Jefferson	Long	Olson, E.	Rhodes	Tompkins
Bauerly	Erhardt	Jennings	Lourey	Olson, K.	Rice	Trimble
Bergson	Evans	Johnson, A.	Luther	Orenstein	Rodosovich	Tunheim
Bishop	Farrell	Johnson, V.	Mahon	Orfield	Seagren	Van Dellen
Carlson	Garcia	Kahn .	Mariani	Osthoff	Sekňon	Vellenga
Carruthers	Greenfield	Kelley	McCollum	Pauly	Simoneau	Wagenius
Clark	Greiling	Kinkel	McGuire	Pawlenty	Skoglund	Wejcman
Commers	Hasskamp	Knickerbocker	Milbert	Pelowski	Solberg	Spk. Anderson, I.
Dawkins	Hausman	Knight	Morrison	Perlt	Stanius	
Dehler	Huntley	Lasley	Munger	Pugh	Swenson	
Those who	voted in the neg	gative were:				
Anderson, R.	Bettermann	Dauner	Frerichs	Gutknecht	Johnson, R.	Koppendraver
Battaglia	Brown, C.	Davids	Girard	Haukoos	Kalis	Krinkie
Beard	Brown, K.	Dorn	Goodno	Holsten	Kelso	Krueger
Bertram	Cooper	Finseth	Gruenes	Hugoson	Klinzing	Limmer
	L			0	-0	

Lindner Lynch Macklin Molnau Mosel	C C I	•	Opatz Ostrom Ozment Peterson Reding	Rukavina Sarna Smith Steensma Sviggum	Van Engen Vickerman Waltman Weaver Wenzel	Winter Wolf Worke Workman	
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The bill was passed and its title agreed to.

H. F. No. 1915, A bill for an act relating to employment; establishing a disaster volunteer leave program in the state civil service; proposing coding for new law in Minnesota Statutes, chapter 43A.

The bill was read for the third 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 9 nays as follows:

Those who voted in the affirmative were:

Abrams	Davids	Hugoson	Leppik	Neary	Pugh	Trimble
Anderson, R.	Dawkins	Huntley	Lieder	Nelson	Reding	Tunheim
Asch	Delmont	Jacobs	Lindner	Ness	Rest	Van Dellen
Battaglia	Dempsey	Jefferson	Long	Olson, E.	Rhodes	Van Engen
Bauerly	Dom	Jennings	Lourey	Olson, K.	Rice	Vellenga
Beard	Erhardt	Johnson, A.	Luther	Olson, M.	Rodosovich	Vickerman
Bergson	Evans	Johnson, R.	Lynch	Onnen	Rukavina	Wagenius
Bertram	Farrell	Johnson, V.	Macklin	Opatz	Sarna	Waltman
Bettermann	Finseth	Kahn	Mahon	Orenstein	Seagren	Weaver
Bishop	Frerichs	Kális	Mariani	Orfield	Sekhon	Wejcman
Brown, C.	Garcia	Kelley	McCollum	Osthoff	Simoneau	Wenzel
Brown, K.	Girard	Kelso	McGuire	Ostrom	Skoglund	Winter
Carlson	Goodno	Kinkel	Milbert	Ozment	Smith	Wolf
Carruthers	Greenfield	Klinzing	Molnau	Pauly	Solberg	Worke
Clark	Greiling	Knickerbocker	Morrison	Pawlenty	Stanius	Workman
Commers	Hasskamp	Knight	Mosel	Pelowski	Steensma	Spk. Anderson, I.
Cooper	Hausman	Krueger	Munger	Perlt	Swenson	•
Dauner	Holsten	Lasley	Murphy	Peterson	Tomassoni	

Those who voted in the negative were:

Dehler	Gutknecht	Koppendrayer	Limmer	Tompkins
Gruenes	Haukoos	Krinkie	Sviggum	•

The bill was passed and its title agreed to.

H. F. No. 2064, A bill for an act relating to housing; modifying programs of the housing finance agency for low-income and tribal housing and for accessibility loans; amending Minnesota Statutes 1992, sections 462A.05, subdivision 14d, and by adding subdivisions; 462A.10, by adding a subdivision; 462A.201, by adding a subdivision; 462A.21, by adding a subdivision; 462A.30, subdivision 9; and 462A.31, subdivision 4; Minnesota Statutes 1993 Supplement, sections 462A.07, subdivision 14; 462A.202, subdivision 7; and 462A.222, 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 103 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Beard	Brown, C.	Clark	Dawkins
Asch	Bergson	Brown, K.	Cooper	Dehler
Battaglia	Bertram	Carlson	Dauner	Delmont
Bauerly	Bishop	Carruthers	Davids	Dorn

Erhardt Evans Farrell Finseth

1t l h Garcia Goodno Greenfield Greiling

### TUESDAY, MARCH 29, 1994

#### 79TH DAY]

Gruenes Hasskamp Hausman Huntley Jacobs Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight Knueger Lasley Lieder Long Lourey

Luther

Macklin

Mahon

Mariani

McCollum ·

McGuire

Molnau

Munger

Murphy

Mosel

Neary Nelson Olson, E. Olson, K. Olson, M. Opatz Orenstein Orfield Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skogiund Smith Solberg Steensma Swenson Tomassoni Trimble Tunheim Van Engen Vellenga Wagenius Weaver Wejcman Wenzel Winter Spk. Anderson, I.

Those who voted in the negative were:

Abrams	Frerichs	Holsten	Leppik	Milbert	Stanius	Vickerman
Bettermann	Girard	Hugoson	Limmer	Morrison	Sviggum	Waltman
Commers	Gutknecht	Koppendrayer	Lindner	Ness	Tompkins	Wolf
Dempsey	Haukoos	Krinkie	Lynch	Onnen	Van Dellen	Worke

The bill was passed and its title agreed to.

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

## MOTIONS AND RESOLUTIONS

Pugh moved that the name of Lourey be added as an author on H. F. No. 262. The motion prevailed.

Trimble moved that the name of Steensma be added as an author on H. F. No. 2132. The motion prevailed.

Hasskamp moved that the name of Garcia be stricken and the name of Kalis be added as an author on H. F. No. 2322. The motion prevailed.

Brown, K., moved that the name of Dauner be added as an author on H. F. No. 2370. The motion prevailed.

Ness moved that his name be stricken as an author on H. F. No. 2885. The motion prevailed.

Smith moved that his name be stricken as an author on H. F. No. 3124. The motion prevailed.

Osthoff moved that his name be stricken as an author on H. F. No. 3172. The motion prevailed.

Greenfield moved that H. F. No. 2008 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Murphy moved that H. F. No. 2962 be recalled from the Committee on Ways and Means and be re-referred to the Committee on Health and Human Services. The motion prevailed.

Swenson moved that H. F. No. 3119 be recalled from the Committee on Taxes and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Bergson moved that H. F. No. 3160 be recalled from the Committee on Capital Investment and be re-referred to the Committee on Environment and Natural Resources Finance. The motion prevailed.

Rice moved that H. F. No. 2700, now on Technical General Orders, be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Finseth moved that H. F. No. 2477 be returned to its author. The motion prevailed.

Kinkel moved that H. F. No. 2720 be returned to its author. The motion prevailed.

Johnson, A., moved that H. F. No. 2879 be returned to its author. The motion prevailed.

## ADJOURNMENT

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Wednesday, March 30, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION — 1994

# EIGHTIETH DAY

## SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 30, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Pastor Richard Schut, Zion Christian Church, Big Lake, Minnesota.

The roll was called and the following members were present:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner Davids

Dawkins Holsten Dehler Hugoson Delmont Huntley Dempsey Jacobs Jefferson Erhardt Jennings Johnson, A. Farrell Johnson, R. Finseth Johnson, V. Frerichs Kahn Kalis Garcia Kelley Girard Goodno Kelso Greenfield Kinkel Greiling Klinzing Gruenes Gutknecht Knight Hasskamp Hausman Krinkie

Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Knickerbocker Milbert Molnau Koppendrayer Morrison Mosel

Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt

Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum. Swenson

Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Weicman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

#### Haukoos was excused.

Jaros was excused until 3:40 p.m.

Dom

Evans

The Chief Clerk proceeded to read the Journal of the preceding day. Davids 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**

Osthoff from the Committee on Transportation and Transit to which was referred:

H. F. No. 324, A bill for an act relating to transportation; creating a Minnesota mobility trust fund and a surface transportation fund; imposing a tax on motor fuel sales at retail and requiring all proceeds to be deposited in the Minnesota mobility trust fund; amending Minnesota Statutes 1992, sections 174.32, subdivision 2; 297A.25, subdivision 7; and 297A.44, subdivisions 1 and 4; proposing coding for new law in Minnesota Statutes, chapter 174. Reported the same back with the following amendments:

Page 1, delete section 1, and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 174.32, subdivision 2, is amended to read:

Subd. 2. [TRANSIT ASSISTANCE FUND; DISTRIBUTION.] The transit assistance fund receives money distributed under section 297B.09 from the Minnesota mobility trust fund as provided in section 2. Eighty percent of the receipts of the fund must be placed into a metropolitan account for distribution to recipients located in the metropolitan area and 20 percent into a separate account for distribution to recipients located outside of the metropolitan area. Except as otherwise provided in this subdivision, the regional transit board created by section 473.373 is responsible for distributing assistance from the metropolitan account, and the commissioner is responsible for distributing assistance from the other account."

Page 3, delete section 4, and insert:

"Sec. 4. Minnesota Statutes 1993 Supplement, 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;

(3) (2) products purchased by a transit system receiving financial assistance under section 174.24 or 473.384; or

(4) (3) products used in a passenger snowmobile, as defined in section 296.01, subdivision 27a, for off-highway business use as part of the operations of a resort as provided under section 296.18, subdivision 1, clause (2)."

Page 5, delete lines 12 to 16, and insert:

"The provisions of sections 1 to 6 are not severable. Each of those sections is essentially and inseparably connected and dependent upon each of the other of those sections, and if one provision of those sections is found to be void the legislature would not have enacted the remaining provisions of those sections without the void provision.

Sec. 8. [TRUNK HIGHWAY NO. 280; NOISE BARRIERS.]

<u>Subdivision 1.</u> [DEFINITION.] For purposes of this section "trunk highway No. 280 project" means a department of transportation highway improvement project on marked trunk highway No. 280 that would improve, expand, or reconstruct the highway.

Subd. 2. [REQUIREMENT.] If the commissioner of transportation takes any action between the effective date of this act and June 30, 1997, that would have the effect of delaying the start of the trunk highway No. 280 project beyond June 30, 1997, the commissioner shall, at the earliest feasible date after taking that action, erect noise barriers on the highway between marked interstate highways Nos. 94 and 35-W as provided in the noise barrier component of the project.

## Sec. 9. [DEPARTMENT OF TRANSPORTATION; STUDY.]

The commissioner of transportation shall take all necessary steps to establish a direct highway connection between marked interstate highway 35-E and Ayd Mill Road in the city of St. Paul. The city of St. Paul shall cooperate with the commissioner to the extent necessary to carry out the purposes of this section. The commissioner shall permit use of the direct connection by motor vehicles only during the period from June 1, 1994, to November 30, 1994. The commissioner shall study (1) the effects of the direct connection on the flow of traffic within the city of St. Paul and within the metropolitan area, (2) the effects of the direct connection on affected neighborhoods within the city of St. Paul. The commissioner shall report to the legislature by February 1, 1994, on the results of this study.

Sec. 10. [EFFECTIVE DATE.]

Sections 8 and 9 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to transportation; creating a Minnesota mobility trust fund and a surface transportation fund; imposing a tax on motor fuel sales at retail and requiring all proceeds to be deposited in the Minnesota mobility trust fund; amending Minnesota Statutes 1992, section 297A.44, subdivisions 1 and 4; Minnesota Statutes 1993. Supplement, sections 174.32, subdivision 2; and 297A.25, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 174."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 1921, A bill for an act relating to retirement; increasing employee contribution rates and benefit computation formulas for the teachers retirement fund; revising the salary growth assumption for certain public pension funds; amending Minnesota Statutes 1992, sections 354.42, subdivision 2; 354.44, subdivision 6; and 356.215, subdivision 4d; Minnesota Statutes 1993 Supplement, section 356.215, subdivision 4g.

Reported the same back with the following amendments:

Page 1, line 13, delete the new language

Page 1, delete lines 20 to 27

Page 2, delete lines 1 to 15

Page 3, line 8, delete "1.2" and insert "1.13" and delete "2.2" and insert "2.13"

Page 3, line 10, delete "1.7" and insert "1.63" and delete "2.7" and insert "2.63"

Page 4, line 2, delete "2.7" and insert "2.63"

Page 4, line 3, delete "1.7" and insert "1.63"

Pages 4 to 8, delete sections 3 and 4

Page 8, line 8, delete "Sections" and insert "Section" and delete "to 4 are" and insert "is"

Page 8, line 9, after the period, insert "Section 2 is effective on May 15, 1994."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "revising the salary"

Page 1, delete line 5

Page 1, line 7, after "2;" insert "and" and delete "; and 356.215," and insert a period

Page 1, delete lines 8 and 9

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2120, A bill for an act relating to occupations and professions; providing that health-related licensing boards may establish a program to protect the public from impaired regulated persons; providing for appointments; providing for rulemaking; appropriating money; amending Minnesota Statutes 1993 Supplement, section 214.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 214.

Reported the same back with the following amendments:

Page 2, line 31, after the period, insert "No more than half plus one of the members of the committee may be of one gender."

Page 3, after line 17, insert:

"No more than half plus one of the members of the committee may be of one gender.

The advisory committee expires June 30, 1997."

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.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2132, A bill for an act relating to commerce; adding labeling requirements for salvaged food; adding licensing requirements for salvaged food distributors; adding record keeping requirements; requiring salvaged food served for compensation to be identified; amending Minnesota Statutes 1992, section 31.495, subdivisions 1, 2, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 31.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 30.49, subdivision 2, is amended to read:

Subd. 2. [NATURAL LAKE OR RIVER WILD RICE.] (a) (i) A package containing only 100 percent natural lake or river wild rice that is offered for sale at wholesale or retail sale in this state must be plainly and conspicuously labeled as "100 percent naturally grown, lake and river wild rice" in letters of a size and form prescribed by the commissioner. A package of wild rice labeled "100 percent naturally grown, lake and river wild rice" must also contain the license number issued under section 84.152 of the last licensed dealer, if any, who handled the wild rice.

(ii) A package containing only 100 percent natural lake or river wild rice that contains a portion of wild rice grown in Canada and offered for wholesale or retail sale in Minnesota must be plainly and conspicuously labeled as "Canadian" wild rice in letters of a size and form prescribed by the commissioner.

(b) A package that does not contain 100 percent natural lake or river wild rice may not contain a label authorized under paragraph (a).

(c) A package containing a portion of 100 percent naturally grown lake and river wild rice that is harvested by use of mechanical harvesting devices and that is offered for sale at wholesale or retail in this state must be plainly and conspicuously labeled as "machine harvested" in letters of a size and form prescribed by the commissioner. In addition, the letters "machine harvested" must be placed near the product's identity on the label. Packages containing 100 percent hand-harvested wild rice may be labeled as "hand harvested."

Sec. 2. Minnesota Statutes 1992, section 31.495, subdivision 1, is amended to read:

Subdivision 1. [APPLICATIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings given them:

(a) "Distressed food" means any food, the label of which has been lost, defaced, or obliterated, or food which has been subjected to possible damage due to accident, fire, flood, adverse weather, or to any other similar cause; or food which is suspected of having been rendered unsafe or unsuitable for food use.

(b) "Reconditionable or salvageable food" is distressed food which it is possible to reclaim for food, feed, or seed use as determined by examination by the commissioner or the commissioner's representatives.

(c) "Reconditioned or salvaged food" is reconditionable or salvageable food which has been reconditioned or salvaged under supervision of the commissioner so as to comply with the standards established under this section.

(d) "Reconditioning" or "salvaging" is the act of cleaning, culling, sorting, scouring, labeling, relabeling, or in any way treating "distressed food" so that it may be deemed to be "reconditioned" or "salvaged food" and therefore is acceptable for sale or use as human food, animal feed, or seed as provided therefor by the commissioner.

(e) "Salvage food processor" is a person who holds a license under section 28A.04 to operate as a salvage food processor and who receives supervision of the salvaging operations from the commissioner.

(f) "Labeling" means any legend or descriptive matter or design appearing upon an article of food or its container, and includes circulars, pamphlets and the like, which are packed and go with the article to the purchaser, and placards which may be allowed to be used to describe the food.

(g) "Salvage food distributor" means a person who engages in the business of selling, distributing, or otherwise trafficking at wholesale in any distressed or salvaged food.

Sec. 3. Minnesota Statutes 1992, section 31.495, subdivision 2, is amended to read:

Subd. 2. [LICENSING; PERMIT.] (a) It is unlawful for any person either to claim to be a salvage food processor, or to engage in the activities of reconditioning or salvaging distressed food, or both, without a license issued under section 28A.04 authorizing that person to operate as a salvage food processor, which license may not be issued absent compliance with all the provisions of this section and all rules promulgated under this section.

(b) Before issuing a license, the commissioner shall determine that the applicant's salvage establishment meets at least the minimum requirements adopted by rule for such an establishment which shall include but not be limited to adequacy of buildings, location, water supply, waste disposal, equipment, hand washing and toilet facilities, and sanitation practices, as the same relate to the protection of the public health and welfare.

(c) The license fee for a salvage food processor or distributor shall cover a maximum of six inspections per year. Costs of additional inspections or reinspections will be charged to the salvage food processor or distributor at the rate of \$500 per inspection, plus laboratory costs.

(d) It is unlawful for any person either to claim to be a salvaged food distributor or to engage in the activities of selling, distributing, or otherwise trafficking in any distressed or salvaged food, or both, at wholesale, without a license issued under section 28A.04 authorizing that person to operate as a salvage food distributor, which license may not be issued absent compliance with all the provisions of this section and all rules adopted under this section.

Sec. 4. Minnesota Statutes 1992, section 31.495, is amended by adding a subdivision to read:

Subd. <u>4a.</u> [LABELING REQUIREMENTS.] (a) Any container of food with the label or mandatory information missing that cannot be identified and relabeled correctly must not be sold. When original labels are missing or illegible, relabeling or overlabeling is required.

(b) All salvaged food, except as described in paragraph (e), shall be identified to indicate that the food has been salvaged by clearly marking the term "salvaged food" on all invoices, bills of lading, shipping invoices, receipts, and inventory records.

(c) All persons selling salvaged food, at retail, except as described in paragraph (e), shall notify the consumer that the food is salvaged either by (1) labeling each retail package or container "salvaged" or "reconditioned" or (2) posting a conspicuous placard at the retail display location stating "salvaged food" or "reconditioned food." Placards must be readable, using letters of not less than 1-1/2 inch type. Placards may also state "This item has been reconditioned and has been determined wholesome for human consumption under applicable state requirements by (name of food seller)."

(d) All salvaged food in containers must be provided with labels that comply with the requirements contained in chapters 29, 30, 31, 31A, 32, 33, and 34. If original labels are removed from containers that are to be resold or redistributed, the replacement labels must show as the distributor the name and address of the salvage food processor and the date of reconditioning for sale or distribution.

(e) Paragraphs (b) and (c) do not apply to food products damaged in the normal course of handling and transportation, where the food is intact in its original container and has not been subject to fire, chemical spills, temperature abuse in perishable food products, immersion in water, or other similar risk of contamination.

Sec. 5. Minnesota Statutes 1992, section 31.495, is amended by adding a subdivision to read:

<u>Subd.</u> <u>4b.</u> [RECORD KEEPING REQUIREMENTS.] <u>A written record or receipt of distressed, salvageable, and salvaged food must be kept by the salvage food processor and distributor for inspection by the commissioner during business hours. The records must include the name of the product, the source of the distressed food, the date received, the type of damage, the salvage process conducted, and the purchase of the salvaged food. These records must be kept on the premises of the salvage food processor and distributor for a period of one year following the completion of transactions involving the food.</u>

Sec. 6. Minnesota Statutes 1992, section 31.495, subdivision 5, is amended to read:

Subd. 5. [EXCEPTIONS.] This section does not apply to: (a) any food manufacturer, distributor, <u>retailer</u>, or processor who in the normal course of the business of manufacturing, processing, <u>retailing</u>, or distributing of food engages in the activities of reconditioning and salvaging distressed food manufactured, distributed or processed by or for that person and not purchased by that person solely for the purpose of reconditioning, salvaging, and sale; or (b) Any person who reassembles or disposes of undamaged food which is from lots in which food or packaging materials or containers are damaged in the normal course of commerce or while in that person's possession and which is not purchased by that person solely for the purpose of reconditioning, salvaging, and sale, or any common carrier or agent of the common carrier who disposes of or otherwise transfers undamaged or distressed food to a person exempt under this section or to a salvage food processor who holds a valid license under this section; or (c) Any person who stores, handles or processes grain or oil seeds in the normal course of business except when such person purchases for the purpose of reconditioning, salvaging, and sale as human food grain or oil seeds contaminated by bird, rodent or animal excreta or by chemicals poisonous, injurious or detrimental to human life or health.

## Sec. 7. [COMMISSIONER'S STUDY.]

The commissioner, in consultation with the commissioner of health and affected industry, shall study the need for further regulation of the purchase, reconditioning, and sale of salvaged food from food service establishments and retailers within the state and those received in interstate commerce. The commissioner shall report to the legislature by January 15, 1996, on the results of the study."

Delete the title and insert:

"A bill for an act relating to commerce; agriculture; adding labeling requirements for salvaged food; adding licensing and permit requirements for salvaged food distributors; adding record keeping requirements; requiring salvaged food served for compensation to be identified; providing for labeling of Canadian wild rice; amending Minnesota Statutes 1992, sections 30.49, subdivision 2; and 31.495, subdivisions 1, 2, 5, and by adding subdivisions."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce and Economic Development.

The report was adopted.

80TH DAY]

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2175, A bill for an act relating to the city of Saint Paul; authorizing a program for the replacement of lead pipes and the charging or assessment of costs for the program and the issuance of general or special obligations to pay the costs of the program.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

#### Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2181, A bill for an act relating to human services; modifying provisions relating to paternity determination and the administration and enforcement of child support; providing penalties; amending Minnesota Statutes 1992, sections 62A.046; 62A.048; 62A.27; 257.62, subdivisions 1, 5, and 6; 257.64, subdivision 3; 257.69, subdivisions 1 and 2; 518.171, subdivision 5; and 518.613, subdivision 7; Minnesota Statutes 1993 Supplement, sections 62A.045; 257.55, subdivision 1; 257.57, subdivision 2; 518.171, subdivisions 1, 3, 4, 7, and 8; 518.611, subdivisions 2 and 4; 518.613, subdivision 2; and 518.615, subdivision 3; repealing Minnesota Statutes 1992, sections 62C.141; 62C.143; 62D.106; and 62E.04 subdivisions 9 and 10.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 62A.045, is amended to read:

#### 62A.045 [PAYMENTS ON BEHALF OF WELFARE RECIPIENTS.]

No policy of accident and sickness insurance regulated under this chapter; vendor of risk management services regulated under section 60A.23; nonprofit health service plan corporation regulated under chapter 62C; health maintenance organization regulated under chapter 62D; or self insured plan regulated under chapter 62E health plan issued or renewed to provide coverage to a Minnesota resident shall contain any provision denying or reducing benefits because services are rendered to a person who is eligible for or receiving medical benefits pursuant to title XIX of the Social Security Act (Medicaid) in this or any other state; chapter 256; 256B; or 256D or services pursuant to section 252.27; 256.9351 to 256.9361; 260.251, subdivision 1a; or 393.07, subdivision 1 or 2. No insurer health carrier providing benefits under policies plans covered by this section shall use eligibility for medical programs named in this section as an underwriting guideline or reason for nonacceptance of the risk.

To the extent that payment for covered expenses has been made under state medical programs for health care items or services furnished to an individual, in any case where a third party has a legal liability to make payments the state is considered to have acquired the rights of the individual to payment by any other party for those health care items or services.

Notwithstanding any law to the contrary, when a person covered under by a policy of accident and siekness insurance, risk management plan, nonprofit health service plan, health maintenance organization, or self insured health plan receives medical benefits according to any statute listed in this section, payment for covered services or notice of denial for services billed by the provider must be issued directly to the provider. If a person was receiving medical benefits through the department of human services at the time a service was provided, the provider must indicate this benefit coverage on any claim forms submitted by the provider to the insurer health carrier for those services. If the commissioner of human services notifies the insurer health carrier that the commissioner has made payments to the provider, payment for benefits or notices of denials issued by the insurer health carrier must be issued directly to the commissioner. Submission by the department to the insurer health carrier of the claim on a department of human services and shall be considered proof of payment of the claim to the provider and supersedes any contract requirements of the insurer health carrier relating to the form of submission. Liability to the insured for coverage is satisfied to the extent that payments for those benefits are made by the insurer health carrier to the provider or the commissioner.

<u>A health carrier may not impose requirements on a state agency which has been assigned the rights of an individual eligible for medical programs named in this section, and covered for health benefits from the health carrier, that are different from requirements applicable to an agent or assignee of any other individual so covered.</u>

For the purpose of this section, health plan includes integrated service networks, any plan governed under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, sections 1001 to 1461, and the following exclusions under section 62A.011, subdivision 3, clauses (2), (6), (9), and (10).

Sec. 2. Minnesota Statutes 1992, section 62A.046, is amended to read:

62A.046 [COORDINATION OF BENEFITS.]

(1) No group contract providing coverage for hospital and medical treatment or expenses issued or renewed after August 1, 1984, which is responsible for secondary coverage for services provided, may deny coverage or payment of the amount it owes as a secondary payor solely on the basis of the failure of another group contract, which is responsible for primary coverage, to pay for those services.

(2) A group contract which provides coverage of a claimant as a dependent of a parent who has legal responsibility for the dependent's medical care pursuant to a court order under section 518.171 must make payments directly to the provider of care, the custodial parent, or the department of human services pursuant to section <u>62A.045</u>. In such cases, liability to the insured is satisfied to the extent of benefit payments made to the provider.

(3) This section applies to an insurer, a vendor of risk management services regulated under section 60A.23, a nonprofit health service plan corporation regulated under chapter 62C and a health maintenance organization regulated under chapter 62D. Nothing in this section shall require a secondary payor to pay the obligations of the primary payor nor shall it prevent the secondary payor from recovering from the primary payor the amount of any obligation of the primary payor that the secondary payor elects to pay.

(4) Payments made by an enrollee or by the commissioner on behalf of an enrollee in the children's health plan under sections 256.9351 to 256.9361, or a person receiving benefits under chapter 256B or 256D, for services that are covered by the policy or plan of health insurance shall, for purposes of the deductible, be treated as if made by the insured.

(5) The commissioner of human services shall recover payments made by the children's health plan from the responsible insurer, for services provided by the children's health plan and covered by the policy or plan of health insurance.

(6) Insurers, vendors of risk management services, nonprofit health service plan corporations, fraternals, and health maintenance organizations may coordinate benefits to prohibit greater than 100 percent coverage when an insured, subscriber, or enrollee is covered by both an individual and a group contract providing coverage for hospital and medical treatment or expenses. Benefits coordinated under this paragraph must provide for 100 percent coverage of an insured, subscriber, or enrollee. To the extent appropriate, all coordination of benefits provisions currently applicable by law or rule to insurers, vendors of risk management services, nonprofit health service plan corporations, fraternals, and health maintenance organizations, shall apply to coordination of benefits between individual and group contracts, except that the group contract shall always be the primary plan. This paragraph does not apply to specified accident, hospital indemnity, specified disease, or other limited benefit insurance policies.

Sec. 3. Minnesota Statutes 1992, section 62A.048, is amended to read:

#### 62A.048 [DEPENDENT COVERAGE.]

A policy of accident and sickness insurance health plan that covers an employee who is a Minnesota resident must, if it provides dependent coverage, allow dependent children who do not reside with the covered employee participant to be covered on the same basis as if they reside with the covered employee participant. Neither the amount of support provided by the employee to the dependent child nor the residency of the child may be used as an excluding or limiting factor for coverage or payment for health care. Enrollment of a child cannot be denied on the basis that the child was born out of wedlock, the child is not claimed as a dependent on the parent's federal income tax return, or the child does not reside with the parent or in the insurer's service area. Every health plan must provide coverage in accordance with section 518.171 to dependents covered by a qualified court or administrative order meeting the requirements of section 518.171.

For the purpose of this section, health plan includes integrated service networks, coverage designed solely to provide dental or vision care, and any plan governed under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, sections 1001 to 1461.

Sec. 4. Minnesota Statutes 1992, section 62A.27, is amended to read:

62A.27 [COVERAGE FOR ADOPTED CHILDREN.]

<sup>A</sup>An individual or group policy or plan of health and accident insurance regulated under this chapter or chapter 64B, subscriber contract regulated under chapter 62C, or health maintenance contract regulated under chapter 62D, <u>A</u> <u>health plan</u> that provides coverage to a Minnesota resident must cover adopted children of the insured, subscriber, <u>participant</u>, or enrollee on the same basis as other dependents. Consequently, the <del>policy or</del> plan shall not contain any provision concerning preexisting condition limitations, insurability, eligibility, or health underwriting approval concerning <del>adopted</del> children <u>placed</u> for <u>adoption</u> with the participant.

The coverage required by this section is effective from the date of placement for the purpose of adoption and continues unless the placement is disrupted prior to legal adoption and the child is removed from placement. Placement for adoption means the assumption and retention by a person of a legal obligation for total or partial support of a child in anticipation of adoption of the child. The child's placement with a person terminates upon the termination of the legal obligation for total or partial support.

For the purpose of this section, health plan includes integrated service networks, coverage that is designed solely to provide dental or vision care, and any plan under the federal Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, sections 1001 to 1461.

Sec. 5. Minnesota Statutes 1992, section 256.74, is amended by adding a subdivision to read:

<u>Subd.</u> 6. [GOOD CAUSE CLAIMS.] <u>All applications for good cause to not cooperate with child support</u> enforcement are to be reviewed by designees of the county human services board to ensure the validity of good cause determinations.

Sec. 6. Minnesota Statutes 1993 Supplement, section 257.55, subdivision 1, is amended to read:

Subdivision 1. [PRESUMPTION.] A man is presumed to be the biological father of a child if:

(a) He and the child's biological mother are or have been married to each other and the child is born during the marriage, or within 280 days after the marriage is terminated by death, annulment, declaration of invalidity, dissolution, or divorce, or after a decree of legal separation is entered by a court;

(b) Before the child's birth, he and the child's biological mother have attempted to marry each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,

(1) if the attempted marriage could be declared invalid only by a court, the child is born during the attempted marriage, or within 280 days after its termination by death, annulment, declaration of invalidity, dissolution or divorce; or

(2) if the attempted marriage is invalid without a court order, the child is born within 280 days after the termination of cohabitation;

(c) After the child's birth, he and the child's biological mother have married, or attempted to marry, each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,

(1) he has acknowledged his paternity of the child in writing filed with the state registrar of vital statistics;

(2) with his consent, he is named as the child's father on the child's birth certificate; or

(3) he is obligated to support the child under a written voluntary promise or by court order;

(d) While the child is under the age of majority, he receives the child into his home and openly holds out the child as his biological child;

(e) He and the child's biological mother acknowledge his paternity of the child in a writing signed by both of them under section 257.34 and filed with the state registrar of vital statistics. If another man is presumed under this paragraph to be the child's father, acknowledgment may be effected only with the written consent of the presumed father or after the presumption has been rebutted;

(f) Evidence of statistical probability of paternity based on blood <u>or genetic</u> testing establishes the likelihood that he is the father of the child, calculated with a prior probability of no more than 0.5 (50 percent), is 99 percent or greater;

(g) He and the child's biological mother have executed a recognition of parentage in accordance with section 257.75 and another man is presumed to be the father under this subdivision; or

(h) He and the child's biological mother have executed a recognition of parentage in accordance with section 257.75 and another man and the child's mother have executed a recognition of parentage in accordance with section 257.75.

Sec. 7. Minnesota Statutes 1993 Supplement, section 257.57, subdivision 2, is amended to read:

Subd. 2. The child, the mother, or personal representative of the child, the public authority chargeable by law with the support of the child, the personal representative or a parent of the mother if the mother has died or is a minor, a man alleged or alleging himself to be the father, or the personal representative or a parent of the alleged father if the alleged father has died or is a minor may bring an action:

(1) at any time for the purpose of declaring the existence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (d), (e), (f), (g), or (h), or the nonexistence of the father and child relationship presumed under clause (d) of that subdivision;

(2) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (e) or (g), only if the action is brought within three years after the date of the execution of the declaration or recognition of parentage; or

(3) for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, paragraph (f), only if the action is brought within three years after the party bringing the action, or the party's attorney of record, has been provided the blood <u>or genetic</u> test results.

Sec. 8. Minnesota Statutes 1992, section 257.62, subdivision 1, is amended to read:

Subdivision 1. [BLOOD <u>OR GENETIC</u> TESTS REQUIRED.] The court may, and upon request of a party shall, require the child, mother, or alleged father to submit to blood <u>or genetic</u> tests. <u>A copy of the test results must be</u> <u>served on the parties as provided in section 543.20</u>. Any objection to the results of blood or genetic tests <u>must be</u> <u>made in writing no later than 15 days prior to a hearing at which those test results may be introduced into evidence.</u> <u>Test results served upon a party must include notice of this right to object</u>. If the alleged father is dead, the court may, and upon request of a party shall, require the decedent's parents or brothers and sisters or both to submit to blood <u>or genetic</u> tests. However, in a case involving these relatives of an alleged father, who is deceased, the court may refuse to order blood <u>or genetic</u> tests if the court makes an express finding that submitting to the tests presents a danger to the health of one or more of these relatives that outweighs the child's interest in having the tests performed. Unless the person gives consent to the use, the results of any blood <u>or genetic</u> tests of the decedent's parents, brothers, or sisters may be used only to establish the right of the child to public assistance including but not limited to social security and veterans' benefits. The tests shall be performed by a qualified expert appointed by the court.

Sec. 9. Minnesota Statutes 1992, section 257.62, subdivision 5, is amended to read:

Subd. 5. [POSITIVE TEST RESULTS.] (a) If the results of blood <u>or genetic</u> tests completed in a laboratory accredited by the American Association of Blood Banks indicate that the likelihood of the alleged father's paternity, calculated with a prior probability of no more than 0.5 (50 percent), is 92 percent or greater, upon motion the court shall order the alleged father to pay temporary child support determined according to chapter 518. The alleged father shall pay the support money into court pursuant to the rules of civil procedure to await the results of the paternity proceedings.

(b) If the results of blood <u>or genetic</u> tests completed in a laboratory accredited by the American Association of Blood Banks indicate that likelihood of the alleged father's paternity, calculated with a prior probability of no more than 0.5 (50 percent), is 99 percent or greater, the alleged father is presumed to be the parent and the party opposing the establishment of the alleged father's paternity has the burden of proving by clear and convincing evidence that the alleged father is not the father of the child.

Sec. 10. Minnesota Statutes 1992, section 257.62, subdivision 6, is amended to read:

Subd. 6. [TESTS, EVIDENCE ADMISSIBLE.] In any hearing brought under subdivision 5, a certified report of the facts and results of a laboratory analysis or examination of blood or genetic tests, that is performed in a laboratory accredited to meet the Standards for Parentage Testing of the American Association of Blood Banks and is prepared and attested by a qualified expert appointed by the court, shall be admissible in evidence without proof of the seal, signature, or official character of the person whose name is signed to it, unless a demand is made by a party in a motion or responsive motion made within the time limit for making and filing a responsive motion that the matter be heard on oral testimony before the court. If no objection is made, the blood or genetic test results are admissible as evidence without the need for foundation testimony or other proof of authenticity or accuracy.

Sec. 11. Minnesota Statutes 1992, section 257.64, subdivision 3, is amended to read:

Subd. 3. If a party refuses to accept a recommendation made under subdivision 1 and blood <u>or genetic</u> tests have not been taken, the court shall require the parties to submit to blood <u>or genetic</u> tests, if <u>practicable</u>. <u>Any objection to</u> <u>blood or genetic testing results must be made in writing no later than 15 days before any hearing at which the results</u> <u>may be introduced into evidence</u>. <u>Test results served upon a party must include a notice of this right to object</u>. Thereafter the court shall make an appropriate final recommendation. If a party refuses to accept the final recommendation the action shall be set for trial.

Sec. 12. Minnesota Statutes 1992, section 257.69, subdivision 1, is amended to read:

Subdivision 1. [COUNSEL; APPOINTMENT.] In all proceedings under sections 257.51 to 257.74, any party may be represented by counsel. If the public authority charged by law with support of a child is a party, The county attorney shall represent the public authority. If the child receives public assistance and no conflict of interest exists, the county attorney shall also represent the custodial parent. If a conflict of interest exists, the court shall appoint counsel for the custodial parent at no cost to the parent. If the child does not receive public assistance, the county attorney may represent the custodial parent at the parent's request. The court shall appoint counsel for a party who is unable to pay timely for counsel in proceedings under sections 257.51 to 257.74.

Sec. 13. Minnesota Statutes 1992, section 257.69, subdivision 2, is amended to read:

Subd. 2. [GUARDIAN; LEGAL FEES.] The court may order expert witness and guardian ad litem fees and other costs of the trial and pretrial proceedings, including appropriate tests, to be paid by the parties in proportions and at times determined by the court. The court shall require a party to pay part of the fees of court-appointed counsel according to the party's ability to pay, but if counsel has been appointed the appropriate agency shall pay the party's proportion of all other fees and costs. The agency responsible for child support enforcement shall pay the fees and costs for blood or genetic tests in a proceeding in which it is a party, is the real party in interest, or is acting on behalf of the child. However, at the close of a proceeding in which paternity has been established under sections 257.51 to 257.74, the court shall order the adjudicated father to reimburse the public agency, if the court finds he has sufficient resources to pay the costs of the blood or genetic tests. When a party bringing an action is represented by the county attorney, no filing fee shall be paid to the court administrator.

Sec. 14. Minnesota Statutes 1993 Supplement, section 518.171, subdivision 1, is amended to read:

Subdivision 1. [ORDER.] <u>Compliance with this section constitutes compliance with a qualified medical child</u> support order as described in the federal Employee Retirement Income Security Act of 1974 (ERISA) as amended by the federal Omnibus Budget Reconciliation Act of 1993 (OBRA).

(a) Every child support order must:

(1) expressly assign or reserve the responsibility for maintaining medical insurance for the minor children and the division of uninsured medical and dental costs; and

(2) contain the names and last known addresses, if any, of the dependents unless the court prohibits the inclusion of an address and orders the custodial parent to provide the address to the administrator of the health plan. The court shall order the party with the better group dependent health and dental insurance coverage or health insurance plan to name the minor child as beneficiary on any health and dental insurance plan that is comparable to or better than a number two qualified plan and available to the party on:

(i) a group basis; or

(ii) through an employer or union; or

(iii) through a group health plan governed under the ERISA and included within the definitions relating to health plans found in section 62A.011, 62A.048, or 62E.06, subdivision 2.

<u>"Health insurance" or "health insurance coverage" as used in this section means coverage that is comparable to or better than a number two qualified plan as defined in section 62E.06, subdivision 2. "Health insurance" or "health insurance coverage" as used in this section does not include medical assistance provided under chapter 256, 256B, or 256D.</u>

(b) If the court finds that dependent health or dental insurance is not available to the obligor or obligee on a group basis or through an employer or union, or that the group insurer insurance is not accessible to the obligee, the court may require the obligor (1) to obtain other dependent health or dental insurance, (2) to be liable for reasonable and necessary medical or dental expenses of the child, or (3) to pay no less than \$50 per month to be applied to the medical and dental expenses of the children or to the cost of health insurance dependent coverage.

(c) If the court finds that the available dependent health or dental insurance does not pay all the reasonable and necessary medical or dental expenses of the child, including any existing or anticipated extraordinary medical expenses, and the court finds that the obligor has the financial ability to contribute to the payment of these medical or dental expenses, the court shall require the obligor to be liable for all or a portion of the medical or dental expenses of the child not covered by the required health or dental plan. Medical and dental expenses include, but are not limited to, necessary orthodontia and eye care, including prescription lenses.

(d) If the obligor is employed by a self insured employer subject only to the federal Employee Retirement Income Security Act (ERISA) of 1974, and the insurance benefit plan meets the above requirements, the court shall order the obligor to enroll the dependents within 30 days of the court order effective date or be liable for all medical and dental expenses occurring while coverage is not in effect. If enrollment in the ERISA plan is precluded by exclusionary clauses, the court shall order the obligor to obtain other coverage or make payments as provided in paragraph (b) or (c).

(e) Unless otherwise agreed by the parties and approved by the court, if the court finds that the obligee is not receiving public assistance for the child and has the financial ability to contribute to the cost of medical and dental expenses for the child, including the cost of insurance, the court shall order the obligee and obligor to each assume a portion of these expenses based on their proportionate share of their total net income as defined in section 518.54, subdivision 6.

(f) (e) Payments ordered under this section are subject to section 518.611. An obligee who fails to apply payments received to the medical expenses of the dependents may be found in contempt of this order.

Sec. 15. Minnesota Statutes 1993 Supplement, section 518.171, subdivision 3, is amended to read:

Subd. 3. [IMPLEMENTATION.] A copy of the court order for insurance coverage shall be forwarded to the obligor's employer or union and to the health or dental insurance plan by the obligee or the public authority responsible for support enforcement only when ordered by the court or when the following conditions are met:

(1) the obligor fails to provide written proof to the obligee or the public authority, within 30 days of the effective date of the court order, that the insurance has been obtained or that application for insurability has been made;

(2) the obligee or the public authority serves written notice of its intent to enforce medical support on the obligor by mail at the obligor's last known post office address; and

(3) the obligor fails within 15 days after the mailing of the notice to provide written proof to the obligee or the public authority that the insurance coverage existed as of the date of mailing.

The employer or union shall forward a copy of the order to the health and dental insurance plan offered by the employer.

Sec. 16. Minnesota Statutes 1993 Supplement, section 518.171, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] (a) The order is binding on the employer or union and the health and dental insurance plan when service under subdivision 3 has been made. <u>An employer or union that is included under ERISA may not deny enrollment based on exclusionary clauses described in section 62A.048</u>. Upon receipt of the order, or upon application of the obligor pursuant to the order, the employer or union and its health and dental insurance plan shall enroll the minor child as a beneficiary in the group insurance plan and withhold any required premium from the obligor's income or wages. If more than one plan is offered by the employer or union, the child shall be enrolled in the insurance plan in which the obligor is enrolled or the least costly health insurance plan otherwise available to the obligor that is comparable to a number two qualified plan. If the obligor is not enrolled in a health insurance plan, the employer or union shall also enroll the obligor in the chosen plan if enrollment of the obligor is necessary in order to obtain dependent coverage under the plan. Enrollment of dependents and the obligor must be immediate and not dependent upon open enrollment periods. Enrollment is not subject to underwriting policies described in section 62A.048.

(b) An employer or union that willfully fails to comply with the order is liable for any health or dental expenses incurred by the dependents during the period of time the dependents were eligible to be enrolled in the insurance program, and for any other premium costs incurred because the employer or union willfully failed to comply with the order. An employer or union that fails to comply with the order is subject to contempt under section 518.615 and is also subject to a fine of \$500 to be paid to the obligee or public authority. Fines paid to the public authority are designated for child support enforcement services.

(c) Failure of the obligor to execute any documents necessary to enroll the dependent in the group health and dental insurance plan will not affect the obligation of the employer or union and group health and dental insurance plan to enroll the dependent in a plan for which other eligibility requirements are met. Information and authorization provided by the public authority responsible for child support enforcement, or by the custodial parent or guardian, is valid for the purposes of meeting enrollment requirements of the health plan. The insurance coverage for a child eligible under subdivision 5 shall not be terminated except as authorized in subdivision 5.

Sec. 17. Minnesota Statutes 1992, section 518.171, subdivision 5, is amended to read:

Subd. 5. [ELIGIBLE CHILD.] A minor child that an obligor is required to cover as a beneficiary pursuant to this section is eligible for insurance coverage as a dependent of the obligor until the child is emancipated or until further order of the court. The health or dental insurance plan may not disenroll or eliminate coverage of the child unless the health or dental insurance plan is provided satisfactory written evidence that the court order is no longer in effect, or the child is or will be enrolled in comparable health coverage through another health or dental insurance plan that will take effect not later than the effective date of the disenrollment, or the employer has eliminated family health and dental coverage for all of its employees.

Sec. 18. Minnesota Statutes 1993 Supplement, section 518.171, subdivision 7, is amended to read:

Subd. 7. [RELEASE OF INFORMATION.] When an order for dependent insurance coverage is in effect, the obligor's employer, union, or insurance agent shall release to the obligee or the public authority, upon request, information on the dependent coverage, including the name of the insurer health or dental insurance plan. The employer, union, health or dental insurance plan, or insurance agent must provide the obligee with insurance identification cards and all necessary written information to enable the obligee to utilize the insurance benefits for the covered dependents. Notwithstanding any other law, information reported pursuant to section 268.121 shall be released to the public agency responsible for support enforcement that is enforcing an order for medical health or dental insurance to release to the obligor's insurer health or dental insurance plan or employer information necessary to obtain or enforce medical support.

Sec. 19. Minnesota Statutes 1993 Supplement, section 518.171, subdivision 8, is amended to read:

Subd. 8. [OBLIGOR LIABILITY.] (a) An obligor who fails to maintain medical or dental insurance for the benefit of the children as ordered or fails to provide other medical support as ordered is liable to the obligee for any medical or dental expenses incurred from the effective date of the court order, including health and dental insurance premiums paid by the obligee because of the obligor's failure to obtain coverage as ordered. Proof of failure to maintain insurance or noncompliance with an order to provide other medical support constitutes a showing of increased need by the obligee pursuant to section 518.64 and provides a basis for a modification of the obligor's child support order. (b) Payments for services rendered to the dependents that are directed to the obligor, in the form of reimbursement by the insurer health or dental insurance plan, must be endorsed over to and forwarded to the vendor or custodial parent or public authority when the reimbursement is not owed to the obligor. An obligor retaining insurance reimbursement not owed to the obligor may be found in contempt of this order and held liable for the amount of the reimbursement. Upon written verification by the insurer health or dental insurance plan of the amounts paid to the obligor, the reimbursement amount is subject to all enforcement remedies available under subdivision 10, including income withholding pursuant to section 518.611. The monthly amount to be withheld until the obligation is satisfied is 20 percent of the original debt or \$50, whichever is greater.

Sec. 20. Minnesota Statutes 1993 Supplement, section 518.611, subdivision 2, is amended to read:

Subd. 2. [CONDITIONS OF INCOME WITHHOLDING.] (a) Withholding shall result when:

(1) the obligor requests it in writing to the public authority;

(2) the custodial parent requests it by making a motion to the court <u>and the court finds that previous support has</u> not been <u>paid on a timely or consistent basis or that the obligor has threatened expressly or otherwise to stop or</u> reduce payments; or

(3) the obligor fails to make the maintenance or support payments, and the following conditions are met:

(i) the obligor is at least 30 days in arrears;

(ii) the obligee or the public authority serves written notice of income withholding, showing arrearage, on the obligor at least 15 days before service of the notice of income withholding and a copy of the court's order on the payor of funds;

(iii) within the 15-day period, the obligor fails to move the court to deny withholding on the grounds that an arrearage of at least 30 days does not exist as of the date of the notice of income withholding, or on other grounds limited to mistakes of fact, and, ex parte, to stay service on the payor of funds until the motion to deny withholding is heard;

(iv) the obligee or the public authority serves a copy of the notice of income withholding, a copy of the court's order or notice of order, and the provisions of this section on the payor of funds; and

(v) the obligee serves on the public authority a copy of the notice of income withholding, a copy of the court's order, an application, and the fee to use the public authority's collection services.

For those persons not applying for the public authority's IV-D services, a monthly service fee of \$15 must be charged to the obligor in addition to the amount of child support ordered by the court and withheld through automatic income withholding, or for persons applying for the public authority's IV-D services, the service fee under section 518.551, subdivision 7, applies. The county agency shall explain to affected persons the services available and encourage the applicant to apply for IV-D services.

(b) To pay the arrearage specified in the notice of income withholding, the employer or payor of funds shall withhold from the obligor's income an additional amount equal to 20 percent of the monthly child support or maintenance obligation until the arrearage is paid.

(c) The obligor may move the court, under section 518.64, to modify the order respecting the amount of maintenance or support.

(d) Every order for support or maintenance shall provide for a conspicuous notice of the provisions of this subdivision that complies with section 518.68, subdivision 2. An order without this notice remains subject to this subdivision.

(e) Absent a court order to the contrary, if an arrearage exists at the time an order for ongoing support or maintenance would otherwise terminate, income withholding shall continue in effect in an amount equal to the former support or maintenance obligation plus an additional amount equal to 20 percent of the monthly child support obligation, until all arrears have been paid in full.

#### Sec. 21. Minnesota Statutes 1993 Supplement, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] (a) Notwithstanding any law to the contrary, the order is binding on the employer, trustee, payor of the funds, or financial institution when service under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. In the case of a financial institution, preauthorized transfers must occur in accordance with a court-ordered payment schedule. An employer, payor of funds, or financial institution in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2 and section 518.613 and shall remit, within ten days of the date the obligor is paid the remainder of the income, the amounts withheld to the public authority. The payor shall identify on the remittance information the date the obligor received the remainder of the income. The obligor is considered to have paid the amount withheld as of the date the obligor received the remainder of the income. The financial institution shall execute preauthorized transfers from the deposit accounts of the obligor in the amount specified in the order and amounts required under subdivision 2 as directed by the public authority responsible for child support enforcement.

(b) Employers may combine all amounts withheld from one pay period into one payment to each public authority, but shall separately identify each obligor making payment. Amounts received by the public authority which are in excess of public assistance expended for the party or for a child shall be remitted to the party.

(c) An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld. A financial institution is liable to the obligee if funds in any of the obligor's deposit accounts identified in the court order equal the amount stated in the preauthorization agreement but are not transferred by the financial institution in accordance with the agreement. An employer or other payor of funds that fails to withhold or transfer funds in accordance with this section is also liable to the obligee for interest on the funds at the rate applicable to judgments under section 549.09, computed from the date the funds were required to be withheld or transferred. An employer or other payor of funds is liable for reasonable attorney fees of the obligee or public authority incurred in enforcing the liability under this paragraph. An employer or other payor of funds that has failed to comply with the requirements of this section is subject to contempt sanctions under section 518.615. If an employer violates this subdivision, a court may award the employee twice the wages lost as a result of this violation. If a court finds the employer violates this subdivision, the court shall impose a civil fine of not less than \$500.

Sec. 22. Minnesota Statutes 1993 Supplement, section 518.613, subdivision 2, is amended to read:

Subd. 2. [ORDER; COLLECTION SERVICES.] Every order for child support must include the obligor's social security number and date of birth and the name and address of the obligor's employer or other payor of funds. In addition, every order must contain provisions requiring the obligor to keep the public authority informed of the name and address of the obligor's current employer, or other payor of funds and whether the obligor has access to employment-related health insurance coverage and, if so, the health insurance policy information. Upon entry of the order for support or maintenance, the court shall mail, within five working days of entering the order, a copy of the court's automatic income withholding order and the provisions of section 518.611 and this section to the obligor's employer or other payor of funds and to the public authority responsible for child support enforcement. If the employer is unknown, the order must be forwarded to the public authority responsible for child support enforcement. Upon locating a payor of funds, the public authority responsible for child support enforcement shall mail a copy of the court's automatic income withholding order within five working days of locating the address of the payor of funds. An obligee who is not a recipient of public assistance must decide to either apply for the IV-D collection services of the public authority or obtain income withholding only services when an order for support is entered unless the requirements of this section have been waived under subdivision 7. The supreme court shall develop a standard automatic income withholding form to be used by all Minnesota courts. This form shall be made a part of any order for support or decree by reference.

Sec. 23. Minnesota Statutes 1992, section 518.613, subdivision 7, is amended to read:

Subd. 7. [WAIVER.] (a) The court may waive the requirements of this section if the court finds that there is no arrearage in child support or maintenance as of the date of the hearing, that it would not be contrary to the best interests of the child, and: (1) one party demonstrates and the court finds that there is good cause to waive the requirements of this section or to terminate automatic income withholding on an order previously entered under this section; or (2) all parties reach a written agreement that provides for an alternative payment arrangement and the

agreement is approved by the court after a finding that the agreement is likely to result in regular and timely payments. The court's findings waiving the requirements of this section must include a written explanation of the reasons why automatic withholding would not be in the best interests of the child and, in the case that involves modification of support, that past support has been timely made. If the court waives the requirements of this section:

(1) in all cases where the obligor is at least 30 days in arrears, withholding must be carried out pursuant to section 518.611;

(2) the obligee may at any time and without cause request the court to issue an order for automatic income withholding under this section; and

(3) the obligor may at any time request the public authority to begin withholding pursuant to this section, by serving upon the public authority the request and a copy of the order for child support or maintenance. Upon receipt of the request, the public authority shall serve a copy of the court's order and the provisions of section 518.611 and this section on the obligor's employer or other payor of funds. The public authority shall notify the court that withholding has begun at the request of the obligor pursuant to this clause.

(b) For purposes of this subdivision, "parties" includes the public authority in cases when it is a party pursuant to section 518.551, subdivision 9.

Sec. 24. Minnesota Statutes 1993 Supplement, section 518.615, subdivision 3, is amended to read:

Subd. 3. [LIABILITY.] The employer, trustee, or payor of funds is liable to the obligee or the agency responsible for child support enforcement for any amounts required to be withheld that were not paid. The court may enter judgment against the employer, trustee, or payor of funds for support not withheld or remitted. <u>An employer, trustee, or payor of funds found guilty of contempt shall be punished by a fine of not more than \$250 as provided in chapter 588</u>. The court may also impose <u>other</u> contempt sanctions <u>authorized</u> under chapter 588.

Sec. 25. [REPEALER.]

Minnesota Statutes 1992, sections 62C.141; 62C.143; 62D.106; and 62E.04, subdivisions 9 and 10, are repealed.

Sec. 26. [EFFECTIVE DATE.]

Sections 1 to 4 and 14 to 19 are effective retroactively to August 10, 1993."

Delete the title and insert:

"A bill for an act relating to human services; modifying provisions relating to paternity determination and the administration and enforcement of child support; providing penalties; amending Minnesota Statutes 1992, sections 62A.046; 62A.048; 62A.27; 256.74, by adding a subdivision; 257.62, subdivisions 1, 5, and 6; 257.64, subdivision 3; 257.69, subdivisions 1 and 2; 518.171, subdivision 5; and 518.613, subdivision 7; Minnesota Statutes 1993 Supplement, sections 62A.045; 257.55, subdivision 1; 257.57, subdivision 2; 518.171, subdivisions 1, 3, 4, 7, and 8; 518.611, subdivisions 2 and 4; 518.613, subdivision 2; and 518.615, subdivision 3; repealing Minnesota Statutes 1992, sections 62C.141; 62C.143; 62D.106; and 62E.04, subdivisions 9 and 10."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services/Human Services Finance Division.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2192, A bill for an act relating to retirement; correctional employees retirement plan of the Minnesota state retirement system; transferring various employment positions in the departments of corrections and human services from coverage by the general state employees retirement plan or the teachers retirement association to the correctional employees retirement plan; amending Minnesota Statutes 1992, sections 352.91, by adding subdivisions; and 352.92, subdivision 2.

Reported the same back with the following amendments:

Page 2, delete lines 8 to 11

Page 2, line 12, delete "(6)" and insert "(2)"

Page 2, delete lines 13 to 16

Page 2, line 17, delete "(11)" and insert "(3)" and after the semicolon, insert "and"

Page 2, delete lines 18 to 21, and insert:

"(4) clinical nurse specialist."

Page 2, delete lines 34 to 36

Page 3, delete lines 1 and 14

Page 3, line 23, delete "and"

Page 3, line 24, delete the period, and insert a semicolon

Page 3, after line 24, insert:

"(23) library information research services specialist senior;

(24) psychologist supervisor; and

(25) psychological services director."

Renumber the clauses in sequence

Page 3, line 30, delete "7.55" and insert "6.99"

Page 7, delete lines 5 to 9, and insert:

"(c) <u>As a corresponding employer contribution transfer amount, an amount equal to employee contributions plus</u> interest, <u>as determined in paragraph (a), must be</u>"

Page 7, line 11, after "fund" insert ", as applicable,"

Page 7, line 12, delete everything after the period

Page 7, delete line 13

Page 7, line 14, delete everything before "Additional"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services/Human Services Finance Division.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2405, A bill for an act relating to retirement; making various administrative and minor substantive changes in the laws governing the Minnesota state retirement system, the public employees retirement association, and the teachers retirement association; amending Minnesota Statutes 1992, sections 176.021, subdivision 7; 352.01, subdivisions 11 and 13; 352.04, subdivisions 2 and 3; 352.119, by adding a subdivision; 352D.04, subdivision 2; 353.03,

### 5838

### JOURNAL OF THE HOUSE

subdivisions 1 and 3a; 353.33, subdivisions 5 and 7; 353.656, subdivisions 2 and 4; 354.05, subdivisions 2, 21, 22, 35, and by adding subdivisions; 354.06, subdivisions 2a and 4; 354.071, subdivision 5; 354.091; 354.10, subdivisions 1 and 2; 354.42, subdivisions 3 and 5; 354.44, subdivisions 1a, 4, 5, and 5a; 354.47; 354.48, subdivision 2; 354.49, subdivision 1; 354.50, subdivision 1; 354.52, subdivisions 2, 2a, 4, and by adding subdivisions; 354.66, subdivisions 2, 3, and by adding a subdivision; and 356.30, subdivision 1; Minnesota Statutes 1993 Supplement, sections 3A.02, subdivision 5; 352.22, subdivision 2; 352.93, subdivision 2a; 352.96, subdivision 4; 352B.08, subdivision 2a; 352D.02, subdivision 1a; 353.01, subdivisions 10, 12a, 16, and 28; 353.017, by adding a subdivision; 353.27, subdivision 7; 353.33, subdivisions 1 and 12; 353.37, subdivisions 1, 2, and 4; 353.65, subdivision 3a; 353.656, subdivision 6a; 353A.08, subdivision 3; 354.05, subdivision 8; and 354.46, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 354; repealing Minnesota Statutes 1992, sections 352.15, subdivision 2; 352D.09, subdivision 6; 354.05, subdivisions 15 and 29; 354.43, subdivision 3; 354.65; and 356.18.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### PUBLIC PENSION ADMINISTRATION

## Section 1. [356.88] [PUBLIC PENSION ADMINISTRATION LEGISLATION.]

<u>Subdivision 1.</u> [DUE DATES.] (a) Proposed administrative legislation recommended by or on behalf of the Minnesota state retirement system, the public employees retirement association, the teachers retirement association, the Minneapolis employees retirement fund, or a first class city teacher retirement fund association must be presented to the legislative commission on pensions and retirement, the governmental operations and reform committee of the senate, and the governmental operations and gambling committee of the house of representatives on or before October 1 of each year in order for the proposed administrative legislation to be acted upon during the upcoming legislation session. The executive director or the deputy executive director of the legislative commission on pensions and retirement shall provide written comments on the proposed provisions to the public pension plans by November 15 of each year.

(b) Proposed administrative legislation recommended by or on behalf of a public employee pension plan or system under paragraph (a) must address provisions:

(1) authorizing allowable service credit for leaves of absence and related circumstances;

(2) governing offsets or deductions from the amount of disability benefits;

(3) authorizing the purchase of allowable service credit for prior uncredited periods;

(4) governing subsequent employment earnings by reemployed annuitants; and

(5) authorizing retroactive effect for retirement annuity or benefit applications.

(c) Where possible and desirable, taking into account the differences among the public pension plans in existing law and the unique characteristics of the individual public pension fund memberships, uniform provisions relating to paragraph (b) for all applicable public pension plans must be presented for consideration during the legislative session. Supporting documentation setting forth the policy rationale for each set of uniform provisions must accompany the proposed administrative legislation.

<u>Subd. 2.</u> [SALARY STUDY ADVISORY COMMITTEE.] In an effort to treat public employees in a fair and equitable manner and to protect the financial integrity of the public pension plans, the legislative commission on pensions and retirement shall establish an advisory committee to study the definitions of salary in chapters 353, 354, and 354A to determine the high-five average consecutive years of salary component for the formula used to calculate retirement annuities and disability benefits.

The advisory committee must be composed of at least three executive directors and executive secretaries of the seven public pension plans, and the chair, vice-chair, and executive director of the pension commission.

The advisory committee shall report its findings and recommendations to the pension commission by February 15, 1995, and shall cease to exist at that time.

#### Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

## ARTICLE 2

#### MINNESOTA STATE RETIREMENT SYSTEM

Section 1. Minnesota Statutes 1993 Supplement, section 3A.02, subdivision 5, is amended 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 subdivision 1, paragraph (a), elause (1). Except as provided in paragraph (b), these optional annuity forms must be actuarially equivalent to the normal annuity computed under this section, without the automatic survivor coverage under section 3A.04 plus the actuarial value of any surviving spouse benefit otherwise potentially payable at time of retirement under section 3A.04, subdivision 1. An individual selecting the optional annuity under this subdivision waives any rights to surviving spouse benefits under section 3A.04, subdivision 1.

(b) If a retired legislator selects the joint and survivor annuity option, 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.

Sec. 2. Minnesota Statutes 1992, section 352.01, subdivision 11, is amended to read:

Subd. 11. [ALLOWABLE SERVICE.] "Allowable service" means:

(1) Service by an employee for which on or before July 1, 1957, the employee was entitled to allowable service credit on the records of the system by reason of employee contributions in the form of salary deductions, payments in lieu of salary deductions, or in any other manner authorized by Minnesota Statutes 1953, chapter 352, as amended by Laws 1955, chapter 239.

(2) Service by an employee for which on or before July 1, 1961, the employee chose to obtain credit for service by making payments to the fund under Minnesota Statutes 1961, section 352.24.

(3) Except as provided in clauses (9) (8) and (10) (9), service by an employee after July 1, 1957, for any calendar month in which the employee is paid salary from which deductions are made, deposited, and credited in the fund, including deductions made, deposited, and credited as provided in section 352.041.

(4) Except as provided in clauses (9) (8) and (10) (9), service by an employee after July 1, 1957, for any calendar month for which payments in lieu of salary deductions are made, deposited, and credited in the fund, as provided in section 352.27 and Minnesota Statutes 1957, section 352.021, subdivision 4.

For purposes of clauses (3) and (4), except as provided in clauses (9) (8) and (10) (9), any salary paid for a fractional part of any calendar month, including the month of separation from state service, is deemed the compensation for the entire calendar month.

(5) The period of absence from their duties by employees who are temporarily disabled because of injuries incurred in the performance of duties and for which disability the state is liable under the workers' compensation law until the date authorized by the director for the commencement of payments of a total and permanent disability benefit from the retirement fund.

#### (6) The unused part of an employee's annual leave allowance for which the employee is paid salary.

(7) Any Service covered by a refund repaid as provided in section 352.23 or 352D.05, subdivision 4, except service rendered as an employee of the adjutant general for which the person has credit with the federal civil service retirement system.

(8) Any (7) Service before July 1, 1978, by an employee of the transit operating division of the metropolitan transit commission or by an employee on an authorized leave of absence from the transit operating division of the metropolitan transit commission who is employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division, which was credited by the metropolitan transit commission-transit operating division employees retirement fund or any of its predecessor plans or funds as past, intermediate, future, continuous, or allowable service as defined in the metropolitan transit commission-transit operating division employees retirement fund plan document in effect on December 31, 1977.

(9) (8) Service after July 1, 1983, by an employee who is employed on a part-time basis for less than 50 percent of full time, for which the employee is paid salary from which deductions are made, deposited, and credited in the fund, including deductions made, deposited, and credited as provided in section 352.041 or for which payments in lieu of salary deductions are made, deposited, and credited in the fund as provided in section 352.27 shall be credited on a fractional basis either by pay period, monthly, or annually based on the relationship that the percentage of salary earned bears to a full-time salary, with any salary paid for the fractional service credited on the basis of the rate of salary applicable for a full-time pay period, month, or a full-time year. For periods of part-time service that is duplicated service credit, section 356.30, subdivision 1, clauses (i) and (j), govern.

The Allowable service determined and credited on a fractional basis shall be used in calculating the amount of benefits payable, but service as determined on a fractional basis must not be used in determining the length of service required for eligibility for benefits.

(10) (9) Any period of authorized leave of absence without pay that does not exceed one year and for which the employee obtained credit by payment to the fund in lieu of salary deductions. To obtain credit, the employee shall pay an amount equal to the employee and employer contribution rate in section 352.04, subdivisions 2 and 3, multiplied by the employee's hourly rate of salary on the date of return from leave of absence and by the days and months of the leave of absence without pay for which the employee wants allowable service credit. The employing department, at its option, may pay the employer amount on behalf of its employees. Payments made under this clause shall must include interest at an annual rate of 8.5 percent compounded annually from the date of termination of the leave of absence to the date payment is made unless payment is completed within one year of the return from leave of absence.

Sec. 3. Minnesota Statutes 1992, section 352.01, subdivision 13, is amended to read:

Subd. 13. [SALARY.] "Salary" means the periodical compensation paid to any employee before deductions for deferred compensation, supplemental retirement plans, or other voluntary salary reduction programs. It also means wages and includes net income from fees. Lump sum sick leave payments, severance payments, and all lump sum annual leave payments and overtime payments made at the time of separation from state service, payments in lieu of any employer-paid group insurance coverage, including the difference between single and family rates that may be paid to an employee with single coverage, and payments made as an employer-paid fringe benefit and workers' compensation payments are not deemed to be salary. Workers' compensation payments are not considered salary.

Sec. 4. Minnesota Statutes 1992, section 352.04, subdivision 2, is amended to read:

Subd. 2. [EMPLOYEE CONTRIBUTIONS.] The employee contribution to the fund must be equal to  $3.99 \frac{4.07}{4.07}$  percent of salary. These contributions must be made by deduction from salary as provided in subdivision 4.

Sec. 5. Minnesota Statutes 1992, section 352.04, subdivision 3, is amended to read:

Subd. 3. [EMPLOYER CONTRIBUTIONS.] (a) The employer contribution to the fund must be equal to 4.12 4.2 percent of salary.

(b) By January 1 of each year, the board of directors shall report to the legislative commission on pensions and retirement, the chair of the committee on appropriations of the house of representatives, and the chair of the committee on finance of the senate on the amount raised by the employer and employee contribution rates in effect and whether the total amount is less than, the same as, or more than the actuarial requirement determined under section 356.215.

5840

(c) If the legislative commission on pensions and retirement, based on the most recent valuation performed by its actuary, determines that the total amount raised by the employer and employee contributions under subdivision 2 and paragraph (b) is less than the actuarial requirements determined under section 356.215, the employer and employee rates must be increased by equal amounts as necessary to meet the actuarial requirements. The employee rate may not exceed 4.15 percent of salary and the employer rate may not exceed 4.29 percent of salary. The increases are effective on the next January 1 following the determination by the commission. The executive director of the Minnesota state retirement system shall notify employing units of any increases under this paragraph.

Sec. 6. Minnesota Statutes 1992, section 352.119, is amended by adding a subdivision to read:

Subd. 4. [DETERMINING APPLICABLE LAW.] The annuity is computed under the law in effect as of the last day for which the employee receives pay, or if on medical leave, the day the leave terminates. However, if the employee has returned to covered employment following a termination, the employee must have earned at least six months of allowable service following their return to qualify for improved benefits resulting from any law change enacted subsequent to that termination.

Sec. 7. Minnesota Statutes 1993 Supplement, section 352.22, subdivision 2, is amended to read:

Subd. 2. [AMOUNT OF REFUND.] Except as provided in subdivision 3, any the refund payable to a person who ceased to be a state employee by reason of termination of state service shall receive a refund is in an amount equal to employee accumulated contributions plus interest at the rate of six percent per year compounded annually. Included with the refund is any interest paid as part of repayment of a past refund, plus interest thereon from the date of repayment. Interest must be computed to the first day of the month in which the refund is processed and must be based on fiscal year or monthly balances, whichever applies.

Sec. 8. Minnesota Statutes 1993 Supplement, section 352.93, subdivision 2a, is amended to read:

Subd. 2a. [EARLY RETIREMENT.] Any covered correctional employee, or former employee if service ended after June 30, 1989, who becomes at least 50 years old and who has at least three years of allowable service is entitled upon application to a <u>reduced</u> retirement annuity equal to the <del>normal</del> annuity calculated under subdivision 2, reduced so that the reduced annuity is the actuarial equivalent of the annuity that would be payable if the employee deferred receipt of the annuity from the day the annuity begins to accrue to age 55.

Sec. 9. Minnesota Statutes 1993 Supplement, section 352.96, subdivision 4, is amended to read:

Subd. 4. [EXECUTIVE DIRECTOR TO ESTABLISH RULES.] The executive director of the system with the advice and consent of the board of directors shall establish rules and procedures to carry out this section including allocation of administrative costs against the assets accumulated under this section. Funds to pay these costs are appropriated from the fund or account in which the assets accumulated under this section are placed. The rules established by the executive director must conform to federal and state tax laws, regulations, and rulings, and are not subject to the administrative procedure act. Except for the marketing rules, rules relating to the options provided under subdivision 2, clauses (2) and (3), must be approved by the state board of investment. A state employee must not make payments under a plan until the plan or applicable component of the plan has been approved for tax deferred status by the Internal Revenue Service.

Sec. 10. Minnesota Statutes 1993 Supplement, section 352B.08, subdivision 2a, is amended to read:

Subd. 2a. [EARLY RETIREMENT.] Any member who has become at least 50 years old, or former member if service ended after June 30, 1989, and who has at least three years of allowable service is entitled upon application to a <u>reduced</u> retirement annuity equal to the <del>normal</del> annuity calculated under subdivision 2, reduced so that the reduced annuity is the actuarial equivalent of the annuity that would be payable if the member deferred receipt of the annuity from the day the annuity begins to accrue to age 55.

Sec. 11. Minnesota Statutes 1992, section 352B.265, is amended to read:

#### 352B.265 [PRE-1973 INCREASE.]

Total benefits payable to a retiree or surviving spouse whose benefits were computed under the law in effect before June 1, 1973, are increased by six percent on July 1, 1982, and on July 1 of each year thereafter until July 1, 1994. Funds sufficient to pay the increases provided by this section are appropriated annually <u>until June 30, 1995</u>, to the executive director from the state patrol retirement fund. <u>On June 30, 1995, amounts paid under this section must be</u> <u>added to and considered a portion of the annuity otherwise payable to the recipient.</u> <u>Assets required to fund these</u> <u>benefits must be transferred in accordance with section 352B.26.</u> Sec. 12. Minnesota Statutes 1992, section 352D.04, subdivision 2, is amended to read:

Subd. 2. The moneys used to purchase shares under this section shall be the employee and employer contributions provided in this subdivision.

(a) The employee contribution shall be an amount equal to four percent of salary the employee contribution specified in section 352.04, subdivision 2.

(b) The employer contribution shall be an amount equal to six percent of salary.

These contributions shall be made by deduction from salary in the manner provided in section 352.04, subdivisions 4, 5, and 6.

Sec. 13. [FISCAL YEAR 1995 ACTUARIAL VALUATIONS.]

For the fiscal year 1995 actuarial valuation period, the legislative commission on pensions and retirement may authorize an alternative set of salary increase assumptions or other assumptions defined under Minnesota Statutes, section 356.215. The actuary retained by the legislative commission on pensions and retirement shall make recommendations for change based on an experience study completed in fiscal year 1994 or 1995.

Sec. 14. [REPEALER.]

Minnesota Statutes 1992, sections 352.15, subdivision 2; and 352D.09, subdivision 6, are repealed.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 and 4 to 14 are effective the day following final enactment. Sections 2 and 3 are effective January 1, 1995.

#### ARTICLE 3

## PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Section 1. Minnesota Statutes 1993 Supplement, section 353.01, subdivision 10, is amended to read:

Subd. 10. [SALARY.] (a) "Salary" means the periodical:

(1) periodic compensation of a public employee, before deductions for deferred compensation, supplemental retirement plans, or other voluntary salary reduction programs, and also means "wages" and includes net income from fees; and

(2) for a public employee who has prior service covered by a local police or firefighters relief association that has consolidated with the public employees retirement association and who has elected coverage under the public employees police and fire fund benefit plan under section 353A.08 following the consolidation, "salary" means the rate of salary upon which member contributions to the special fund of the relief association were made prior to the effective date of the consolidation as specified by law and by bylaw provisions governing the relief association on the date of the initiation of the consolidation procedure and the actual periodic compensation of the public employee after the effective date of consolidation.

(b) Salary does not mean:

(1) fees paid to district court reporters, unused annual or sick leave payments, in lump-sum or periodic payments, severance payments, reimbursement of expenses, lump-sum settlements not attached to a specific earnings period, or workers' compensation payments;

Salary does not mean (2) employer-paid <u>amounts used by an employee toward the cost of insurance coverage,</u> <u>employer-paid fringe benefits</u>, flexible spending accounts, cafeteria plans, health care expense accounts, day care expenses, or any payments in lieu of any employer-paid group insurance coverage, including the difference between single and family rates that may be paid to a member with single coverage. <u>and certain amounts determined by the</u> <u>executive director to be ineligible</u>;

5842

(3) the amount equal to that which the employing governmental subdivision would otherwise pay toward single or family insurance coverage for a covered employee when, through a contract or agreement with some but not all employees, the employer:

(i) discontinues, or for new hires does not provide, payment toward the cost of the employee's selected insurance coverages under a group plan offered by the employer;

(ii) makes the employee solely responsible for all contributions toward the cost of the employee's selected insurance coverages under a group plan offered by the employer, including any amount the employer makes toward other employees' selected insurance coverages under a group plan offered by the employer; and

(iii) provides increased salary rates for employees who do not have any employer-paid group insurance coverages; and

(e) (4) except as provided in sections section 353.86 or 353.87, compensation of any kind paid to volunteer ambulance service personnel or volunteer firefighters, as defined in subdivisions 35 and  $36_7$  is not salary.

(d) For a public employee who has prior service covered by a local police or firefighters relief association that has consolidated with the public employees retirement association and who has elected coverage under the public employees police and fire fund benefit plan under section 353A.08 following the consolidation, "salary" means the rate of salary upon which member contributions to the special fund of the relief association were made prior to the effective date of the consolidation as specified by law and by bylaw provisions governing the relief association on the date of the initiation of the consolidation procedure and the actual periodical compensation of the public employee after the effective date of the consolidation.

Sec. 2. Minnesota Statutes 1993 Supplement, section 353.01, subdivision 12a, is amended to read:

Subd. 12a. [TEMPORARY POSITION.] (1) "Temporary position" means an employment position <u>predetermined</u> by the <u>employer at the time of hiring to be a period</u> of six months or less in which a person is a public employee under subdivision 2, but not or an employment position occupied by a person hired by the employer for a predetermined period of six months or less.

(2) "Temporary position" does not mean an employment position for an unlimited period in which a person serves a probationary period or works an irregular schedule.

Sec. 3. Minnesota Statutes 1993 Supplement, section 353.01, subdivision 16, is amended to read:

Subd. 16. [ALLOWABLE SERVICE.] (a) "Allowable service" means service during years of actual membership in the course of which employee contributions were made, periods covered by payments in lieu of salary deductions under section 353.35, and service in years during which the public employee was not a member but for which the member later elected, while a member, to obtain credit by making payments to the fund as permitted by any law then in effect.

(b) "Allowable service" also means a period of authorized leave of absence with pay from which deductions for employee contributions are made, deposited, and credited to the fund.

(c) "Allowable service" also means a period of authorized leave of absence without pay that does not exceed one year, and during or for which a member obtained credit by payments to the fund made in place of salary deductions, provided that the payments are made in an amount or amounts based on the member's average salary on which deductions were paid for the last six months of public service, or for that portion of the last six months while the member was in public service, to apply to the period in either case immediately preceding commencement of the leave of absence. If the employee elects to pay employee contributions for the period of any leave of absence without pay, or for any portion of the leave, the employee shall also, as a condition to the exercise of the election, pay to the fund an amount equivalent to both the required employer and additional employer contributions for the employee. The payment must be made within one year from the expiration of the leave of absence or within 20 days after termination of public service under subdivision 11a. The employer by appropriate action of its governing body, made a part of its official records, before the date of the first payment of the employer contributions from the proceeds of a tax levy made under section 353.28. Payments under this paragraph must include interest at an annual rate of 8.5 percent compounded annually from the date of the termination of the leave of absence to the date payment is made. An

employee shall return to public service for and receive a minimum of 90 calendar days three months of allowable service to be eligible to pay employee and employer contributions for a subsequent authorized leave of absence without pay.

(d) "Allowable service" also means a periodic, repetitive leave that is offered to all employees of a governmental subdivision. The leave program may not exceed 208 hours per annual normal work cycle as certified to the association by the employer. A participating member obtains service credit by making employee contributions in an amount or amounts based on the member's average salary that would have been paid if the leave had not been taken. The employee shall pay the employer and additional employer contributions on behalf of the participating member. The employee and the employer are responsible to pay interest on their respective shares at the rate of six <u>8.5</u> percent a year, compounded annually, from the end of the normal cycle until full payment is made. An employer shall also make the employee who makes employee contributions, plus six <u>8.5</u> percent interest, compounded annually, on behalf of an employee who makes employee contributions but terminates public service. The employee contributions must be made within one year after the end of the annual normal working cycle or within 20 days after termination of public service, whichever is sooner. The association shall prescribe the manner and forms to be used by a governmental subdivision in administering a periodic, repetitive leave.

(e) "Allowable service" also means a period during which a member is on an authorized sick leave of absence, without pay, limited to one year. An employee who has received one year of allowable service shall return to public service for and receive a minimum of 90 calendar days three months of allowable service to receive allowable service for a subsequent authorized sick leave of absence.

(f) "Allowable service" also means an authorized temporary layoff under subdivision 12. The association shall grant a maximum of, <u>limited to</u> three months allowable service per authorized temporary layoff in one calendar year. An employee who has received the maximum service allowed for an authorized temporary layoff shall return to public service for and receive a minimum of 90 calendar days three months of allowable service to receive allowable service for a subsequent authorized temporary layoff.

(g) <u>Notwithstanding any law to the contrary</u>, "allowable service" also means a parental leave. The association shall grant a maximum of two months service credit for a parental leave, within six months after the birth or adoption, upon documentation from the member's governmental subdivision or presentation of a birth certificate or other evidence of birth or adoption to the association.

(h) "Allowable service" also means a period during which a member is on an authorized leave of absence to enter military service, provided that the member returns to public service upon discharge from military service under section 192.262 and pays into the fund employee contributions based upon the employee's salary at the date of return from military service. Payment must be made within five years of the date of discharge from the military service. The amount of these contributions must be in accord with the contribution rates and salary limitations, if any, in effect during the leave, plus interest at an annual rate of 8.5 percent compounded annually from the date of return to public service to the date payment is made. The matching employer contribution and additional employer contribution under section 353.27, subdivisions 3 and 3a, must be paid by the governmental subdivision employing the member upon return to public service if the member makes the employee contributions. The governmental subdivision involved may appropriate money for those payments. A member may not receive credit for a voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction, or call to active duty.

(i) For calculating benefits under sections 353.30, 353.31, 353.32, and 353.33 for state officers and employees displaced by the community corrections act, chapter 401, and transferred into county service under section 401.04, "allowable service" means combined years of allowable service as defined in paragraphs (a) to  $\frac{(h)}{(i)}$  and section 352.01, subdivision 11.

(j) For a public employee who has prior service covered by a local police or firefighters relief association that has consolidated with the public employees retirement association, and who has elected the type of benefit coverage provided by the public employees police and fire fund under section 353A.08 following the consolidation, "applicable service" is a period of service credited by the local police or firefighters relief association as of the effective date of the consolidation based on law and on bylaw provisions governing the relief association on the date of the initiation of the consolidation procedure.

Sec. 4. Minnesota Statutes 1993 Supplement, section 353.01, subdivision 28, is amended to read:

Subd. 28. [RETIREMENT.] (a) "Retirement" means the commencement of payment of an annuity based on a date designated by the board of trustees. This date determines the rights under this chapter which occur either before or after retirement. A right to retirement is subject to termination of public service under subdivision 11a and or termination of membership under subdivision 11b, the earlier of which will determine the date membership and coverage cease. A right to retirement must not accrue without a complete and continuous separation for 30 days from employment as a public employee under subdivision 2.

A former member of the basic or police and fire fund who becomes a coordinated member upon returning to eligible, nontemporary public service, terminates employment before obtaining six months' allowable service under subdivision 16, paragraph (a), in the coordinated fund, and is eligible to receive an annuity the first day of the month after the most recent termination date shall not accrue a right to a retirement annuity under the coordinated fund. An annuity otherwise payable to the former member must be based on the laws in effect on the date of termination of the most recent service under the basic or police and fire fund and shall be retroactive to the first day of the month following that termination date or one year preceding the filing of an application for retirement annuity as provided by section 353.29, subdivision 7, whichever is later. The annuity payment must be suspended or reduced under the provisions of section 353.37, if earned compensation for the reemployment equals or exceeds the amounts indicated under that section. The association will refund the employee deductions made to the coordinated fund, with interest under section 353.34, subdivision 2, return the accompanying employer contributions, and remove the allowable service credits covering the deductions refunded.

(b) Notwithstanding the 30-day separation requirement, a member of the defined benefit plan under this chapter, who also participates in the public employees defined contribution plan under chapter 353D for other public service, may be paid, if eligible, a retirement annuity from the defined benefit plan while participating in the defined contribution plan.

Sec. 5. Minnesota Statutes 1993 Supplement, section 353.017, is amended by adding a subdivision to read:

Subd. 6. [REEMPLOYMENT OF ANNUITANT.] The annuity of a person otherwise eligible for an annuity under this chapter is subject to the provisions of section 353.37.

Sec. 6. Minnesota Statutes 1992, section 353.03, subdivision 1, is amended to read:

Subdivision 1. [MANAGEMENT; COMPOSITION; ELECTION.] The management of the public employees retirement fund is vested in a an eleven member board of trustees consisting of the state auditor and nine ten members and the state auditor who may designate a deputy auditor with expertise in pension matters as the auditor's representative on the board. The governor shall appoint six five trustees to four-year terms, one of whom shall be designated to represent school boards, one to represent cities, one to represent counties, one who is a member of the police and fire fund, one who is a retired annuitant, and one who is a public member knowledgeable in pension matters. The membership of the association, including recipients of retirement annuities and disability and survivor benefits, shall elect three five trustees, one of whom must be a member of the police and fire fund and one of whom must be a former member who met the definition of public employee under section 353.01, subdivisions 2 and 2a, for at least five years prior to terminating membership or a member who receives a disability benefit, for terms of four years. Except as provided in this subdivision, trustees elected by the membership of the association must be public employees and members of the association. For seven days beginning October 1 of each year preceding a year in which an election is held, the association shall accept at its office filings in person or by mail of candidates for the board of trustees. A candidate shall submit at the time of filing a nominating petition signed by 25 or more members of the fund. No name may be withdrawn from nomination by the nominee after October 15. At the request of a candidate for an elected position on the board of trustees, the board shall mail a statement of up to 300 words prepared by the candidate to all persons eligible to vote in the election of the candidate. The board may adopt policies to govern form and length of these statements, timing of mailings, and deadlines for submitting materials to be mailed. These policies must be approved by the secretary of state. The secretary of state shall resolve disputes between the board and a candidate concerning application of these policies to a particular statement. Α candidate who:

(1) receives contributions or makes expenditures in excess of \$100; or

(2) has given implicit or explicit consent for any other person to receive contributions or make expenditures in excess of \$100 for the purpose of bringing about the candidate's election, shall file a report with the ethical practices board disclosing the source and amount of all contributions to the candidate's campaign. The ethical practices board shall prescribe forms governing these disclosures. Expenditures and contributions have the meaning defined in

section 10A.01. These terms do not include the mailing made by the association board on behalf of the candidate. A candidate shall file a report within 30 days from the day that the results of the election are announced. The ethical practices board shall maintain these reports and make them available for public inspection in the same manner as the board maintains and makes available other reports filed with it. By January 10 of each year in which elections are to be held the board shall distribute by mail to the members ballots listing the candidates. No member may vote for more than one candidate for each board position to be filled. A ballot indicating a vote for more than one person for any position is void. No special marking may be used on the ballot to indicate incumbents. The last day for mailing ballots to the fund is January 31. Terms expire on January 31 of the fourth year, and positions are vacant until newly elected members are qualified. The ballot envelopes must be so designed and the ballots counted in a manner that ensures that each vote is secret.

The secretary of state shall supervise the elections. The board of trustees and the executive director shall undertake their activities consistent with chapter 356A.

Sec. 7. Minnesota Statutes 1992, section 353.03, subdivision 3a, is amended to read:

Subd. 3a. [EXECUTIVE DIRECTOR.] (a) [APPOINTMENT.] The board shall appoint, with the advice and consent of the senate, an executive director on the basis of education, experience in the retirement field, and leadership ability. The executive director shall have had at least five years' experience in an executive level management position, which has included responsibility for pensions, deferred compensation, or employee benefits. The executive director serves at the pleasure of the board. The salary of the executive director is as provided by section 15A.081, subdivision 1.

(b) [DUTIES.] The management of the association is vested in the executive director who shall be the executive and administrative head of the association. The executive director shall act as adviser to the board on all matters pertaining to the association and shall also act as the secretary of the board. The executive director shall:

(1) attend all meetings of the board;

(2) prepare and recommend to the board appropriate rules to carry out the provisions of this chapter;

(3) establish and maintain an adequate system of records and accounts following recognized accounting principles and controls;

(4) designate an assistant director, with the approval of the board, up to two persons who shall serve in the unclassified service and whose salary is set in accordance with section 43A.18, subdivision 3, appoint a confidential secretary in the unclassified service, and appoint employees to carry out this chapter, who are subject to chapters 43A and 179A in the same manner as are executive branch employees;

(5) organize the work of the association as the director deems necessary to fulfill the functions of the association, and define the duties of its employees and delegate to them any powers or duties, subject to the control of, and under such conditions as, the executive director may prescribe;

(6) with the approval of the board, contract for the services of an approved actuary, professional management services, and any other consulting services as necessary to fulfill the purposes of this chapter. All contracts are subject to chapter 16B. The commissioner of administration shall not approve, and the association shall not enter into, any contract to provide lobbying services or legislative advocacy of any kind. Any approved actuary retained by the executive director shall function as the actuarial advisor of the board and the executive director and may perform actuarial valuations and experience studies to supplement those performed by the actuary retained by the legislative commission on pensions and retirement. Any supplemental actuarial valuations or experience studies shall be filed with the executive director of the legislative commission on pensions and retirement. Copies of professional management survey reports shall be transmitted to the secretary of the senate, the chief clerk of the house of representatives, and the legislative reference library as provided by section 3.195, to the executive director of the commission and to the legislative auditor at the same time as reports are furnished to the board. Only management firms experienced in conducting management surveys of federal, state, or local public retirement systems shall be qualified to contract with the director hereunder;

(7) with the approval of the board provide in-service training for the employees of the association;

(8) make refunds of accumulated contributions to former members and to the designated beneficiary, surviving spouse, legal representative or next of kin of deceased members or deceased former members, as provided in this chapter;

(9) determine the amount of the annuities and disability benefits of members covered by the association and authorize payment of the annuities and benefits beginning as of the dates on which the annuities and benefits begin to accrue, in accordance with the provisions of this chapter;

(10) pay annuities, refunds, survivor benefits, salaries, and necessary operating expenses of the association;

(11) prepare and submit to the board and the legislature an annual financial report covering the operation of the association, as required by section 356.20;

(12) prepare and submit biennial and annual budgets to the board for its approval and submit the approved budgets to the department of finance for approval by the commissioner; and

(13) reduce all or part of the accrued interest payable under section 353.27, subdivisions 12, 12a, and 12b or 353.28, subdivision 5, upon receipt of proof by the association of an unreasonable processing delay or other extenuating circumstances of the employing unit. The executive director shall prescribe and submit for approval by the board the conditions under which such interest may be reduced; and

(14) with the approval of the board, perform such other duties as may be required for the administration of the association and the other provisions of this chapter and for the transaction of its business.

Sec. 8. Minnesota Statutes 1993 Supplement, section 353.27, subdivision 7, is amended to read:

Subd. 7. [ADJUSTMENT FOR ERRONEOUS RECEIPTS OR DISBURSEMENTS.] (a) [DEDUCTIONS TAKEN IN ERROR.] Except as provided in paragraph (b), erroneous employee deductions and erroneous employer contributions and additional employer contributions for a person, who otherwise does not qualify for membership under this chapter, are considered:

(1) valid if the initial erroneous deduction began before January 1, 1990. Upon determination of the error by the association, the person may:

(i) continue membership in the association while employed in the same position for which erroneous deductions were taken; or

(ii) file a written election to terminate membership and apply for a refund or defer an annuity under section 353.34; or

(2) invalid, if the initial erroneous employee deduction began on or after January 1, 1990. Upon determination of the error, the association shall require the employer to discontinue erroneous employee deductions and erroneous employer contributions. Upon discontinuance, the association shall refund all erroneous employee deductions to the person, with interest, under section 353.34, subdivision 2, and all erroneous employer contributions to the employer contributions to the employer. No person may claim a right to continued or past membership in the association based on erroneous deductions which began on or after January 1, 1990;

(b) Erroneous deductions taken from the salary of a person who did not qualify for membership in the association by virtue of concurrent employment before July 1, 1978, which required contributions to another retirement fund or relief association established for the benefit of officers and employees of a governmental subdivision, are invalid. Upon discovery of the error, the association shall remove all service and refund all erroneous employee deductions to the person, with interest under section 353.34, subdivision 2, and all erroneous employer contributions to the employer. This paragraph has both retroactive and prospective application.

(3) a refund of (c) Employer contributions and employee deductions taken in error from siek leave, vacation, workers' compensation, and severance pay amounts which are not salary under section 353.01, subdivision 10, are invalid upon discovery by the association and may be made refunded at any time.

(b) [ERRONEOUS DISBURSEMENT.] (d) In the event a salary warrant or check from which a deduction for the retirement fund was taken has been canceled or the amount of the warrant or check returned to the funds of the department making the payment, a refund of the sum deducted, or a portion of it that is required to adjust the deductions, must be made to the department or institution.

Sec. 9. Minnesota Statutes 1993 Supplement, section 353.37, subdivision 1, is amended to read:

Subdivision 1. [SALARY MAXIMUMS.] The annuity of a person otherwise eligible for an annuity under this chapter must be suspended under subdivision 2 or reduced under subdivision 3, whichever results in the higher annual annuity amount, if the person reenters public service as a nonelective employee of a governmental subdivision in a position covered by this chapter or returns to work as an employee of a labor organization that represents public employees who are association members under this chapter and salary for the reemployment service exceeds the annual maximum earnings allowable for that age for the continued receipt of full benefit amounts monthly under the federal Old Age, Survivors and Disability Insurance Program as set by the secretary of health and human services under United States Code, title 42, section 403, in any calendar year. If the person has not yet reached the minimum age for the receipt of social security benefits, the maximum salary for the person is equal to the annual maximum earnings allowable for the receipt of social security benefits.

Sec. 10. Minnesota Statutes 1993 Supplement, section 353.37, subdivision 2, is amended to read:

Subd. 2. [SUSPENSION OF ANNUITY.] The association shall suspend the annuity on the first of the month after the month in which the salary of the reemployed annuitant exceeds the maximums set in subdivision 1, based only on those months in which the annuitant is actually employed in nonelective <u>public</u> service in a position covered under this chapter <u>or employment with a labor organization that represents public employees who are association members</u> <u>under this chapter</u>. An annuitant who is elected to public office after retirement may hold office and receive an annuity otherwise payable from the association.

Sec. 11. Minnesota Statutes 1993 Supplement, section 353.37, subdivision 4, is amended to read:

Subd. 4. [RESUMPTION OF ANNUITY.] The association shall resume paying a full annuity to the reemployed annuitant at the start of each calendar year until the salary exceeds the maximums under subdivision 1, or on the first of the month following termination of public service or termination of membership, whichever is sooner employment which resulted in the suspension of the annuity. The executive director may adopt policies regarding the suspension and reduction of annuities under this section.

Sec. 12. Minnesota Statutes 1993 Supplement, section 353.65, subdivision 3a, is amended to read:

Subd. 3a. [CHANGE IN EMPLOYEE AND EMPLOYER CONTRIBUTIONS IN CERTAIN INSTANCES.] (a) If, for three after four consecutive fiscal years beginning July 1, 1994, 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 after four consecutive fiscal years beginning July 1, 1994, 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 <del>next</del> following the third receipt by the association of the fourth consecutive annual actuarial valuation disclosing the deficiency or sufficiency specified in paragraph (a) or (b).

(f) A contribution rate increase or decrease under paragraph (a) or (b) must not occur prior to receipt by the association of the 1997 regular actuarial valuation of the police and fire fund under section 356.215. A contribution rate increase or decrease under paragraph (a) or (b) must not occur within four years of a prior increase or decrease under paragraph (a) or (b).

Sec. 13. Minnesota Statutes 1993 Supplement, section 353A.08, subdivision 3, is amended to read:

Subd. 3. [ELECTION OF COVERAGE BY ACTIVE MEMBERS.] A person who is employed as a police officer or as a firefighter other than a volunteer firefighter, whichever applies, by the municipality and is an active member of the <u>a police or fire</u> relief association, <u>other than a volunteer firefighter</u>, has the option to elect benefit coverage under the <u>relevant provisions of the</u> public employees police and fire fund benefit plan or to retain benefit coverage provided by the relief association benefit plan in effect on the effective date of consolidation. The relevant provisions of the public employee police and fire fund benefit plan applicable to retirement annuities, disability benefits, and survivor benefits, including participation in the Minnesota postretirement investment fund, but excluding any provisions governing the purchase of credit for prior service or making payments in lieu of member contribution deductions applicable to any period which occurred before the effective date of consolidation.

An active member is eligible to make an election at one of the following times:

(a) within six months of the effective date of consolidation;

(b) between the date on which the active member attains the age of 49 years and six months and the date on which the active member attains the age of 50 years; or

(c) on the date on which the active member terminates active employment for purposes of receiving a service pension or disability benefits, or within 90 days of the date the member terminates active employment and defers receipt of a service pension, whichever applies.

Sec. 14. Minnesota Statutes 1992, section 356.30, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; COMPUTATION OF ANNUITY.] (1) Notwithstanding any provisions to the contrary of the laws governing the funds enumerated in subdivision 3, a person who has met the qualifications of clause (2) may elect to receive a retirement annuity from each fund in which the person has at least six months allowable service, based on the allowable service in each fund, subject to the provisions of clause (3).

(2) A person may receive upon retirement a retirement annuity from each fund in which the person has at least six months allowable service, and augmentation of a deferred annuity calculated under the laws governing each public pension plan or fund named in subdivision 3, from the date the person terminated all public service if:

(a) the person has allowable service totaling an amount that allows the person to receive an annuity in any two or more of the enumerated funds; and

(b) the person has at least six months of allowable service with the last such fund earned during the last period of employment; and

(e) the person has not begun to receive an annuity from any enumerated fund or the person has made application for benefits from all funds the effective dates of the retirement annuity with each fund under which the person chooses to receive an annuity are within a six month one-year period.

(3) The retirement annuity from each fund must be based upon the allowable service in each fund, except that:

(a) The laws governing annuities must be the law in effect on the date of final termination from the last <u>period of</u> public service under a covered fund <u>with which the person earned a minimum of one-half year of allowable service</u> <u>credit during that employment</u>.

(b) The "average salary" on which the annuity from each covered fund in which the employee has credit in a formula plan shall be based on the employee's highest five successive years of covered salary during the entire service in covered funds.

(c) The formula percentages to be used by each fund must be those percentages prescribed by each fund's formula as continued for the respective years of allowable service from one fund to the next, recognizing all previous allowable service with the other covered funds.

(d) Allowable service in all the funds must be combined in determining eligibility for and the application of each fund's provisions in respect to actuarial reduction in the benefit <u>annuity</u> amount for retirement prior to normal retirement.

(e) The benefit <u>annuity</u> amount payable for any allowable service under a nonformula plan of a covered fund must not be affected but such service and covered salary must be used in the above calculation.

(f) This section shall not apply to any person whose final termination from the last public service under a covered fund is prior to May 1, 1975.

(g) For the purpose of computing <u>benefits annuities</u> under this section the formula percentages used by any covered fund, <u>except the public employees police and fire fund</u>, must not exceed 2-1/2 percent per year of service for any year of service or fraction thereof. <u>The formula percentage used by the public employees police and fire fund must not exceed 2.65 percent per year of service for any year of service or fraction thereof.</u>

(h) Any period of time for which a person has credit in more than one of the covered funds must be used only once for the purpose of determining total allowable service.

(i) If the period of duplicated service credit is more than six months, or the person has credit for more than six months with each of the funds, each fund shall apply its formula to a prorated service credit for the period of duplicated service based on a fraction of the salary on which deductions were paid to that fund for the period divided by the total salary on which deductions were paid to all funds for the period.

(j) If the period of duplicated service credit is less than six months, or when added to other service credit with that fund is less than six months, the service credit must be ignored and a refund of contributions made to the person in accord with that fund's refund provisions.

#### Sec. 15. [EFFECTIVE DATE.]

Sections 1 and 2, 4, 6, and 10 to 12 are effective July 1, 1994. Section 3 is effective May 1, 1994. Sections 5, 8, and 9 are effective January 1, 1994. Sections 7 and 13 are effective retroactive to July 1, 1993.

# ARTICLE 4

## TEACHERS RETIREMENT ASSOCIATION

Section 1. Minnesota Statutes 1992, section 354.05, subdivision 2, is amended to read:

Subd. 2. [TEACHER.] (a) "Teacher" includes any means:

(1) a person who renders service as a teacher, supervisor, principal, superintendent, or librarian, <u>nurse</u>, <u>counselor</u>, <u>social worker</u>, <u>therapist</u>, <u>or psychologist</u> in the public schools of the state located outside of the corporate limits of the cities of the first class as those cities were so classified on January 1, 1979, or in the state <u>colleges and</u> universities <u>system</u>, or in any charitable or state institution including, penal and corrective, <u>or correctional</u> institutions supported, in whole or in part, by public funds <u>of a governmental subdivision</u>, or who is engaged in educational administration in connection with the state public school system, including the state <u>colleges and</u> university system and state <u>community college system</u>, but excluding the University of Minnesota, whether the position be a public office or an employment, not including members <u>or officers</u> of any general governing or managing board or body <del>connected with the systems, or the officers of common, independent, special, or associated school districts, or unorganized territory. The term shall also include</del>:

(2) an employee of the teachers retirement association unless the employee is covered by the Minnesota state retirement system by virtue of prior employment by the association, and any nurse, counselor, social worker, therapist or psychologist who renders service in the public schools as defined above or in state universities. The term shall also include any;

(3) a person who renders teaching service on a part-time basis and who also renders other services for a sensol district single employing unit. In such cases, the teachers retirement association shall have the authority to executive director shall determine whether all or none of the combined employment shall be service is covered by the teachers retirement association, however a person whose teaching service comprises at least 50 percent of the combined employment salary is a member of the association for all services with the single employing unit.

(b) The term does not include mean:

#### 5850

(1) an employee described in section 352D.02, subdivision 1a, who is hired after the effective date of Laws 1986, chapter 458. The term does not mean any;

(2) a person who works for a school or institution as an independent contractor. The term shall not include any as defined by the Internal Revenue Service;

(3) a person employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal Comprehensive Employment and Training Act from and after March 30, 1978, unless the person has, as of the later of March 30, 1978 or the date of employment, sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing on forms prescribed by the executive director to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Training and Employment Act, or the person agrees in writing on forms prescribed by the executive director to make the required employee contribution. The term shall not include any;

(4) a person holding a part-time adult supplementary technical college license who renders part-time teaching service in a technical college if (1) (i) the service is incidental to the regular nonteaching occupation of the person; and (2) (ii) the applicable technical college stipulates annually in advance that the part-time teaching service will not exceed 300 hours in a fiscal year and retains the stipulation in its records; and (3) (iii) the part-time teaching service actually does not exceed 300 hours in a fiscal year. The term also shall not include; or

(5) a person exempt from licensure pursuant to section 125.031 or any person who was excluded from membership prior to January 1, 1981, pursuant to Laws 1978, chapter 556, section 1, and Laws 1980, chapter 342, section 8, if the person annually certifies on a form prescribed by the executive director that the person has established and is contributing to an individual retirement account which is based on nonteaching employment.

Sec. 2. Minnesota Statutes 1993 Supplement, section 354.05, subdivision 8, is amended to read:

Subd. 8. [DEPENDENT CHILD.] For the purpose of survivor benefit eligibility under section 354.46, subdivision 1, "Dependent child" means any a biological or adopted child of a deceased member who has not reached the age of 18, or who is under age 22 and is a full-time student throughout the normal school year, unmarried and dependent for more than one-half of support upon the member. It also includes any means a child of the member conceived while living during the member's lifetime and born after the member's death.

Sec. 3. Minnesota Statutes 1992, section 354.05, is amended by adding a subdivision to read:

Subd. 14a. [SURVIVING SPOUSE.] "Surviving spouse" means the spouse of a deceased member or a disabilitant who was legally married to the member at the time of death.

Sec. 4. Minnesota Statutes 1992, section 354.05, subdivision 21, is amended to read:

Subd. 21. [RETIREMENT.] "Retirement" means the withdrawal of a member from active teaching service who is paid a retirement annuity thereafter and commences with the date designated by the retirement board when the retirement annuity shall first accrue accrues to the former member after withdrawal from active teaching service and application for an annuity under section 354.44, subdivisions 3 and 4. The effective date of retirement must occur for an annuity plan selection to take effect. This date shall determine determines any rights specified in this chapter which occur either before or after retirement, as the case may be.

Sec. 5. Minnesota Statutes 1992, section 354.05, subdivision 22, is amended to read:

Subd. 22. [DESIGNATED BENEFICIARY.] "Designated beneficiary" means the person, trust, or organization designated by a retiree or member to receive the benefits to which a beneficiary is entitled under this chapter. A beneficiary designation is valid only if it is made on an appropriate form provided by the executive director and that is signed by the member and two witnesses to the member's signature. The properly completed form is must be received by the fund postmarked on or before the date of death of the retiree or member. If a retiree or a member does not designate such a person, trust, or organization, or if the person designated predeceases the retiree or the member, or the trust or organization ceases to exist before the death of the retiree or the member, the designated beneficiary in such cases means the estate of the deceased retiree or member.

Sec. 6. Minnesota Statutes 1992, section 354.05, subdivision 35, is amended to read:

Subd. 35. [SALARY.] (a) "Salary" means the compensation, upon which member contributions are required and made, that is paid to a teacher before any allowable reductions permitted under the federal Internal Revenue Code of 1986, as amended through December 31, 1988, for employee selected employee-paid fringe benefits, tax sheltered annuities, deferred compensation, or any combination of these employee-paid items are deducted.

(b) "Salary" does not include mean:

(1) lump sum annual leave payments;

(2) lump sum wellness and sick leave payments;

(3) payments in lieu of any employer-paid group insurance coverage; including;

(4) payments for the difference between single and family premium rates, that may be paid to a member with single coverage;

(4) (5) employer-paid fringe benefits including, but not limited to, flexible spending accounts, cafeteria plans, health care expense accounts, day care expenses, or automobile allowances and expenses;

(6) any form of payment made in lieu of any other employer\_ paid fringe benefit or expense;

(5) (7) any form of severance payments;

(6) (8) workers' compensation payments;

(7) (9) disability insurance payments including self-insured disability payments; or

(8) (10) payments to school principals and all other administrators for services in addition to the normal work year contract if these additional services are performed on an extended duty day, Saturday, Sunday, holiday, annual leave day, sick leave day, or any other nonduty day;

(11) payments under section 356.24, subdivision 1, clause (4)(ii); and

(12) payments made under section 125.12, subdivision 7, except for payments for sick leave accumulated under the provisions of a uniform school district policy that applies equally to all similarly situated persons in the district.

Sec. 7. Minnesota Statutes 1992, section 354.05; is amended by adding a subdivision to read:

Subd. 40. [TIMELY RECEIPT.] An application, payment, return, claim, or other document that is not personally delivered to the association before the applicable due date is considered to be a timely receipt if officially postmarked on or before the due date or delivered or filed under section 645.151.

Sec. 8. Minnesota Statutes 1992, section 354.06, subdivision 2a, is amended to read:

Subd. 2a. [DUTIES OF EXECUTIVE DIRECTOR.] The management of the association is vested in the executive director who shall be the executive and administrative head of the association. The executive director shall act as advisor to the board on all matters pertaining to the association and shall also act as the secretary of the board. The executive director shall:

(1) attend all meetings of the board;

(2) prepare and recommend to the board appropriate rules to carry out the provisions of this chapter;

(3) establish and maintain an adequate system of records and accounts following recognized accounting principles and controls;

(4) designate an assistant executive director in the unclassified service and two assistant executive directors in the classified service with the approval of the board, and appoint such employees, both permanent and temporary, as are necessary to carry out the provisions of said <u>this</u> chapter;

(5) organize the work of the association as the director deems necessary to fulfill the functions of the association, and define the duties of its employees and delegate to them any powers or duties, subject to the director's control and under such conditions as the director may prescribe;

(6) with the approval of the board, contract and set the compensation for the services of an approved actuary, professional management services, and any other consulting services as may be necessary and fix the compensation therefor. Such These contracts shall are not be subject to the competitive bidding procedure prescribed by chapter 16B. Professional management services may not be contracted for more often than once in every six years. Any An approved actuary retained by the executive director shall function as the actuarial advisor of the board and the executive director and may perform actuarial valuations and experience studies to supplement those performed by the actuary retained by the legislative commission on pensions and retirement. Any supplemental actuarial valuations or experience studies shall be filed with the executive director of the legislative commission on pensions and retirement. Copies of professional management survey reports shall must be transmitted to the secretary of the senate, the chief clerk of the house of representatives, and the legislative reference library as provided by section 3.195, to the executive director of the commission and to the legislative auditor at the same time as reports are furnished to the board. Only management firms experienced in conducting management surveys of federal, state, or local public retirement systems shall be are qualified to contract with the executive director hereunder;

(7) with the approval of the board, provide in-service training for the employees of the association;

(8) make refunds of accumulated contributions to former members and to the designated beneficiary, surviving spouse, legal representative, or next of kin of deceased members or deceased former members, as provided in <u>under</u> this chapter;

(9) determine the amount of the annuities and disability benefits of members covered by the association and authorize payment of the annuities and benefits beginning as of the dates on which the annuities and benefits begin to accrue, in accordance with the provisions of <u>under</u> this chapter;

(10) pay annuities, refunds, survivor benefits, salaries, and necessary operating expenses of the association;

(11) prepare and submit to the board and the legislature an annual financial report covering the operation of the association, as required by section 356.20;

(12) certify funds available for investment to the state board of investment;

(13) with the advice and approval of the board, request the state board of investment to sell securities on determining that funds are needed for the purposes of the association;

(14) prepare and submit biennial and annual budgets to the board and with the approval of the board submit those budgets to the department of finance; and

(15) with the approval of the board, perform such other duties as may be required for the administration of the association and the other provisions of this chapter and for the transaction of its business. The executive director may:

(i) reduce all or part of the accrued interest and fines payable by an employing unit for reporting requirements under section 354.52, based on an evaluation of any extenuating circumstances of the employing unit;

(ii) assign association employees to conduct field audits of an employing unit to ensure compliance with the provisions of this chapter; and

(iii) recover overpayments, if not repaid to the association, by suspending or reducing the payment of a retirement annuity, refund, disability benefit, survivor benefit, or optional annuity under this chapter until the overpayment, plus interest, has been recovered.

Sec. 9. Minnesota Statutes 1992, section 354.06, subdivision 4, is amended to read:

Subd. 4. [TREASURER; DUTIES.] All members of the board shall serve without compensation but. <u>A member</u> shall receive necessary expenses while attending all to attend meetings of the board or meetings of any committee and its committees, and association functions and presentations authorized by the board, to. <u>The necessary expenses must</u> be paid out of the fund. Necessary expenses may include the salary of any substitute teacher which the employing

unit is required to hire. The board may reimburse the employing unit for the salary of the substitute teacher. Members of the board shall suffer no loss of compensation from their employing units by reason of service on or for the <u>association</u>, the board, or any committee authorized by the board. <u>Necessary expenses may include the salary</u> of any substitute teacher which the employing unit is required to hire in the absence of the board member. The board may reimburse the employing unit for the cost of the substitute teacher.

Sec. 10. Minnesota Statutes 1992, section 354.071, subdivision 5, is amended to read:

Subd. 5. [PETITION FOR REVIEW HEARING.] The board shall hold a timely hearing on a petition for review. The board shall and make its decision on a petition solely on the proceedings and the relevant documentation as submitted and the proceedings of the hearing. At the hearing, the petitioner, the petitioner's attorney, and the executive director, and an assistant executive director may state and discuss with the board their positions with respect to the petition. The board may allow further documentation to be placed in the record at during or subsequent to after the board meeting at which the petition is considered hearing. If the board allows additional documentation into the record at during or subsequent to after the board meeting hearing, it may make a final determination on the petition at that board meeting hearing only upon the agreement of both the petitioner and the executive director.

Sec. 11. Minnesota Statutes 1992, section 354.091, is amended to read:

354.091 [SERVICE CREDIT.]

In computing the time of service of a teacher, the length of a legal school year in the district or institution where such service was rendered shall <u>must</u> constitute a year under sections 354.05 to 354.10, provided such the year is not less than the legal minimum school year of this state. No person shall be allowed receive credit for more than one year of teaching service for any fiscal year. Commencing July 1, 1961, (1) if a teacher teaches only a fractional part of a day, credit shall <u>must</u> be given for a day of teaching service for each five hours taught, and (2) if a teacher teaches at least 170 full days in any fiscal year, credit shall <u>must</u> be given for a full year of teaching service, and (3) if a teacher teaches for only a fractional part of the year, credit shall <u>must</u> be given for such fractional part of the year as the term of service rendered bears to 170 days. A person who teaches in the state colleges and university system shall receive a full year of service credit based on the number of days in the system's full school year if it is less than 170 days. Teaching service performed prior to July 1, 1961, shall <u>must</u> be computed <del>pursuant to</del> <u>under</u> the law in effect at the time it was rendered.

In no event shall any <u>A</u> teacher <u>shall not</u> lose or gain retirement service credit as a result of the employer converting to a four-day work week. If the employer does convert to a four-day work week, the forms for reporting and procedures for determining service credit shall be determined by the executive director with the approval of the board of trustees.

Sec. 12. [354.096] [FAMILY LEAVE.]

Subdivision 1. [CERTIFICATION.] Upon granting a family leave to a member, an employing unit must certify the leave to the association on a form specified by the executive director before the end of the fiscal year during which the leave was granted.

Subd. 2. [PAYMENT.] (a) Notwithstanding any laws to the contrary, a member who is granted a family leave under United States Code, title 42, section 12631, may receive allowable service credit for the leave by making payment of the employee, employer, and additional employer contributions at the rates under section 354.42, during the leave period as applied to the member's average full-time monthly salary rate on the date the leave commenced.

(b) The member may make payment, without interest, to the association by the end of the fiscal year following the fiscal year in which the leave terminated or before the effective date of the member's retirement, whichever is earlier.

<u>Subd. 3.</u> [SUBSEQUENT ELIGIBILITY.] The member shall return to public service after the leave period under United States Code, title 42, section 12631, to receive allowable service for a subsequent authorized family leave.

Sec. 13. Minnesota Statutes 1992, section 354.10, subdivision 1, is amended to read:

Subdivision 1. [EXEMPTION; EXCEPTIONS.] The right of a teacher to take advantage of the benefits provided by this chapter, is a personal right only and is not assignable. All money to the credit of a teacher's account in the fund or any money payable to the teacher from the fund belongs to the state of Minnesota until actually paid to the teacher or a beneficiary pursuant to the provisions of <u>under</u> this chapter. Any power of attorney, <u>The association may</u> <u>acknowledge a properly completed power of attorney form.</u> <u>An</u> assignment or attempted assignment of a teacher's interest in the fund, or of the beneficiary's interest therein in the fund, by a teacher or a beneficiary is void and is exempt from taxation under chapter 291 and from garnishment or levy under attachment or execution, except as provided in subdivision 2 or 3, or section 518.58, 518.581, or 518.611.

Sec. 14. Minnesota Statutes 1992, section 354.10, subdivision 2, is amended to read:

Subd. 2. [AUTOMATIC DEPOSITS.] The board may pay an annuity or benefit to a banking institution, qualified under chapter 48, that is a trustee for a person eligible to receive the annuity or benefit. Upon completion receipt of the proper properly completed forms as provided by the executive director, the annuity or benefit amount may be electronically transferred or the annuity or benefit check may be mailed to a banking institution, savings association, or credit union for deposit to the recipient's individual account or joint account with the recipient's spouse or any other person designated by the recipient. Any <u>An</u> overpayment to a joint account after the death of the annuity or benefit recipient must be repaid to the fund by the joint tenant if the overpayment is not repaid to the fund by the banking institution, savings association, or credit union. The board may prescribe the conditions which govern these procedures.

Sec. 15. Minnesota Statutes 1992, section 354.42, subdivision 3, is amended to read:

Subd. 3. The employer contribution to the fund shall be an amount equal to 4-1/2 percent of the salary of each coordinated member and 8-1/2 percent of the salary of each basic member. This contribution shall be made in the manner provided in section 354.43.

Sec. 16. Minnesota Statutes 1992, section 354.42, subdivision 5, is amended to read:

Subd. 5. [ADDITIONAL EMPLOYER CONTRIBUTION.] To amortize the unfunded actuarial accrued liability computed under the entry age actuarial cost method and disclosed under the annual actuarial valuations prepared by the commission-retained actuary under section 356.215, an additional employer contribution shall be made in the amount of 3.64 percent of the salary of each member.

This contribution must be made in the manner provided in section <del>354.43</del> <u>354.52</u>, <u>subdivision</u> 4.

By January 1 of each year, the board of directors shall report to the legislative commission on pensions and retirement, the chair of the committee on appropriations of the house of representatives, and the chair of the committee on finance of the senate on the amount raised by the additional employer contribution rate in effect and whether that amount is less than, the same as, or more than the required amortization contribution determined under section 356.215.

Sec. 17. Minnesota Statutes 1992, section 354.44, subdivision 1a, is amended to read:

Subd. 1a. [MANDATORY RETIREMENT PROPORTIONATE ANNUITY.] Notwithstanding the provisions of sections 43A.11 or 197.455 to 197.48, a member who is serving as a faculty member or administrator under a contract of unlimited tenure or similar arrangement providing for unlimited tenure at an institution of higher education, as defined in section 1201(a) of the federal Higher Education Act of 1965, as amended through January 1, 1987, shall terminate employment at the end of the academic year in which the member reaches the age of 70. For purposes of this subdivision, an academic year shall be deemed to end August 31. No other member shall be subject to a mandatory retirement age provision. A member who terminates employment at any time during the academic year at the end of which the person is at the normal retirement age or older shall, for the purpose of determining eligibility for a proportionate retirement annuity, be considered to have been required to terminate employment at normal retirement age or older pursuant to section 356.32. Nothing contained in this subdivision shall preclude an employing unit covered by this chapter from employing a retired teacher as a substitute or part time teacher. Any person who has attained normal retirement age, who is employed as a substitute or part time teacher, and who earns an amount equal to the annual maximum carnings allowable for that age for the continued receipt of full-benefit amounts monthly under the federal old age, survivors and disability insurance program as set by the secretary of health and human services pursuant to the provisions of United States Code, title 42, section 403, in any academic year from employment as a substitute or part-time teacher, shall terminate employment for the remainder of that academic year. No person who has attained normal retirement age and who has retired under this chapter may resume membership in the retirement association as a result of subsequent employment as a substitute or part-time teacher For purposes of this subdivision, an academic year ends August 31.

Sec. 18. Minnesota Statutes 1992, section 354.44, subdivision 4, is amended to read:

Subd. 4. [TIME AND MANNER OF PAYMENTS.] A member may make application to the board for a retirement annuity any time after the member has satisfied the age and service requirements of this chapter for retirement except that no an application for retirement may must not be made more than 60 days before termination of teaching service. The annuity payment shall begin begins to accrue after the termination of teaching service, or after the application for retirement has been filed with the board, whichever is later, as follows:

(a) on the 16th day of the month of termination or filing if the termination or filing occurs on or before the 15th day of the month  $\Theta_{L}$ 

(b) on the first day of the month following the month of termination or filing if the termination or filing occurs on or after the 16th day of the month, or

# (c) on July 1 for all school principals and other administrators who receive a full annual contract salary during the fiscal year for performance of a full year's contract duties.

If an application for retirement is filed with the board during the <u>90 day six-month</u> period immediately following the termination of teaching service, the annuity may begin to accrue as if the application for retirement had been filed with the board on the date teaching service terminated <u>or a later date occurring within the six-month period as specified by the member</u>. In no event may An annuity <u>must not</u> begin to accrue more than one month before the date of final salary receipt.

Sec. 19. Minnesota Statutes 1992, section 354.44, subdivision 5a, is amended to read:

Subd. 5a. [EXEMPTION FOR INTERIM SUPERINTENDENT.] A person who performs services as an interim superintendent because of the death, disability, termination, or resignation of the previous superintendent is exempt from the earnings limitations and reductions in annuity payments in subdivision 5 for up to 90 working days of service as an interim superintendent. During this period of up to 90 working days, the school board may pay the interim superintendent at any rate, up to the rate paid to the previous superintendent. This exemption applies only if the school board hiring the interim superintendent submits an application for the exemption to on a form prescribed by the executive director, and the executive director approves the application before the services as interim superintendent begin. The application must certify that the school board has unanimously approved the exemption from the earnings limitations and reductions. The executive director may prescribe a form for the application. A school board may shall not apply for more than one exemption in a fiscal year. No more than three exemptions may be approved for any person. Only one exemption may be approved for any person in a fiscal year. The exemption under this subdivision does not apply to a person who retires from a school district and within one year after retirement returns to the same school district as an interim superintendent.

Sec. 20. Minnesota Statutes 1993 Supplement, section 354.46, subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6, equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies before attaining age 65 or reaching the five-year anniversary of the effective date of the disability benefit, whichever is later, the surviving dependent spouse and dependent children of the basic member or former basic member shall be are entitled to receive a monthly benefit as follows:

(a) Surviving

dependent

spouse .....50 percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

(b) Each dependent

child ......ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

5856

Payments for the benefit of any dependent child under the age of 22 years shall <u>must</u> be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall <u>must</u> not exceed \$1,000 for any one family, and the minimum benefit per family shall <u>must</u> not be less than 50 percent of the basic member's average salary, subject to the foregoing maximum. The surviving dependent children's benefit shall <u>must</u> be reduced pro tanto when any surviving child is no longer dependent.

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall <u>must</u> be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to section 354.47, subdivision 1. If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 21. Minnesota Statutes 1993 Supplement, section 354.46, subdivision 5, is amended to read:

Subd. 5. [PAYMENT TO DESIGNATED BENEFICIARY.] Any <u>A</u> member and the spouse of the member may make a joint specification in writing on a form prescribed by the executive director that the benefits provided in subdivision 2, or in section 354.47, subdivision 1, shall <u>must</u> be paid only to a designated beneficiary. For purposes of this subdivision <u>2</u>, a designated beneficiary may only be either a former spouse or a <u>biological or adopted</u> child, either biological or adopted, of the member, but more than one beneficiary may be designated for the benefit provided in section 354.47, subdivision <u>1</u>.

Sec. 22. Minnesota Statutes 1992, section 354.47, is amended to read:

#### 354.47 [REFUND PAYMENT AFTER DEATH.]

Subdivision 1. [DEATH BEFORE RETIREMENT.] (1) If a member dies before retirement and is covered <del>pursuant to the provisions of <u>under</u> section 354.44, subdivision 2, and neither an optional annuity, nor a reversionary annuity, nor a benefit <del>pursuant to <u>under</u> section 354.46, subdivision 1, is payable to the survivors if the member was a basic member, the surviving spouse, or if there is no surviving spouse, the designated beneficiary shall be is entitled to an amount equal to the member's accumulated deductions with interest credited to the account of the member to the date of death.</del></del>

(2) If a member dies before retirement and is covered pursuant to the provisions of <u>under</u> section 354.44, subdivision 6, and neither an optional annuity, nor reversionary annuity, nor the benefit described in section 354.46, subdivision 1, is payable to the survivors if the member was a basic member, the surviving spouse, or if there is no surviving spouse, the designated beneficiary shall-be is entitled to an amount equal to the member's accumulated deductions credited to the account of the member as of June 30, 1957, and from July 1, 1957, to the date of death the member's accumulated deductions plus interest at the rate of six percent per annum compounded annually.

# Subd. 1a. [UNCASHED ANNUITY OR BENEFIT WARRANTS.] Uncashed annuity or benefit warrants issued before the recipient's death are payable to the designated beneficiary, and if none, to the recipient's estate.

Subd. 2. [BENEFITS OF \$1,500 OR LESS.] If a member or a former member dies without having a surviving designated beneficiary and the amount to the credit of the decedent is \$1,500 or less, the board of trustees may 90 days after the date of death, in the absence of probate proceedings, make payment to the surviving spouse of the decedent. This payment shall be is a bar to recovery of this payment from the association by any other person or persons. Any accrued retirement annuity, disability, or survivor benefit may be paid in the same manner.

Sec. 23. Minnesota Statutes 1992, section 354.48, subdivision 2, is amended to read:

Subd. 2. [APPLICATIONS.] Any <u>A</u> person described in subdivision 1, or another person authorized to act on behalf of the person, may make application for a total and permanent disability benefit only within the 18-month period following the termination of teaching service. This benefit accrues from the day following the commencement of disability or the day following the last day for which salary is paid, whichever is later, but may does not begin to

accrue more than <del>90 days</del> <u>six months</u> before the date the application is filed with the executive director. If salary is being received for either annual or sick leave during the period, payments accrue from the day following the last day for which this salary is paid.

Sec. 24. Minnesota Statutes 1992, section 354.49, subdivision 1, is amended to read:

Subdivision 1. Any <u>A</u> person who ceases to render teaching service in any school or institution to which the provisions of this chapter apply shall be is entitled to a refund provided in subdivision 2, or a deferred retirement annuity <u>under section 354.55</u>, subdivision <u>11</u>. An application for a refund may <u>must not</u> be made no sooner than 30 days after termination of teaching service if the applicant has not again become a teacher. This payment will <u>must</u> be made within 90 days after receipt of application for refund or upon completion of processing the report made pursuant to section 354.52, subdivision 2 whichever is later.

Sec. 25. Minnesota Statutes 1992, section 354.52, subdivision 2, is amended to read:

Subd. 2. [ANNUAL SUMMARY REPORTS.] On or before August 1 each year, each school board or managing body a representative authorized by an employing unit must report to the executive director giving an itemized summary of the total amount withheld from the salaries of teachers for teachers retirement deductions and all other information required by the executive director requires. If the itemized summary is received after August 1 in any year, there is a penalty not to exceed \$50 for each month or portion thereof which the summary is delinquent, as determined by the executive director. The penalty must be paid by the school board or the managing body.

Sec. 26. Minnesota Statutes 1992, section 354.52, subdivision 2a, is amended to read:

Subd. 2a. [ANNUAL POSTRETIREMENT INCOME REPORTS.] On or before each February 15, each school board or managing body a representative authorized by an employing unit must report to the executive director the amount of income earned during the previous calendar year by each retiree for teaching service performed after retirement. This annual report must be based on reemployment income as defined in section 354.44, subdivision 5, and it must be made on a form provided by the executive director. Signing the report has the force and effect of an oath as to the correctness of the amount of postretirement reemployment income earned. If the required report is received after February 15 in any year there is a penalty not to exceed \$50 for each month or portion thereof which the report is late, as determined by the executive director. The penalty must be paid by the school board or managing body.

Sec. 27. Minnesota Statutes 1992, section 354.52, subdivision 4, is amended to read:

Subd. 4. [REPORTING AND REMITTANCE REQUIREMENTS.] At least once each month, the chief administrative officer of each a representative authorized by an employing school district or managing body of schools and institutions to which the provisions of this chapter apply unit shall transmit all amounts due to the association and furnish a signed statement indicating the amount due and transmitted, and shall transmit a statement containing such with other information as required by the executive director shall require. Signing the statement shall have has the force and effect of an oath as to the correctness of the amount due and transmitted. Any An amount thus due and not transmitted shall accrue accrues interest at an annual rate of 8.5 percent compounded annually commencing 15 days after the date first due until the amount is transmitted and shall must be paid by the employing school district or other managing body unit. The state treasurer shall eredit all money received or withheld pursuant to the provisions of this chapter to the fund and the reports and date received by the state treasurer from each reporting agency shall be evailable for the board. Any person willfully failing to perform any of the duties imposed by this section shall be guilty of a misdemeanor. These payments and other employing unit obligations not remitted within 60 days of notification by the association must be certified to the commissioner of finance who shall deduct the amount from any state aid or appropriation amount applicable to the employing unit.

Sec. 28. Minnesota Statutes 1992, section 354.52, is amended by adding a subdivision to read:

Subd. 4a. [MEMBER DATA REPORTING REQUIREMENTS.] (a) An employing unit shall initially provide the following member data or any of that data not previously provided to the association for payroll warrants dated after June 30, 1995, in a format prescribed by the executive director. Data changes and the dates of those changes must be reported to the association on an ongoing basis for the payroll cycle in which they occur with the data under subdivision 4b. Data on the member includes:

(1) legal name, address, association member number, employer-assigned employee number, and social security number;

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(2) association status, including, but not limited to, basic, coordinated, exempt annuitant, exempt technical college teacher, and exempt independent contractor or consultant;

(3) employment status, including, but not limited to, full time, part time, intermittent, substitute, or part-time mobility;

(4) employment position, including, but not limited to, teacher, superintendent, principal, administrator, or other;

(5) employment activity, including, but not limited to, hire, termination, resumption of employment, disability, or death;

(6) leaves of absence;

(7) county district number assigned by the association for the employing unit;

(8) data center identification number, if applicable; and

(9) other information as may be required by the executive director.

Sec. 29. Minnesota Statutes 1992, section 354.52, is amended by adding a subdivision to read:

Subd. 4b. [PAYROLL CYCLE REPORTING REQUIREMENTS.] An employing unit shall provide the following data to the association for payroll warrants dated after June 30, 1995, for each payroll cycle in a format prescribed by the executive director:

(1) association member number;

(2) employer-assigned employee number;

(3) social security number;

(4) amount of each salary deduction;

(5) amount of salary as defined in section 354.05, subdivision 35, from which each deduction was made;

(6) reason for payment;

(7) service credit;

(8) the beginning and ending dates of the payroll period covered and the date of actual payment;

(9) fiscal year of salary earnings;

(10) total remittance amount including employee, employer, and additional employer contributions; and

(11) other information as may be required by the executive director.

Sec. 30. Minnesota Statutes 1992, section 354.52, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [NONCOMPLIANCE CONSEQUENCES.] <u>An employing unit that does not comply with the reporting</u> requirements under this section shall pay a fine of \$5 per calendar day until the association receives the required data.

Sec. 31. Minnesota Statutes 1992, section 354.66, is amended by adding a subdivision to read:

Subd. 1c. [PARTICIPATION.] Participation in the part-time mobility program must be based on a full fiscal year and the employment pattern of the teacher during the most recent fiscal year.

Sec. 32. Minnesota Statutes 1992, section 354.66, subdivision 2, is amended to read:

Subd. 2. A teacher in the public elementary schools, secondary schools, or technical colleges or in the community college system or the state university system of the state who has 20 years or more of allowable service in the fund or 20 years or more of full-time teaching service in Minnesota public elementary schools, secondary schools, or technical colleges or in the community college system or the state university system, or a teacher in the community

college system or state university system who has attained attains at least age 55 and has ten years or more of allowable service in the fund or ten years or more of full-time teaching service as described in this subdivision, may, by agreement with the board of the employing district, be assigned to teaching service within the district in a part-time teaching position. The association must receive a copy of the agreement before October 1 of the year for which the teacher requests to make retirement contributions under subdivision 4.

Sec. 33. Minnesota Statutes 1992, section 354.66, subdivision 3, is amended to read:

Subd. 3. For purposes of this section, the term "part-time teaching position" shall mean a teaching position within the district in which the teacher is employed for at least 50 full days or a fractional equivalent thereof as prescribed in section 354.091, and for which the teacher is compensated in an amount not exceeding 67 percent of the compensation established by the board for a full-time teacher with identical education and experience within with the district employing unit. The compensation of a teacher in the state colleges and university system may exceed the 67 percent limit if the teacher does not teach just one of the three quarters in the system's full school year, provided no additional services are performed while the teacher participates in the program.

Sec. 34. [REPEALER.]

Minnesota Statutes 1992, sections 354.05, subdivisions 15 and 29; 354.43, subdivision 3; 354.57; 354.65; and 356.18, are repealed.

Sec. 35. [EFFECTIVE DATE.]

Sections 1 to 27 and 30 to 34 are effective the day following final enactment. Sections 28 and 29 are effective July 1, 1995.

# ARTICLE 5

### RESTRICTIONS ON CERTAIN PUBLIC PENSION PLAN MEMBERSHIP AUTHORIZATIONS

Section 1. Minnesota Statutes 1992, section 352.029, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS.] An employee of a labor organization that is an exclusive bargaining agent representing state employees or <u>Unless specifically excluded under section 352.01</u>, <u>subdivision 2b</u>, a state employee on leave of absence without pay to provide service as an employee or officer of a labor organization that is an exclusive bargaining agent representing state employees, may encose <u>elect</u> under subdivision 2 to be covered by the <u>general state employees retirement plan of the Minnesota state retirement</u> system for service with the labor organization unless specifically excluded under section 352.01, subdivision 2b, <u>subject to the limitations set forth in subdivisions 2a and 2b</u>.

Sec. 2. Minnesota Statutes 1992, section 352.029, is amended by adding a subdivision to read:

<u>Subd. 2a.</u> [LIMITATIONS ON SALARY FOR BENEFITS AND CONTRIBUTIONS.] (a) The covered salary for a labor organization employee who qualifies for membership under this section or section 352.75 is limited to the lesser of:

(1) the employee's actual salary as defined under section 352.01, subdivision 13; or

(2) 75 percent of the salary of the governor as set under section 15A.082.

(b) The limited covered salary determined under this subdivision must be used in determining employee, employer, and employer additional contributions under section 352.04, subdivisions 2 and 3, and in determining retirement annuities and other benefits under this chapter and chapter 356.

Sec. 3. Minnesota Statutes 1992, section 352.029, is amended by adding a subdivision to read:

<u>Subd. 2b.</u> [EARNING RESTRICTIONS APPLY.] <u>A retirement annuity is only payable, if the person has met any other applicable requirements, upon the termination by the person who elected coverage under subdivision 1 of employment by the labor organization. The reemployed annuitant earnings limitation set forth in section 352.115, subdivision 10, applies in the event that the person who elected coverage under subdivision 1 retirees and is subsequently reemployed while an annuitant by the labor organization or by any other entity employing persons who are covered by the Minnesota state retirement system by virtue of that employment.</u>

Sec. 4. Minnesota Statutes 1993 Supplement, section 353.017, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATIONS.] <u>Unless specifically exempt under section 353.01, subdivision 2b</u>, a former member of the association, or a current coordinated member of the association who is on an authorized leave of absence, <u>and</u> who is an employee of a labor organization that represents public employees who are association members may elect, under subdivision 2, to <u>continue to</u> be a coordinated member with respect to service with employment by the labor organization unless specifically exempt under section 353.01, subdivision 2b subject to the limitations set forth in subdivisions 4 and 6.

Sec. 5. Minnesota Statutes 1993 Supplement, section 353.017, subdivision 3, is amended to read:

Subd. 3. [CONTRIBUTIONS.] The employee, employer and additional employer contributions shall be <u>are</u> the obligation of the employee who elects coverage herein in accord with this chapter; provided, however, the employer, labor organization, may pay the employer and additional employer contributions. The employer shall, in any event, deduct the necessary contributions from the employee's salary, <u>subject to the limitations under subdivision 6</u>, and remit all contributions to the public employees retirement association <del>pursuant to <u>under</u> section 353.27</del>, subdivisions 4, 7, 10, 11, and 12.

Sec. 6. Minnesota Statutes 1993 Supplement, section 353.017, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [TERMINATION OF MEMBERSHIP FOR RETIREMENT ELIGIBILITY.] <u>A retirement annuity is only</u> payable, if the person has met any other applicable requirements, upon the termination by the person who elected coverage under subdivision 1 of employment by the labor organization. The reemployed annuitant earnings limitation set forth in section 353.37, subdivision 1, applies in the event that the person who elected coverage under subdivision 1 retires and is subsequently reemployed while an annuitant by the labor organization or by any other entity employing persons who ar covered by the public employees retirement association by virtue of that employment.

Sec. 7. Minnesota Statutes 1993 Supplement, section 353.017, is amended by adding a subdivision to read:

<u>Subd.</u> 7. [LIMITATIONS ON SALARY AND CONTRIBUTIONS.] The covered salary for a labor organization employee who qualifies for membership under this section is limited to the lesser of:

(1) the employee's actual salary as defined under section 353.01, subdivision 10; or

(2) 75 percent of the salary of the governor as set under section 15A.082.

The limited covered salary determined under this subdivision must be used in determining employer and employer contributions under section 353.27, subdivisions 2, 3 and 3a, and in determining retirement annuities and other benefits under this chapter and chapter 356.

Sec. 8. Minnesota Statutes 1992, section 354.41, subdivision 4, is amended to read:

Subd. 4. Any (a) <u>A</u> person who is a former member on an authorized leave of absence and is presently employed by the Minnesota federation of teachers or its affiliated branches within the state, the Minnesota education association, the Minnesota association of school principals, the Minnesota association of secondary school principals or the Minnesota association of school administrators may elect to be a coordinated member in the fund based on such that employment; provided, subject to the limitations set forth in subdivisions 4a and 4b. However, that no person shall also be is entitled to such membership under this section if the person also is a member of a teachers retirement association in a city of the first class organized pursuant to under chapter 354Å for the same period of service. For such persons so employed on June 30, 1975, the election must be made prior to July 1, 1976. For such persons so employed after June 30, 1975,

(b) The election must be made upon within 90 days of commencing employment by the labor organization.

Sec. 9. Minnesota Statutes 1992, section 354.41, is amended by adding a subdivision to read:

<u>Subd. 4a.</u> [LIMITATIONS ON SALARY AND CONTRIBUTIONS.] (a) The covered salary for a labor organization employee who qualifies for membership under this section is limited to the lesser of:

(1) the employee's actual salary as defined under section 354.05, subdivision 35; or

(2) 75 percent of the salary of the governor as set under section 15A.081.

The limited covered salary determined under this subdivision must be used in determining employee, employer, and employer additional contributions under section 354.42, subdivisions 2, 3, and 5, and in determining retirement annuities and other benefits under this chapter and chapter 356.

Sec. 10. Minnesota Statutes 1992, section 354.41, is amended by adding a subdivision to read:

<u>Subd. 4b.</u> [EARNING RESTRICTIONS APPLY.] <u>A retirement annuity is only payable, if the person has met any other applicable requirements, upon the termination by the person who elected coverage under subdivision 4 of employment by the labor organization. The reemployed annuitant earnings limitation set forth in section 354.44, subdivision 5, applies in the event that the person who elected coverage under subdivision 4 retires and is subsequently reemployed while an annuitant by the labor organization or by any other entity employing persons who are covered by the Minnesota teachers retirement association by virtue of that employment.</u>

Sec. 11. [356.611] [LIMITATION ON PUBLIC EMPLOYEE SALARIES FOR PENSION PURPOSES.]

(a) Notwithstanding any provision of law, bylaws, articles or incorporation, retirement and disability allowance plan agreements or retirement plan contracts to the contrary, the covered salary for pension purposes for a plan participant of a covered retirement fund under section 356.30, subdivision 3, may not exceed 95 percent of the salary established for the governor under section 15A.082 at the time the person received the salary.

(b) This section does not apply to a salary paid:

(1) to the governor;

(2) to an employee of a political subdivision in a position that is excluded from the limit as specified under section 43A.17, subdivision 9; or

(3) to a state employee in a position for which the commissioner of employee relations has approved a salary rate that exceeds 95 percent of the governor's salary.

(c) The limited covered salary determined under this section must be used in determining employee and employer contributions and in determining retirement annuities and other benefits under the respective covered retirement fund and under this chapter.

Sec. 12. [EFFECTIVE DATE.]

(a) Sections 1 to 11 are effective the day following final enactment.

(b) Sections 1, 4, and 8 apply to labor organization employees initially employed in that employment position after the effective date specified in paragraph (a). Sections 2, 5, 7, 9, and 11 apply to the plan salary and contributions after July 1, 1994, for labor organization employees who were employees in that employment position before the effective date specified in paragraph (a).

## **ARTICLE 6**

# INFORMATION REPORTING

Section 1. [356.219] [DISCLOSURE OF ADDITIONAL PUBLIC PENSION PLAN INVESTMENT INFORMATION.]

Subdivision 1. [REPORT REQUIRED.] The state board of investment on behalf of the public pension funds and programs for which it is the investment authority and any Minnesota public pension plan not wholly invested through the state board of investments, including a local police or firefighters' relief association governed by sections 69.777 or 69.771 to 69.775, shall report the information specified in subdivision 2 to the state auditor. The state auditor may prescribe a form or forms for the purposes of the reporting requirements contained in this section.

Subd. 2. [CONTENT AND TIMING OF REPORTS.] (a) The following information shall be included in the report required by subdivision 1:

(1) the market value of all investments at the close of the reporting period;

(2) regular payroll-based contributions to the fund;

(3) other contributions and revenue paid into the fund, including, but not limited to, state or local nonpayroll based contributions, repaid refunds, and buybacks;

(4) total benefits paid to members;

(5) fees paid for investment management services;

(6) salaries and other administrative expenses paid; and

(7) total return on investment.

The report must also include a written statement of the investment policy in effect on June 30, 1988, and any investment policy changes made subsequently and shall include the effective date of each policy change. The information required under this subdivision must be reported separately for each investment account or investment portfolio included in the pension fund.

(b) The information specified in paragraph (a) must be provided separately for each quarter for the fiscal years of the pension fund ending during calendar years 1989 through 1991 and on a monthly basis thereafter. The required information through fiscal year 1993 must be submitted to the state auditor on or before October 1, 1994, and subsequently within six months of the end of each fiscal year.

Subd. 3. [PENALTY FOR NONCOMPLIANCE.] Failure to comply with the reporting requirements of this section shall result in a withholding of all state aid to which the pension plan may otherwise be entitled. The state auditor shall instruct the commissioners of revenue and finance to withhold state aid from any pension plan that fails to comply with the reporting requirements contained in this section.

<u>Subd. 4.</u> [INVESTMENT DISCLOSURE REPORT.] <u>Using the information provided under subdivision 2, the state</u> <u>auditor shall prepare an annual report to the legislature on the components of investment performance resulting from</u> <u>stages in the investment decision making process of various public pension plans subject to this section. The state</u> <u>auditor may contract with a qualified consultant or consulting firm to perform the analysis and prepare the report</u> <u>required under this subdivision.</u>

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.

# ARTICLE 7

# PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Section 1. [CONSOLIDATED LOCAL RELIEF ASSOCIATIONS; RETIREMENT COVERAGE OPTION.]

Notwithstanding the 180-day limitation contained in Minnesota Statutes, section 353A.08, subdivision 3, an active member of a former local relief association that consolidated with the public employees retirement association before July 1, 1993, may make an election to have retirement benefit coverage provided by the public employees police and fire fund as authorized by the cited law. An election under this section must be made within six months after the effective date of this section, and shall in all other respects be governed by Minnesota Statutes, section 353A.08, and other applicable laws.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on July 1, 1994."

Delete the title and insert:

"A bill for an act relating to retirement; making various administrative and minor substantive changes in the laws governing the Minnesota state retirement system, the public employees retirement association, and the teachers retirement association; requiring disclosure of certain investment information; amending Minnesota Statutes 1992, sections 352.01, subdivisions 11 and 13; 352.029, subdivision 1, and by adding subdivisions; 352.04, subdivisions 2

and 3; 352.119, by adding a subdivision; 352B.265; 352D.04, subdivision 2; 353.03, subdivisions 1 and 3a; 354.05, subdivisions 2, 21, 22, 35, and by adding subdivisions; 354.06, subdivisions 2a and 4; 354.071, subdivision 5; 354.091; 354.10, subdivisions 1 and 2; 354.41, subdivision 4, and by adding subdivisions; 354.42, subdivisions 3 and 5; 354.44, subdivisions 1a, 4, and 5a; 354.47; 354.48, subdivision 2; 354.49, subdivision 1; 354.52, subdivisions 2, 2a, 4, and by adding subdivisions; 354.66, subdivisions 2, 3, and by adding a subdivision; and 356.30, subdivision 1; Minnesota Statutes 1993 Supplement, sections 3A.02, subdivisions 10, 12a, 16, and 28; 353.017, subdivisions 1, 3, and by adding subdivisions; 352B.08, subdivision 2; 353.37, subdivisions 1, 2, and 4; 353.65, subdivision 3a; 353A.08, subdivision 3; 354.05, subdivision 8; and 354.46, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapters 354; and 356; repealing Minnesota Statutes 1992, sections 352.15, subdivision 2; 352D.09, subdivision 6; 354.05, subdivisions 15 and 29; 354.43, subdivision 3; 354.65; and 356.18."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2485, A bill for an act relating to water; providing for duties of the legislative water commission; providing for a sustainable agriculture advisory committee; requiring plans relating to sustainable agriculture and integrated pest management; changing disclosures and fees related to dewatering wells; establishing groundwater policy and education; changing water well permit requirements; requiring reports to the legislature; appropriating money; amending Minnesota Statutes 1992, sections 3.887, subdivisions 5, 6, and 8; 17.114, subdivisions 1, 3, 4, and by adding a subdivision; 18B.045, subdivision 1; 103A.43; 103B.151, subdivision 1; 103G.271, subdivision 5; 103H.175, by adding a subdivision; 103H.201, subdivisions 1 and 4; 103I.101, subdivision 5; 103I.205, subdivision 1; 103I.208; and 103I.331, subdivision 6; Minnesota Statutes 1993 Supplement, sections 18E.06; and 115B.20, subdivision 6; proposing coding for new law in Minnesota Statutes, chapters 103A; and 103F; repealing Minnesota Statutes 1992, section 103F.460.

Reported the same back with the following amendments:

Page 2, line 27, delete "2000" and insert "1997"

Page 4, line 26, delete "2000" and insert "1997"

Page 17, delete lines 8 to 22

Page 17, line 23, delete "(e)" and insert "(b)"

Page 17, line 26, delete "(f)" and insert "(c)"

Page 17, delete lines 31 to 35

Page 17, line 36, delete "(h)" and insert "(d)"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2503, A bill for an act relating to capital improvements; appropriating money for educational demonstration grants for wind energy conversion facilities; authorizing the sale and issuance of state bonds.

5865

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

# "ARTICLE 1

Section 1. Minnesota Statutes 1992, section 216C.05, is amended to read:

# 216C.05 [FINDINGS AND PURPOSE.]

The legislature finds and declares that continued growth in demand for energy will cause severe social and economic dislocations, and that the state has a vital interest in providing for: increased efficiency in energy consumption, the development and use of renewable <u>preferred</u> energy resources wherever possible, and the creation of an effective energy forecasting, planning and education program.

The legislature further finds and declares that the protection of life, safety and financial security for citizens during an energy crisis is of paramount importance.

Therefore, the legislature finds that it is in the public interest to review, analyze and encourage those energy programs that will minimize the need for annual increases in fossil fuel consumption by 1990 and the need for additional electrical generating plants, and provide for an optimum combination of energy sources consistent with environmental protection and the protection of citizens.

The legislature intends to monitor, through energy policy planning and implementation, the transition from historic growth in energy demand to a period when demand for traditional fuels subordinate energy sources becomes stable and the supply of renewable preferred energy resources is readily available and adequately utilized.

Sec. 2. [216C.051] [ELECTRIC ENERGY; GENERATION AND USE.]

Subdivision 1. [FINDINGS AND POLICY.] (a) The legislature finds that:

(1) the purposes of section 216C.05 have not been realized;

(2) the consumption of electric energy in the state remains inefficient and excessive;

(3) the supply of preferred energy sources has not been developed, is not readily available, and is inadequately utilized; and

(4) the demand for energy from subordinate energy sources has not stabilized.

(b) Further, the legislature finds that the generation of electric energy distributed for consumption in the state continues to place unnecessary and unfunded or underfunded burdens on environmental, social, and economic resources without accruing sufficient benefits in preserving local economies and developing energy-related jobs and other energy-related income for citizens of the state to balance those burdens.

(c) It is the policy of the state that the legislature; public utilities commission; executive agencies; generators, transmitters, and distributors of electric energy; business and industry; citizens groups; and other interested persons work together to ensure an efficient, beneficial, and sustainable system for generating, transmitting, distributing, and using electric energy. That system must minimize environmental, social, and economic burdens and maximize environmental, social, and economic efficiency and sustainability, including increasing the number and quality of energy-related jobs and increasing other energy-related income for the citizens of the state, while ensuring the viability and stability of entities that generate, transmit, distribute, and consume electric energy. Further, it is in the public interest that present energy consumers pay for the environmental costs, specifically the pollution costs, of providing the energy they consume. It is not in the public interest for future consumers or for present or future taxpayers to pay for those costs.

Subd. 2. [GOALS.] The specific electric energy goals of the state are to:

(1) reduce demand for electric energy and increase environmental and economic efficiency in generating, transmitting, distributing, and using electricity;

(2) reduce, to the greatest extent feasible, reliance on electric generation methods that utilize subordinate energy sources that are not available or producible in the state and that result in generation of wastes, including radioactive waste, hazardous waste, solid waste, and air pollutants, whose management impose risks and both quantifiable and unquantifiable costs to the economy, the physical and social environment, and human health of the state; and

(3) increase, to the greatest extent feasible, reliance on electric generation methods: (i) that utilize preferred energy sources that are available or producible in the state; (ii) that generate no, or minimal, wastes that pose risks and costs to the state or its citizens; (iii) that do not otherwise negatively affect the physical or social environment; and (iv) whose production or use provide significant environmental, social, and economic benefits to the state and its citizens, including increasing the number and quality of energy-related jobs and increasing other energy-related income for the citizens of the state.

Subd. 3. [PREFERRED PRACTICES; DEFINITIONS.] (a) The highest priority in electric energy production and consumption is conservation of electric energy and management of demand by all segments of the community.

(b) The following energy sources for generating electric power distributed in the state, listed in their descending order of preference, based on minimizing long-term negative environmental, social, and economic burdens imposed by the specific energy sources, are:

(1) wind and solar;

(2) biomass and low-head or refurbished hydropower;

(3) decomposition gases produced by solid waste management facilities, natural gas-fired cogeneration, and waste materials or byproducts combined with natural gas;

(4) natural gas, hydropower that is not low-head or refurbished hydropower, and solid waste as a direct fuel or refuse-derived fuel; and

(5) coal and nuclear power.

(c) For the purposes of paragraph (b) within each clause, the more efficient an energy source is in generating electricity or the more efficient a technology is that utilizes an energy source, the more preferred it is for use in generating electricity for distribution and consumption in the state.

(d) For the purposes of paragraph (b), clauses (3) and (4), the use of waste materials and byproducts for generating electric power must be limited to those waste materials and byproducts that are necessarily generated or produced by efficient processes and systems. Preventing and minimizing waste and byproducts are preferred in every situation to relying on the continued generation or production of waste materials and byproducts.

(e) For the purposes of chapters 216B and 216C, "preferred energy sources" are those described in paragraph (b), clauses (1) to (3), and "subordinate energy sources" are those described in paragraph (b), clauses (4) and (5).

(f) For the purposes of this section:

(1) "biomass" means herbaceous crops, trees, agricultural waste, and aquatic plant matter, excluding mixed municipal solid waste, as defined in section 115A.03, used to generate electricity; and

(2) "low-head hydropower" means a hydropower facility that has a head of less than 66 feet.

Sec. 3. [LEGISLATIVE TASK FORCE; ENERGY POLICY.]

<u>Subdivision 1.</u> [ESTABLISHMENT; MEMBERS.] (a) The legislative task force on energy policy is established to investigate, in light of existing statutes and rules related to energy policy, the energy-related activities of the department of public service, the public utilities commission, public utilities, and other persons who provide electric or natural gas service in the state, political subdivisions, and other persons engaged in the business of generating, transmitting, or distributing electric power for consumption in the state or transporting or distributing natural gas in the state.

(b) The task force consists of three members, including at least one member of the minority party, of the house of representatives to be appointed by the speaker of the house and three members, to include at least one member of the minority party, of the senate to be appointed by the senate subcommittee on committees. The task force shall elect cochairs, one member of the house and one member of the senate. Members of the task force must be appointed by July 1, 1994.

(c) The task force expires June 30, 1997.

Subd. 2. [STAFF; EXPENSES.] The task force may employ staff and purchase services and supplies as needed to carry out its duties. The director of the legislative coordinating commission shall assist the task force in hiring staff and in securing office space and supplies. On request by the cochairs and the director of the legislative coordinating commission, the commissioner of the department of public service shall assess, under Minnesota Statutes, section 216B.62, the amount requested for operation of the task force, not to include reimbursement to members of the task force and not to exceed \$..... annually, on all public utilities, cooperative electric associations, and municipalities that provide natural gas or electric service to consumers in the state, and shall remit the amount collected to the director of the commission for payment of the expenses of the task force.

Subd. 3. [DUTIES.] The task force shall:

(1) gather information on the extent to which statutory and regulatory requirements related to the development and implementation of energy policy contained in Minnesota Statutes, chapters 216A, 216B, and 216C, and other applicable statutes and rules are being followed and on whether and to what extent those requirements should be modified, strengthened, or abandoned;

(2) require and receive copies of all reports, plans, forecasts, studies, and other reportable undertakings related to developing and implementing energy policy required under Minnesota Statutes, chapters 216A, 216B, and 216C, or other applicable law;

(3) determine the extent to which the department of public service, the public utilities commission, and public utilities and other persons who provide natural gas or electric service to consumers in the state have complied and are planning to comply with the energy policies in Minnesota Statutes, chapters 216A, 216B, and 216C, particularly those policies related to developing and implementing effective and efficient energy conservation approaches that result in guantifiable energy conservation and policies related to the development of indigenous preferred energy resources that minimize environmental and long-term economic burdens;

(4) determine the extent to which regulatory rate structures have been adjusted to:

(i) provide financial capabilities and incentives for conservation, load management, and utilization of preferred energy sources;

(ii) provide disincentives for inefficient consumption and continued reliance on subordinate energy sources; and

(iii) acknowledge the long-term environmental, social, and economic costs of nonrenewable and subordinate energy sources;

(5) survey other states' applicable law and regulatory programs to determine whether approaches in effect in other states may be advisable for implementation in Minnesota; and

(6) review the federal Energy Policy Act of 1992, Public Law Number 102-486, 106 Statute 2776 (1992), and any resultant actions taken by state agencies.

<u>Subd. 4.</u> [PUBLIC HEARINGS; RECOMMENDATIONS.] The task force shall hold hearings to take testimony from the public, including hearings in locations reasonably convenient for attendance by all residents of the state. After completing its investigations and receiving public testimony, the task force shall make recommendations for legislation and implementation of legislation that will achieve an energy generation, transmission, and delivery system that promotes efficient consumption of energy and that relies, to the greatest extent feasible, on preferred energy sources that minimize present and future environmental, social, and economic burdens and maximize environmental, social, and economic benefits, including creation of energy-related jobs and increasing other energy-related income for the state and its citizens. Subd. 5. [COOPERATION.] The commissioner of the department of public service; the public utilities commission; public utilities and other persons engaged in generating, transmitting, or distributing electricity for consumption in the state or transporting or distributing natural gas in the state; political subdivisions; and any other agency or person shall submit information requested by the task force and shall respond to any other inquiry undertaken by the task force in performance of its duties. The task force shall keep confidential any information it receives that is designated confidential by the provider of the information, provided that the information is not otherwise available as public information if reported to an executive agency under Minnesota Statutes, chapter 13.

<u>Subd. 6.</u> [COMMISSIONER OF PUBLIC SERVICE; REPORT.] (a) By December 15, 1994, the commissioner of the department of public service shall prepare and submit to the task force a report that includes:

(1) an explanation of how the energy issues intervention office established in 1983 in Minnesota Statutes, section 216A.085, has promoted energy conservation, energy efficiency, and use of renewable or preferred energy sources;

(2) preliminary or final copies of the reports required in Minnesota Statutes, sections 216B.162, subdivision 9, and 216B.163, subdivision 8, evaluating the impact of competitive electric rates on cogeneration and small power production and the impact of flexible natural gas tariffs on alternative energy sources;

(3) a summary of the investments, expenditures, and contributions made for energy conservation under the requirements of Minnesota Statutes, section 216B.241, by public utilities, cooperative electric associations, and municipalities that provide electric service; a copy of any rules adopted by the department under that section; and a discussion of resultant conservation programs, including data on actual conservation achieved and the resultant decrease in demand for energy;

(4) an explanation of the operation of the energy and conservation account established in Minnesota Statutes, section 216B.241, subdivision 2a;

(5) a summary of the information collected by the commissioner under Minnesota Statutes, section 216C.02, subdivision 1, paragraph (b), on conservation and other energy-related programs in the state and the effect of those programs in reducing demand;

(6) a discussion of the implementation of the purposes enumerated in Minnesota Statutes, section 216C.05, including how demand for traditional energy fuels has been stabilized and how the supply of renewable or preferred resources has been made readily available and how those resources are being adequately utilized;

(7) a discussion of the commissioner's performance of the duties listed in Minnesota Statutes, section 216C.09, specifically including explanations of:

(i) the recommendations the commissioner has made for changes in energy-pricing policies and rate schedules in light of the energy policies in the statutes and how the public utilities commission has acted on those recommendations;

(ii) the state program for energy conservation developed and implemented by the commissioner and the extent to which the program has achieved energy conservation;

(iii) the comprehensive program for developing indigenous energy resources, including a list of which specific indigenous energy resources have been developed and how they are being utilized; and

(iv) the extent of public education and information about energy issues provided by the commissioner;

(8) a discussion of implementation of the authorities listed in Minnesota Statutes, section 216C.10, specifically including information on:

(i) developing a state energy investment plan with yearly conservation and alternative energy development goals; and

(ii) preparing proposals for innovative conservation, renewable, alternative, or energy-recovery projects;

(9) an explanation of the operation of the energy conservation information center and an analysis of the effectiveness of the center in achieving energy efficiency and conservation;

(10) examples of the energy conservation publicity pieces developed and distributed by the commissioner under Minnesota Statutes, section 216C.12;

(11) a summary of the community energy planning grants program in Minnesota Statutes, section 216C.14, and its operation in assisting local communities to effectively plan for energy needs;

(12) a copy of the most recent state energy policy and conservation report required under Minnesota Statutes, section 216C.18;

(13) citations to rules adopted under Minnesota Statutes, sections 216C.19 and 216C.195, relating to energy conservation in specific products and circumstances, and the history of enforcement of those rules;

(14) an explanation of the operation of the alternative energy engineering activity required in Minnesota Statutes, section 216C.261, including examples of specific projects to develop indigenous energy resources and energy conservation facilitated by the activity;

(15) citations to rules adopted under Minnesota Statutes, section 216C.27, relating to minimum energy efficiency standards in existing residences, including a discussion of the history of enforcement of the rules;

(16) an explanation of energy audit programs required under Minnesota Statutes, section 216C.31, and how they have promoted energy conservation;

(17) an explanation of the operation of the commissioner's training program for persons who influence the energy efficiency of new buildings required under Minnesota Statutes, section 216C.32, and how the program has resulted in greater efficiency in new buildings;

(18) information on operation of the Minnesota biomass center authorized under Minnesota Statutes, section 216C.33, and the extent to which biomass is being utilized as an energy source in the state;

(19) a discussion and evaluation of the energy conservation investment loan program established in Minnesota Statutes, section 216C.37, and the level of conservation achieved through the program;

(20) an explanation and evaluation of the building energy research center required under Minnesota Statutes, section 216C.38; and

(21) an explanation and evaluation of the community energy program authorized under Minnesota Statutes, section 216C.381.

(b) By December 15, 1994, the commissioner also shall submit to the legislative task force:

(1) a report that identifies barriers to managing demand by residential, commercial, and industrial consumers of energy and by utilities to achieve energy conservation and stabilization of demand for subordinate energy sources and recommendations for overcoming those barriers; and

(2) a report detailing how the commissioner and department will meet the goals and responsibilities of existing law and implement the goals and directives of this act.

(c) By September 1, 1996, the commissioner shall prepare and submit to the legislative task force a report detailing how the commissioner has implemented and is promoting the policies and goals in Minnesota Statutes, sections 216C.05 and 216C.051, including a discussion of progress made in implementing the hierarchy of energy sources in Minnesota Statutes, section 216C.051, subdivision 3.

<u>Subd.</u> 7. [PUBLIC UTILITIES COMMISSION.] (a) By December 15, 1994, the public utilities commission shall prepare and submit to the task force a report that includes:

(1) a discussion of the use of the commission's authority in Minnesota Statutes, section 216B.16, subdivision 6c, to require incentive plans for energy conservation improvement, including information on how the commission has set rates to encourage the vigorous and effective implementation of utility conservation programs;

(2) a discussion of the commission's experience in giving the maximum possible encouragement to cogeneration and small power production in compliance with Minnesota Statutes, section 216B.164;

(3) a discussion of the commission's experience under Minnesota Statutes, section 216B.242, in initiating a program designed to demonstrate the effect of inverted rates on promoting conservation;

(4) an explanation of how the commission weights the criteria in Minnesota Statutes, section 216B.243, subdivision 3, when evaluating the need for a large energy facility and what evidence the commission requires under section 216B.243, subdivision 4, to show that an applicant for a certificate of need has sufficiently explored the possibility of generating power by means of a renewable or preferred energy source and has sufficiently demonstrated that, when environmental costs are factored in, the nonrenewable source is less expensive; and

(5) how the commission plans to implement the goals and policies in Minnesota Statutes, sections 216C.05 and 216C.051 and this act, including strategies for ensuring that utilities will achieve reliance on preferred energy sources, will reduce reliance on subordinate energy sources, and, over time, will eliminate reliance on the nonrenewable and environmentally, socially, and economically harmful energy sources described in Minnesota Statutes, section 216C.051, subdivision 3, paragraph (b), clause (5).

(b) By September 1, 1996, the commission shall prepare and submit to the legislative task force a report that includes:

(1) a description of the progress made by the commission in achieving electric energy goals set in Minnesota Statutes, sections 216C.05 and 216C.051, including a discussion of the method or methods used by the commission to measure progress in terms of improved efficiency, reduction in waste from energy production, and greater reliance on preferred energy sources; and

(2) an explanation of how the commission has applied the energy source hierarchy in Minnesota Statutes, section 216C.051, subdivision 3, in decisions on rates, resource plans, and requests for certificates of need for large energy facilities, and the guantifiable results of those decisions in developing and utilizing preferred energy sources.

## ARTICLE 2

Section 1. Minnesota Statutes 1992, section 216B.02, is amended by adding a subdivision to read:

<u>Subd. 10.</u> [ECONOMIC.] (a) "Economic," when used to modify costs related to energy sources for electric generation, means:

(1) the exportation from the state of dollars for producing, transporting, and consuming energy sources;

(2) the lack of energy-related jobs and other income from in-state production, transportation, and consumption of energy sources; and

(3) the lack of research and development activities and jobs in the state related to producing, transporting, and consuming indigenous preferred energy sources for electric generation.

(b) When "economic" is used to modify the benefits of energy sources, it means the opposite of the meanings listed in paragraph (a). Economic, when used to modify the costs or benefits of energy sources for electric generation, does not mean the level of rates charged retail or wholesale consumers of electricity.

Sec. 2. Minnesota Statutes 1992, section 216B.02, is amended by adding a subdivision to read:

Subd. 11. [PREFERRED ENERGY.] "Preferred energy" means electricity generated through use of energy sources described in section 216C.051, subdivision 3, paragraph (b), clauses (1) to (3).

Sec. 3. Minnesota Statutes 1992, section 216B.02, is amended by adding a subdivision to read:

<u>Subd. 12.</u> [SUBORDINATE ENERGY.] "Subordinate energy" means electricity generated through use of energy sources described in section 216C.051, subdivision 3, paragraph (b), clauses (4) and (5).

5870

# Sec. 4. [216B.035] [INTERVENOR COMPENSATION.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:

(1) <u>"administrative law judge"</u> means the administrative law judge assigned to a proceeding before the public utilities commission or, when a proceeding has not been assigned to the office of administrative hearings, the chief administrative law judge; and

(2) "intervenor" means a participant in any proceeding related to gas or electric utilities or service before the public utilities commission or in any proceeding reviewing a commission decision or order related to gas or electric utilities or service, excluding a participant that provides gas or electric services.

<u>Subd. 2.</u> [ACCOUNT; ASSESSMENT; APPROPRIATION.] (a) <u>A separate account in the state treasury is established</u> for the purpose of compensating intervenors as provided in this section. The commissioner, under section 216B.62, shall annually assess gas and electric utilities an amount that, in aggregate, provides not less than \$100,000 nor more than \$200,000 per year in revenue for the account, based on the commissioner's evaluation of potential claims against the account.

(b) One-half of the annual amount assessed under paragraph (a) must be apportioned among all public utilities in proportion to their respective gross operating revenues under section 216B.62, subdivision 3. The remaining one-half of the assessment must be apportioned among each of the gas and electric utilities, including cooperatively and municipally owned utilities, who were primary parties during the most recent calendar year in proportion to the amount of intervenor compensation disbursed from the account for proceedings in which each of the utilities were primary parties.

(c) The amount assessed each year by the commissioner must be deposited in the account and is appropriated to the commissioner for the purposes of this section.

<u>Subd. 3.</u> [COMPENSATION.] <u>The commissioner shall remit from the intervenor compensation account payment</u> to an intervenor to reimburse the intervenor for reasonable attorney fees, expert witness fees, transcript fees, and other reasonable costs, including fees and costs of obtaining judicial review, provided:

(1) the administrative law judge determines that the intervenor's participation is necessary to provide for the record an adequate presentation of a significant position in which the intervenor has a substantial interest; and

(2) the administrative law judge determines that the intervenor cannot without undue hardship afford to pay the costs of participation or that, in the case of a group or organization, the economic interest of the individual members of the group or organization is small in comparison to the costs of effective participation in the proceeding.

<u>Subd. 4.</u> [PROCEDURE; SUPPLEMENTAL COMPENSATION; PAYMENT.] (a) An intervenor seeking compensation under this section shall file an application for compensation with the administrative law judge within 14 days after a notice of hearing is issued or 30 days before initial comments are due in a noncontested matter. The judge may grant leave to file a late application if the applicant provides a reasonable justification for delay.

(b) The administrative law judge shall decide whether and in what amount to authorize compensation within 14 days of receipt of an application for compensation and shall notify the commissioner of the authorization. The administrative law judge may authorize partial payments to be disbursed as an intervenor's work progresses.

(c) The administrative law judge may authorize supplemental compensation for an intervenor for whom compensation is authorized if, for legitimate reasons, the costs of participation were underestimated or if additional funds would substantially improve the ability of the intervenor to contribute to the proceeding.

(d) Within 30 days of receipt of notice from the administrative law judge of an approved application for compensation, the commissioner shall provide the authorized compensation to the intervenor.

Subd. 5. [ACCOUNTING; REPORT.] Within 30 days of issuance of the final order in the proceeding for which compensation was paid under this section, the intervenor who received the compensation shall file with the administrative law judge and the commissioner a report itemizing the fees paid and expenses actually incurred by the intervenor. The report must include full documentation of fees and expenses, including the cost of studies,

engineering reports, tests, or projects related to the proceeding. Documentation must also include an affidavit from each attorney, agent, or expert witness that represented or appeared on behalf of the intervenor that states the specific services rendered, the actual time spent for each service, and the rate at which fees were computed for providing each service.

<u>Subd. 6.</u> [REIMBURSEMENT.] The administrative law judge shall review each report filed under subdivision 5, along with any other relevant material submitted. An intervenor shall reimburse the commissioner for any amount the administrative law judge determines was not compensable under this section. Reimbursement received by the commissioner under this section must be deposited in the intervenor compensation account.

Sec. 5. Minnesota Statutes 1992, section 216B.11, is amended to read:

# 216B.11 [DEPRECIATION RATES AND PRACTICES.]

The commission shall fix proper and adequate rates and methods of depreciation, amortization, or depletion in respect of utility property to encourage utilization of preferred energy sources, and every public utility shall conform its depreciation, amortization or depletion accounts to the rates and methods fixed by the commission.

Sec. 6. Minnesota Statutes 1993 Supplement, section 216B.16, subdivision 1, is amended to read:

Subdivision 1. [NOTICE.] (a) 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, 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.

(b) A utility may not notify the commission of a rate change unless the utility has an approved conservation improvement plan on file with the department of public service under section 216B.241 and has a current resource plan in effect under section 216B.2422. In its notification, the utility shall demonstrate and certify that it is in compliance with the requirements of section 216B.241 and the provisions of its own resource plan, including the timetable for meeting the specific goals for conservation and development of preferred energy resources. The commission may not accept notification without the demonstration and certification required in this paragraph.

(c) 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.

Sec. 7. Minnesota Statutes 1992, section 216B.16, is amended by adding a subdivision to read:

<u>Subd. 14.</u> [LOW-INCOME CONSIDERATIONS IN SETTING RATES.] (a) The commission may consider ability to pay as a factor in setting rates under this section and shall establish discounts for low-income residential ratepayers in order to ensure affordable, reliable, and continuous service to low-income utility consumers unless the commission finds that discounted rates are not in the public interest. In setting discounted rates, the commission shall consider:

(1) the effect of rate levels and rate increases on customers who comprise the working poor,

(2) the impact of rate levels and rate increases as a percentage of the total income of a low-income residential customer;

(3) the potential for the discounted rate to provide savings to the utility for collection costs, the costs of carrying and collecting arrearages, disconnection and reconnection costs, regulatory expenses, working capital costs, bad debt expenses, and any other administrative costs related to inability to pay programs;

(4) how rate levels and rate increases affect the income available to low-income customers to purchase other basic necessities; and

(5) the potential for using discounted rates for low-income residential customers to leverage federal dollars for the state.

5872

(b) In determining the need for and structure of discounted rates under this subdivision, the commission shall:

(1) consult with advocates for and representatives of low-income utility consumers, administrators of energy assistance and conservation programs, and representatives of utilities;

(2) coordinate discounted rates with the state and federal energy assistance programs and low-income residential energy conservation programs, including weatherization programs;

(3) evaluate discount rates offered by utilities in other states;

(4) evaluate the impact of discount rates on disconnections and the costs to utilities of carrying, disconnecting, reconnecting, and otherwise managing delinquent or unpaid accounts;

(5) set discounted rates in relation to the percentage of income paid by low-income customers for utility service to ensure a meaningful discount and to ensure a minimal effect on ineligible ratepayers;

(6) evaluate the leveraging potential of various levels of discounted rates for low-income customers; and

(7) establish a discount rate oversight board for each public utility that includes representatives of the utility company, the energy programs division of the department of jobs and training, energy assistance program providers, senior citizens' groups, consumer advocates, and low-income taxpayers.

Sec. 8. Minnesota Statutes 1992, section 216B.162, subdivision 2, is amended to read:

Subd. 2. [COMPETITIVE RATE SCHEDULE PERMITTED.] (a) Notwithstanding section 216B.03, 216B.05, 216B.06, 216B.07, or 216B.16, the commission shall approve a competitive rate schedule when:

(1) the provision of service to a customer or a class of customers is subject to effective competition; and

(2) the schedule applies only to customers requiring electric service with a connected load of at least 2,000 kilowatts; and

(3) the electric utility offering the competitive rate has an approved conservation improvement plan on file with the department of public service and is in compliance with the requirements of section 216B.241, subdivision 1a, has in effect a resource plan required under section 216B.2422, and is in compliance with the timetable in its resource plan for meeting the goals specified in the plan for conservation and increased utilization of preferred energy sources.

(b) The commission may approve a competitive rate schedule that applies to customers subject to effective competition and requiring electric service with a connected load less than 2,000 kilowatts.

(c) The commission shall make a final determination in a proceeding begun under this section within 90 days of a miscellaneous rate filing by the electric utility.

Sec. 9. Minnesota Statutes 1992, section 216B.162, subdivision 4, is amended to read:

Subd. 4. [RATES AND TERMS OF COMPETITIVE RATE SCHEDULE.] When the commission authorizes a competitive rate schedule for a customer class, it shall set the terms and conditions of service for that schedule, which must include:

(1) that the minimum rate for the schedule recover at least the incremental cost of providing the service, including the cost of additional capacity that is to be added while the rate is in effect and any applicable on-peak or off-peak differential;

(2) that the maximum possible rate reduction under a competitive rate schedule does not exceed the difference between the electric utility's applicable standard tariff and the cost to the customer of the lowest cost competitive energy supply;

(3) that the term of a contract for a customer who elects to take service under a competitive rate must be no less than one year and no longer than five years;

(4) that the electric utility; within a general rate case, be allowed to seek is prohibited from recovery of the difference between the standard tariff and the competitive rate times the usage level during the test year period in the rates charged other customers;

(5) a determination that a rate within a competitive rate schedule meets the conditions of section 216B.03, for other customers in the same customer class;

(6) that the rate does not compete with district heating or cooling provided by a district heating utility as defined by section 216B.166, subdivision 2, paragraph (c); and

(7) that the rate may not be offered to a customer in which the utility has a financial interest greater than 50 percent; and

(8) that the utility must provide discounted rates for low-income residential customers and that the utility may recover the amount of revenue lost due to provision of discounted rates for low-income customers in a general rate case based on the test year period.

Sec. 10. Minnesota Statutes 1993 Supplement, section 216B.162, subdivision 7, is amended to read:

Subd. 7. [COMMISSION DETERMINATION.] (a) Except as provided under subdivision 6, competitive rates offered by electric utilities under this section must be filed with the commission and must be approved, modified, or rejected by the commission within 90 days. The utility's filing must include statements of fact demonstrating that the proposed rates meet the standards of this subdivision and that the utility is in compliance with sections 216B.241 and 216B.2422. The filing must be served on the department of public service and the office of the attorney general at the same time as it is served on the commission.

(b) In reviewing a specific rate proposal, the commission shall determine:

(1) that the rate meets the terms and conditions in subdivision 4, unless the commission determines that waiver of one or more terms and conditions would be in the public interest;

(2) that the consumer can obtain its energy requirements from an energy supplier not rate-regulated by the commission under section 216B.16;

(3) that the customer is not likely to take service from the electric utility seeking to offer the competitive rate if the customer was charged the electric utility's standard tariffed rate; and

(4) that after consideration of environmental and socioeconomic impacts it is in the best interest of all other customers to offer the competitive rate to the customer subject to effective competition; and

(5) that the energy source used by the utility to provide the electricity under the competitive rate is as preferred as or more preferred than the energy source that otherwise would be used to provide the electricity under the preferred energy source hierarchy in section 216C.051, subdivision 3, paragraph (b).

(c) If the commission approves the competitive rate, it becomes effective as agreed to by the electric utility and the customer. If the competitive rate is modified by the commission, the commission shall issue an order modifying the competitive rate subject to the approval of the electric utility and the customer. Each party has ten days in which to reject the proposed modification. If no party rejects the proposed modification, the commissioner's order becomes final. If either party rejects the commission's proposed modification, the electric utility, on its behalf or on the behalf of the customer, may submit to the commission a modified version of the commission's proposal. The commission shall accept or reject the modified version within 30 days. If the commission rejects the competitive rate, it shall issue an order indicating the reasons for the rejection.

Sec. 11. Minnesota Statutes 1992, section 216B.162, subdivision 8, is amended to read:

Subd. 8. [ENERGY EFFICIENCY MEASURES.] If the commission approves a competitive rate or the parties agree to a modified rate, the commission may <u>shall</u> require the electric utility to provide the customer with an energy audit and assist in implementing cost-effective energy efficiency improvements to assure that the customer's use of electricity is efficient. An investment in cost-effective energy conservation improvements required under this section must be treated as an energy conservation improvement program and included in the department's determination

5874

of significant investments under section 216B.241. The utility shall recover energy conservation improvement expenses in a rate proceeding under section 216B.16 or 216B.17 in the same manner as the commission authorizes for the recovery of conservation expenditures made under section 216B.241.

Sec. 12. Minnesota Statutes 1992, section 216B.164, subdivision 1, is amended to read:

Subdivision 1. [SCOPE AND PURPOSE.] This section The commission, the commissioner, and any other person shall at all times be construed construe this section in accordance with its intent to give the maximum possible encouragement to cogeneration and small power production consistent with protection of the ratepayers and the public interest.

Sec. 13. Minnesota Statutes 1992, section 216B.164, subdivision 3, is amended to read:

Subd. 3. [PURCHASES; SMALL FACILITIES.] (a) For a qualifying facility having less than  $40 \underline{80}$ -kilowatt capacity, the customer shall be billed for the net energy supplied by the utility according to the applicable rate schedule for sales to that class of customer. In the case of net input into the utility system by a qualifying facility having less than  $40 \underline{80}$ -kilowatt capacity, compensation to the customer shall be at a per kilowatt hour rate determined under paragraph (b) or (c) of this subdivision.

(b) In setting rates, the commission shall consider the fixed distribution costs to the utility not otherwise accounted for in the basic monthly charge and shall ensure that the costs charged to the qualifying facility are not discriminatory in relation to the costs charged to other customers of the utility. The commission shall set the rates for net input into the utility system based on avoided costs as defined in the Code of Federal Regulations, title 18, section 292.101(b)(6), the factors listed in Code of Federal Regulations, title 18, section 292.304, and all other relevant factors.

(c) Notwithstanding any provision in this chapter to the contrary, a qualifying facility having less than 40 <u>80-</u>kilowatt capacity may elect that the compensation for net input by the qualifying facility into the utility system shall be at the average retail utility energy rate. "Average retail utility energy rate" is defined as the average of the retail energy rates, exclusive of special rates based on income, age, or energy conservation, according to the applicable rate schedule of the utility for sales to that class of customer.

(d) If the qualifying facility is interconnected with a nongenerating utility which has a sole source contract with a municipal power agency or a generation and transmission utility, the nongenerating utility may elect to treat its purchase of any net input under this subdivision as being made on behalf of its supplier and shall be reimbursed by its supplier for any additional costs incurred in making the purchase. Qualifying facilities having less than 40 <u>80-</u>kilowatt capacity may, at the customer's option, elect to be governed by the provisions of subdivision 4.

Sec. 14. Minnesota Statutes 1993 Supplement, section 216B.164, subdivision 4, is amended to read:

Subd. 4. [PURCHASES; WHEELING; COSTS.] (a) Except as otherwise provided in paragraph (c) (f), this subdivision shall apply applies to all qualifying facilities having 40 kilowatt capacity or more with a capacity of no more than 500 kilowatts as well as qualifying facilities as defined in subdivision 3 which elect to be governed by its provisions.

(b) The utility to which the qualifying facility is interconnected shall purchase all energy and capacity made available by the qualifying facility.

(c) Except as provided in paragraphs (d) and (e), the owner or operator of a qualifying facility shall be paid the utility's full avoided capacity and energy costs as negotiated by the parties, as set by the commission, or as determined through competitive bidding approved by the commission. The full avoided capacity and energy costs to be paid the owner or operator of a qualifying facility that generates electric power by means of a renewable preferred energy source are the utility's least cost renewable preferred energy facility or the bid of a competing supplier of a least cost renewable preferred energy facility, whichever is lower, unless the commission's resource plan order, under section 216B.2422, subdivision 2, provides that the use of a renewable preferred resource to meet the identified capacity need is not in the public interest. The comparison of costs under this paragraph must be between the qualifying facility and an energy source or facility that is as preferred as or more preferred than the qualifying facility under section 216C.051, subdivision 3, paragraph (b).

(d) The owner or operator of a qualifying facility of no more than 80 kilowatts that begins operation by January 1, 2005, shall be paid 100 percent of the purchasing utility's average retail utility rate. The owner or operator of a qualifying facility of more than 80 but no more than 500 kilowatts that begins operation by January 1, 2005, shall be paid:

(2) for a facility that utilizes an energy source that is described in section 216B.051, subdivision 3, paragraph (b), clause (2), 80 percent of the purchasing utility's average retail utility rate; and

(3) for a facility that utilizes an energy source that is described in section 216C.051, subdivision 3, paragraph (b), clause (3), 70 percent of the purchasing utility's average utility rate.

(e) An owner or operator, and any interest affiliated with the owner or operator for any energy purpose, of a qualifying facility may receive payment under paragraph (d) for one qualifying facility. The owner or operator, or any interest affiliated with the owner or operator for an energy purpose, of a qualifying facility that has received payment under paragraph (d) will receive payment under paragraph (c) for any other qualifying facility.

(e) (f) For all qualifying facilities having 30-kilowatt capacity or more, the utility shall, at the qualifying facility's or the utility's request, provide wheeling or exchange agreements wherever practicable to sell the qualifying facility's output to any other Minnesota utility having generation expansion anticipated or planned for the ensuing ten years. The commission shall establish the methods and procedures to insure that except for reasonable wheeling charges and line losses, the qualifying facility receives the full avoided energy and capacity costs of the utility ultimately receiving the output.

(d) (g) The commission shall set rates for electricity generated by renewable preferred energy sources.

Sec. 15. Minnesota Statutes 1992, section 216B.164, subdivision 6, is amended to read:

Subd. 6. [RULES AND UNIFORM CONTRACT.] (a) The commission shall promulgate <u>adopt</u> rules to implement the provisions of this section. The commission shall also establish a uniform statewide form of contract <u>forms</u> for use between utilities and a qualifying facility having less than 40 kilowatt capacity facilities.

(b) The commission shall require the qualifying facility to provide the utility with reasonable access to the premises and equipment of the qualifying facility if the particular configuration of the qualifying facility precludes disconnection or testing of the qualifying facility from the utility side of the interconnection with the utility remaining responsible for its personnel.

(c) The uniform statewide form of contract shall be applied forms apply to all new and existing interconnections established between a utility and a qualifying facility having less than 40 kilowatt capacity, except that with a capacity of no more than 500 kilowatts. Existing contracts may remain in force until written notice of election that the a uniform statewide contract form applies is given made by either party to the other, with the. Notice being of the shortest time period permitted under the existing contract for termination of the existing contract by either party, but must be made not less than ten nor longer more than 30 days prior to the application date of the uniform contract or as required for termination of the existing contract, if it is shorter.

(d) The commission may promulgate <u>adopt</u> emergency rules for the purpose of implementing this section <u>or</u> <u>amendments to this section</u>. The emergency rules are subject to sections 14.29 to 14.36.

Sec. 16. Minnesota Statutes 1992, section 216B.164, subdivision 7, is amended to read:

Subd. 7. [REPORTS.] On January 1, 1983 By July 1, 1996, the commission shall submit a report to the legislature legislative task force established in article 1, section 3. The report shall describe:

(a) (1) the location, type and output of cogenerators and small power producers in the state;

(b) (2) whether cogeneration and small power production has resulted in any major impacts on the utility system; and

(e) (3) how the commission has implemented and enforced this section; and

(4) the effectiveness of the provisions of this section and the commission's rules in encouraging cogeneration and small power production that <u>utilize preferred energy sources</u>.

Sec. 17. Minnesota Statutes 1993 Supplement, section 216B.2422, 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) "Utility" means an entity with the capability of generating 100,000 kilowatts or more of electric power and serving, either directly or indirectly, the needs of 10,000 retail customers in Minnesota. Utility does not include federal power agencies.

(c) "Renewable <u>Preferred</u> energy" means electricity generated through use of any of the following resources <u>energy</u> sources listed in section 216C.051, subdivision 3, paragraph (b), clauses (1) to (3):

(1) wind;

(2) solar;

(3) geothermal;

(4) hydro;

(5) trees or other vegetation; or

(6) landfill-gas.

(d) "Resource plan" means a set of resource options that a utility could use to meet the service needs of its customers over a forecast period, including an explanation of the supply and demand circumstances under which, and the extent to which, each resource option would be used to meet those service needs. These resource options include using, refurbishing, and constructing utility plant and equipment, buying power generated by other entities, controlling customer loads, and implementing customer energy conservation.

(e) "Refurbish" means to rebuild or substantially modify an existing electricity generating resource of 30 megawatts or greater.

(f) "Subordinate energy" means electricity generated through use of any of the energy sources listed in section 216C.051, subdivision 3, paragraph (b), clauses (4) and (5).

Sec. 18. Minnesota Statutes 1993 Supplement, section 216B.2422, subdivision 2, is amended to read:

Subd. 2. [RESOURCE PLAN FILING AND APPROVAL.] A utility shall file a resource plan with the commission periodically in accordance with rules adopted by the commission. The commission shall approve, reject, or modify the plan of a public utility, as defined in section 216B.02, subdivision 4, consistent with the public interest. In the resource plan proceedings of all other utilities, the commission's order shall be advisory and the order's findings and conclusions shall constitute prima facie evidence which may be rebutted by substantial evidence in all other proceedings. With respect to utilities other than those defined in section 216B.02, subdivision 4, the commission shall consider the filing requirements and decisions in any comparable proceedings in another jurisdiction. As a part of its resource plan filing, a utility shall include the least cost plan for meeting 50 and 75 percent of all new and refurbished capacity needs through a combination of conservation and renewable preferred energy resources.

Sec. 19. Minnesota Statutes 1993 Supplement, section 216B.2422, subdivision 4, is amended to read:

Subd. 4. [PREFERENCE FOR <u>RENEWABLE</u> <u>PREFERRED</u> ENERGY FACILITY.] The commission shall not approve a new or refurbished <u>nonrenewable</u> <u>subordinate</u> energy facility in an integrated resource plan or a certificate of need, pursuant to section 216B.243, nor shall the commission allow rate recovery pursuant to section 216B.16 for such a <u>nonrenewable</u> <u>subordinate</u> energy facility, unless the utility has demonstrated that a <u>renewable</u> <u>preferred</u> energy facility is not in the public interest. For the purposes of this section, "subordinate energy facility" means a facility that <u>utilizes energy sources listed in section 216C.051</u>, subdivision 3, paragraph (b), clauses (3) to (5), and "preferred energy facility" means a facility that utilizes energy sources listed in section 216C.051, subdivision 3, paragraph (b), clauses (1) and (2). 5878

Sec. 20. Minnesota Statutes 1993 Supplement, section 216B.2422, is amended by adding a subdivision to read:

Subd. 4a. [EXCEPTION.] Notwithstanding subdivision 4, a utility that must replace before January 1, 1998, up to 500 megawatts of electric capacity it has generated using a subordinate energy source may include in its integrated resource plan replacement of the capacity with electricity generated by an existing facility that utilizes a subordinate energy source as long as the utility demonstrates that it has made reasonable efforts to replace the lost capacity with electricity generated utilizing preferred sources. The commission may approve the replacement with subordinate energy and may allow rate recovery for the replacement under section 216B.16 for up to the actual amount of capacity with preferred energy.

Sec. 21. Minnesota Statutes 1992, section 216B.243, subdivision 3, is amended to read:

Subd. 3. [SHOWING REQUIRED FOR CONSTRUCTION.] No proposed large energy facility shall be certified for construction unless the applicant can show that demand for electricity cannot be met more cost effectively through energy conservation and load-management measures and unless the applicant has otherwise justified its need. In assessing need, the commission shall evaluate:

(1) the accuracy of the long-range energy demand forecasts on which the necessity for the facility is based;

(2) the effect of existing or possible energy conservation programs under sections <u>216B.241</u>, 216C.05 to 216C.30, and this section or other federal or state legislation on long-term energy demand;

(3) the relationship of the proposed facility to overall state energy needs, as described in the most recent state energy policy and conservation report prepared under section 216C.18;

(4) promotional activities that may have given rise to the demand for this facility;

(5) socially beneficial uses of the output of this facility, including its uses to protect or enhance environmental quality and its ability to create and sustain energy-related jobs in the state and other energy related income for citizens of the state;

(6) the effects of the facility in inducing future development;

(7) possible alternatives for satisfying the energy demand including but not limited to potential for increased efficiency of existing energy generation facilities and the potential for increased utilization of preferred energy sources;

(8) the policies, rules, and regulations of other state and federal agencies and local governments; and

(9) any feasible combination of energy conservation improvements, required under section 216B.241, that can (i) replace part or all of the energy to be provided by the proposed facility, and (ii) compete with it economically.

Sec. 22. Minnesota Statutes 1992, section 216B.243, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FOR CERTIFICATE; HEARING.] (a) Any person proposing to construct a large energy facility shall apply for a certificate of need prior to construction of the facility. The application shall be on forms and in a manner established by the commission and must include, if applicable to the applicant, demonstration and certification that the applicant is in compliance with section 216B.241 and the applicant's most recently submitted resource plan required under section 216B.2422, including compliance with the timetable in its resource plan for meeting the specific goals in the plan for conservation and development of preferred energy resources. The commission may not accept an application for a certificate of need that is not accompanied by the demonstration and certification required under this subdivision.

(b) In reviewing each application the commission shall hold at least one public hearing pursuant to chapter 14. The public hearing shall be held at a location and hour reasonably calculated to be convenient for the public. An objective of the public hearing shall be to obtain public opinion on the necessity of granting a certificate of need. The commission shall designate a commission employee whose duty shall be to facilitate citizen participation in the hearing process.

Sec. 23. Minnesota Statutes 1992, section 216C.38, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [FUNDING; ASSESSMENT; APPROPRIATION.] The commissioner shall assess, under section 216B.62, all utilities that provide gas or electric service at retail, including cooperative electric associations and municipalities, an annual amount of at least \$...... and not to exceed \$...... for the operation of the building energy research center and the energy center at the Red Wing campus of the Red Wing/Winona technical college. Each utility must be assessed in proportion that its gross operating revenues for the sale of gas and electric service in the state for the last calendar year bears to the total of those revenues for all utilities. Upon collection, the amount assessed is appropriated to the commissioner to be granted 75 percent to the building energy research center and 25 percent to the energy center at the Red Wing campus of the Red Wing/Winona technical college.

Sec. 24. [SURVEY OF ELECTRIC GENERATION FACILITIES; REPORT.]

By June 1, 1995, the commissioner of the pollution control agency shall survey all electric generation facilities in the state and shall submit a report to the legislative task force on energy policy established in article 1, section 3, that lists the facilities by the extent to which each facility actually and potentially negatively affects human health and the environment. The commissioner shall include in the list, if possible, or shall separately list electric generation facilities located outside the state that generate electricity that is distributed for consumption within the state, based on information the commissioner is able to gather on those facilities. The owner or operator of an electric generation facility shall cooperate with the commissioner and agency staff, shall provide access for agency staff to the physical property and operational records of the facility, and shall respond in a timely manner to reasonable requests for information made by the commissioner.

Sec. 25. [EDUCATIONAL DEMONSTRATION GRANTS; WIND ENERGY.]

(a) The commissioner of the department of public service shall make four demonstration grants, not to exceed \$250,000 per grant, for constructing advanced wind energy conversion facilities in areas of the state with average wind speeds of 11.5 miles per hour or greater.

(b) An applicant for a grant must be a public post-secondary institution that has in place or will have in place a program to train persons in the design, construction, and operation of preferred energy technologies. The institution shall commit to indefinitely continuing the preferred energy technologies program required for purposes of receiving the grant.

(c) A wind energy conversion facility constructed under this section must receive payment from an interconnecting utility under Minnesota Statutes, section 216B.164, subdivision 4, paragraph (d). Payment received by an institution from a utility must be used for operating and maintaining the wind energy conversion facility and for providing instruction to increase the availability of persons trained and skilled in design, construction, and operation of preferred energy source generation facilities.

(d) For the purposes of this section, "preferred energy sources" means the energy sources described in Minnesota Statutes, section 216C.051, subdivision 3, paragraph (b), clauses (1) and (2).

Sec. 26. [REPEALER.]

Minnesota Statutes 1992, section 216B.16, subdivision 10, is repealed.

Sec. 27. [APPROPRIATION.]

\$1,000,000 is appropriated to the commissioner of the department of public service from the bond proceeds fund for the purpose of making the grants authorized under section 25.

Sec. 28. [BOND SALE; DEBT SERVICE.]

To provide the money appropriated in section 27 from the bond proceeds fund, the commissioner of finance upon request of the governor shall sell and issue bonds of the state in an amount up to \$1,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

#### ARTICLE 3

Section 1. Minnesota Statutes 1992, section 216A.07, subdivision 3, is amended to read:

Subd. 3. [INTERVENTION IN PROCEEDINGS.] The commissioner may intervene as a party in all proceedings before the commission. When intervening in gas or electric hearings, the commissioner shall prepare and defend testimony designed to encourage energy conservation improvements as defined in section 216B.241 and the energy policies, energy source preference hierarchy, and goals specified in chapter 216C. The attorney general shall act as counsel in the proceedings.

Sec. 2. Minnesota Statutes 1992, section 216A.085, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] There is created within the department of public service an intervention office to represent the interests of Minnesota residents, businesses, and governments, with particular emphasis on the public interest in the energy policies, goals, and preferences specified in chapter 216C, before bodies and agencies outside the state that make, interpret, or implement national and international energy policy.

Sec. 3. Minnesota Statutes 1992, section 216B.01, is amended to read:

216B.01 [LEGISLATIVE FINDING.]

It is hereby declared to be in the public interest that public utilities be regulated as hereinafter provided in order to provide the retail consumers of natural gas and electric service in this state with adequate, energy efficient, and reliable services at reasonable rates, consistent with the financial and economic requirements of public utilities and their need to construct facilities to provide such services or to otherwise obtain energy supplies utilizing preferred energy sources because they minimize unfunded or underfunded environmental, social, and economic costs and maximize energy-related jobs and other energy-related income in the state through development and maintenance of indigenous, preferred energy sources, to avoid unnecessary duplication of facilities which increase the cost of service to the consumer and to minimize disputes between public utilities which may result in inconvenience or diminish efficiency in service to the consumers. It is also in the public interest that present consumers pay the costs of providing the energy they consume, including costs related to pollution caused by the generation and provision of the energy so that future consumers or present or future taxpayers are not required to pay the costs incurred by Because municipal utilities are presently effectively regulated by the residents of the present consumers. municipalities which own and operate them, and cooperative electric associations are presently effectively regulated and controlled by the membership under the provisions of chapter 308A, it is deemed unnecessary to subject such utilities to regulation under this chapter except as specifically provided herein.

Sec. 4. Minnesota Statutes 1992, section 216B.03, is amended to read:

216B.03 [REASONABLE RATE.]

Every rate made, demanded, or received by any public utility, or by any two or more public utilities jointly, shall be just and reasonable. Rates shall not be unreasonably preferential, unreasonably prejudicial, or <u>unreasonably</u> discriminatory, but shall be sufficient, equitable, and consistent in application to a class of consumers. To the maximum reasonable extent, the commission shall set rates to encourage energy conservation and <del>renewable</del> <u>preferred</u> energy use and to further the goals of sections 216B.164, and 216B.241, and 216C.05 <u>chapter 216C</u>. Any doubt as to reasonableness should be resolved in favor of the consumer. For rate making purposes a public utility may treat two or more municipalities served by it as a single class wherever the populations are comparable in size or the conditions of service are similar.

Sec. 5. Minnesota Statutes 1992, section 216B.16, subdivision 6, is amended to read:

Subd. 6. [FACTORS CONSIDERED, GENERALLY.] The commission, in the exercise of its powers under this chapter to determine just and reasonable rates for public utilities, shall give due consideration to the public need for adequate, efficient, and reasonable service and to the need of the public utility for revenue sufficient to enable it to meet the cost of furnishing the service, including adequate provision for depreciation of its utility property used and useful in rendering service to the public, and to earn a fair and reasonable return upon the investment in such property, and to research and develop utilization of preferred energy sources specified in section 216C.051. In determining the rate base upon which the utility is to be allowed to earn a fair rate of return, the commission shall give due consideration to evidence of the cost of the property when first devoted to public use, to prudent acquisition

cost to the public utility less appropriate depreciation on each, to construction work in progress, to offsets in the nature of capital provided by sources other than the investors, and to other expenses of a capital nature. For purposes of determining rate base, the commission shall consider the original cost of utility property included in the base and shall make no allowance for its estimated current replacement value, except for property wholly related to generation of electricity using the energy sources listed in section 216C.051, subdivision 3, paragraph (b), clauses (1) and (2).

Sec. 6. Minnesota Statutes 1992, section 216B.17, subdivision 1, is amended to read:

Subdivision 1. [INVESTIGATION.] On its own motion or upon a complaint made against any public utility, by the governing body of any political subdivision, by another public utility, by the department, or by any 50 consumers of the particular utility that any of the rates, tolls, tariffs, charges, or schedules or any joint rate or any regulation, measurement, practice, act or omission affecting or relating to the production, transmission, delivery or furnishing of natural gas or electricity or any service in connection therewith is in any respect unreasonable, insufficient  $\Theta_r$ , unjustly discriminatory, or not in compliance with the requirements of section 216B.241 or 216B.2422, or that any service is inadequate or cannot be obtained, the commission shall proceed, with notice, to make such investigation as it may deem necessary. The commission may dismiss any complaint without a hearing if in its opinion a hearing is not in the public interest.

Sec. 7. Minnesota Statutes 1992, section 216B.17, subdivision 6, is amended to read:

Subd. 6. [COMPLAINT PETITION.] The commission shall have the power to hear, determine and adjust complaints made against any municipally owned gas or electric utility with respect to:

(1) rates and services upon petition of ten percent of the nonresident consumers of the municipally owned utility or 25 such nonresident consumers whichever is less; or

(2) compliance with section 216B.241 or 216B.2422 upon petition of ten percent of the consumers of the municipally owned utility or 25 of the consumers, whichever is less. The hearing of the complaints shall be is governed by this section.

Sec. 8. Minnesota Statutes 1992, section 216B.17, subdivision 6a, is amended to read:

Subd. 6a. [COOPERATIVE ELECTRIC ASSOCIATIONS.] For the purposes of this section, public utility shall include cooperative electric associations with respect to service standards and practices <u>and compliance with section 216B.241 or 216B.2422</u> only.

Sec. 9. Minnesota Statutes 1992, section 216B.243, subdivision 3a, is amended to read:

Subd. 3a. [USE OF <u>RENEWABLE PREFERRED</u> RESOURCES.] The commission may not issue a certificate of need under this section for a large energy facility that generates electric power by means of a <u>nonrenewable subordinate</u> energy source, or that transmits electric power generated by means of a <u>nonrenewable subordinate</u> energy source, unless the applicant for the certificate has demonstrated to the commission's satisfaction that it has explored the possibility of generating power by means of <u>renewable preferred</u> energy sources and has demonstrated that the alternative selected is less expensive, (including environmental, <u>social, and economic costs</u>), than power generated by a <u>renewable preferred</u> energy source. For purposes of this subdivision, <u>"renewable preferred</u> energy source" <u>includes</u> hydro, wind, solar, and geothermal energy and the use of trees or other vegetation as fuel <u>means the energy sources</u> <u>listed in section 216C.051</u>, subdivision 3, paragraph (b), clauses (1) to (3), and <u>"subordinate energy source" means the</u> <u>energy sources listed</u> in section 216C.051, subdivision 3, paragraph (b), clauses (4) and (5).

Sec. 10. Minnesota Statutes 1992, section 216C.01, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section <u>and section 216B.02</u> apply to section 216C.02 and those sections renumbered by Laws 1987, chapter 312, article 1, section 10 this chapter.

Sec. 11. 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 <u>subordinate</u> energy resources <u>sources</u> 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;

(1) 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 preferred energy resources sources. 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. 12. Minnesota Statutes 1992, section 216C.10, is amended to read:

216C.10 [POWERS.]

The commissioner may:

(1) adopt rules under chapter 14 as necessary to carry out the purposes of sections 216C.05 to 216C.30 and, when necessary for the purposes of section 216C.15, adopt emergency rules under sections 14.29 to 14.36;

5882

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(2) make all contracts under sections 216C.05 to 216C.30 and do all things necessary to cooperate with the United States government, and to qualify for, accept, and disburse any grant intended for the administration of sections 216C.05 to 216C.30;

(3) provide on-site technical assistance to units of local government in order to enhance local capabilities for dealing with energy problems;

(4) administer for the state, energy programs under federal law, regulations, or guidelines, except for the low-income home energy assistance program and low-income weatherization programs administered by the department of jobs and training, and coordinate the programs and activities with other state agencies, units of local government, and educational institutions;

(5) develop a state energy investment plan with yearly energy conservation and alternative energy development goals, investment targets, and marketing strategies;

(6) perform market analysis studies relating to conservation, alternative and renewable preferred energy resources sources, and energy recovery;

(7) assist with the preparation of proposals for innovative conservation, renewable, alternative, or preferred energy recovery projects;

(8) manage and disburse funds made available for the purpose of research studies or demonstration projects related to energy conservation or other activities deemed appropriate by the commissioner;

(9) intervene in certificate of need proceedings before the public utilities commission;

(10) collect fees from recipients of loans, grants, or other financial aid from money received from litigation or settlement of alleged violations of federal petroleum pricing regulations, which fees must be used to pay the department's costs in administering those financial aids; and

(11) collect fees from proposers and operators of conservation and other energy-related programs that are reviewed, evaluated, or approved by the department, other than proposers that are political subdivisions or community or nonprofit organizations, to cover the department's cost in making the reviewal, evaluation, or approval and in developing additional programs for others to operate.

Notwithstanding any other law, the commissioner is designated the state agent to apply for, receive, and accept federal or other funds made available to the state for the purposes of sections 216C.05 to 216C.30.

Sec. 13. Minnesota Statutes 1992, section 216C.14, subdivision 2, is amended to read:

Subd. 2. [QUALIFYING EXPENDITURES.] Community energy planning grants may be used for the following purposes:

(a) to gather, monitor, and analyze local energy supply, demand, and cost information;

(b) to prepare comprehensive community energy plans;

(c) to implement comprehensive energy plans that the unit of government is authorized to undertake for the management of problems resulting from:

(1) rising energy cost;

(2) lack of efficient public and private transportation;

(3) lack of community conservation efforts;

(4) lack of widespread renewable preferred energy sources; and

5883

(5) lack of energy components in comprehensive plans and local ordinances;

(d) to assist neighborhood organizations in counties and cities to do energy planning by making grants to the local unit of government; and

(e) any other purposes deemed appropriate by the commissioner.

Sec. 14. Minnesota Statutes 1992, section 216C.17, subdivision 5, is amended to read:

Subd. 5. [EVALUATION.] The commissioner shall review and evaluate forecasts of energy demands and resources as they relate to the most current population growth and development estimates; statewide and regional land use, transportation, and economic development programs and forecasts; and energy policies, goals, and preferred electric energy sources specified in this chapter and chapter 216B.

Sec. 15. Minnesota Statutes 1992, section 216C.18, subdivision 1, is amended to read:

Subdivision 1. [REPORT.] By July 1 of 1988 and every four years thereafter, the commissioner shall issue a comprehensive report designed to identify major emerging trends and issues in energy <u>sources</u>, supply, consumption, conservation, and costs. The report shall include the following:

(1) projections of the level and composition of statewide energy consumption under current government policies and an evaluation of the ability of existing and anticipated facilities to supply the necessary energy for that consumption;

(2) projections of how the level and the composition of energy consumption would be affected by new programs or new policies;

(3) projections of energy costs to consumers, businesses, and government;

(4) identification and discussion of key social, economic, and environmental issues in energy;

(5) explanations of the department's current energy programs and studies; and

(6) recommendations.

Sec. 16. Minnesota Statutes 1992, section 216C.18, subdivision 1a, is amended to read:

Subd. 1a. [RATE PLAN.] The energy policy and conservation report shall include a section prepared by the public utilities commission. The commission's section shall be prepared in consultation with the commissioner and shall include, but not be limited to, all of the following:

(a) a description and analysis of the commission's rate design policy as it pertains to the goals stated in sections 216B.164, 216B.241, and 216C.05, and 216C.051, including a description of all energy conservation improvements ordered by the commission; and

(b) recommendations to the governor and the legislature for administrative and legislative actions to accomplish the purposes of sections 216B.164, 216B.241, and 216C.05, and 216C.051.

Sec. 17. Minnesota Statutes 1992, section 216C.315, is amended to read:

216C.315 [ALTERNATIVE PREFERRED ENERGY ECONOMIC ANALYSIS.]

The commissioner shall carry out the following energy economic analysis duties:

(a) provide continued analysis of alternative preferred energy issues for the biennial periodic report required ander section 216C.18, certificates of need, and legislative requests;

5885

(b) provide alternative preferred energy information to consumers and business;

(c) assist in the maintenance and improvement of alternative preferred energy input-output multipliers and market penetration models;

(d) provide analysis of alternative preferred energy data.

Sec. 18. Minnesota Statutes 1992, section 216C.381, subdivision 1, is amended to read:

Subdivision 1. [FINDINGS.] The legislature finds that community\_based energy programs are an effective means of implementing improved energy practices including conservation, greater efficiency in energy use, and the use of alternative resources preferred energy sources. Further, community\_based energy programs are found to be a public purpose for which public money may be spent.

Sec. 19. [REPEALER.]

Minnesota Statutes 1993 Supplement, section 216B.242, is repealed.

Sec. 20. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the word "renewable" to "preferred" in the heading in Minnesota Statutes, section 216B.2422, in Minnesota Statutes 1994, and subsequent editions of the statutes."

Delete the title and insert:

"A bill for an act relating to energy; reestablishing electric energy policy; establishing a hierarchy of preferred electric energy sources; establishing a legislative task force to oversee implementation of energy policy; establishing intervenor compensation account with revenues from utility assessments; clarifying the availability of intervenor compensation in proceedings before the public utilities commission; authorizing the public utilities commission to set discounted rates for low-income customers; establishing specific guidelines for payment to small power producers and cogenerators under certain circumstances; requiring compliance by a utility with a conservation improvement and resource planning requirements prior to the utility seeking a certificate of need for new or expanded facilities and rate increases; amending various statutes to conform with the reestablished energy policy; providing funding for the building energy research center and the energy center at the Red Wing/Winona technical college; providing demonstration grants for wind energy conversion facilities at public post-secondary institutions; providing for state bonding; appropriating money; amending Minnesota Statutes 1992, sections 216A.07, subdivision 3; 216A.085, subdivision 1; 216B.01; 216B.02, by adding subdivisions; 216B.03; 216B.11; 216B.16, subdivision 6, and by adding a subdivision; 216B.162, subdivisions 2, 4, and 8; 216B.164, subdivisions 1, 3, 6, and 7; 216B.17, subdivisions 1, 6, and 6a; 216B.243, subdivisions 3, 3a, and 4; 216C.01, subdivision 1; 216C.05; 216C.09; 216C.10; 216C.14, subdivision 2; 216C.17, subdivision 5, 216C.18, subdivisions 1 and 1a; 216C.315; 216C.38, by adding a subdivision; and 216C.381, subdivision 1; Minnesota Statutes 1993 Supplement, sections 216B.16, subdivision 1; 216B.162, subdivision 7; 216B.164, subdivision 4; and 216B.2422, subdivisions 1, 2, 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 216B; and 216C; repealing Minnesota Statutes 1992, sections 216B.16, subdivision 10; Minnesota Statutes 1993 Supplement, section 216B.242.

With the recommendation that when<sup>o</sup> so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2512, A bill for an act relating to retirement; providing for level benefits for the Minneapolis police relief association; changing the definition of surviving spouses eligible for benefits; amending Minnesota Statutes 1992, section 423B.09, subdivision 1; Minnesota Statutes 1993 Supplement, section 423B.10, subdivision 1.

## JOURNAL OF THE HOUSE

[80TH DAY

Reported the same back with the following amendments:

Page 1, after line 8, insert:

## "ARTICLE 1

## MINNEAPOLIS POLICE RELIEF ASSOCIATION BENEFIT MODIFICATIONS"

Page 2, line 26, strike "one year" and insert "five years"

Page 3, after line 34, insert:

## "ARTICLE 2

## CONFORMING CHANGES

Section 1. Minnesota Statutes 1993 Supplement, section 353B.07, subdivision 3, is amended to read:

Subd. 3. [FORMULA PERCENTAGE RATE.] (a) The formula percentage rate shall be 2.333 percent per year of allowable service for each of the first 20 years of allowable service, 1.333 percent per year of allowable service for each year of allowable service in excess of 20 years but not in excess of 27 years, and .5 percent for each year of allowable service in excess of 25 years for the former members of the following consolidating relief associations:

Rochester fire department relief association;

(2) Rochester police relief association;

(3) St. Cloud fire department relief association;

(4) St. Cloud police relief association;

(5) St. Louis Park police relief association; and

(6) Winona police relief association.

(b) The formula percentage rate shall be 2.5 percent per year of allowable service for each of the first 20 years of allowable service for the former members of the following consolidating relief associations:

(1) Albert Lea police relief association;

(2) Anoka police relief association;

(3) Faribault fire department relief association;

(4) Faribault police benefit association;

(5) Mankato police benefit association;

(6) Red Wing police relief association; and

(7) West St. Paul police relief association.

(c) The formula percentage rate shall be 2.5 percent per year of allowable service for each of the first 20 years of allowable service and .5 percent per year of allowable service for each year of service in excess of 25 years of allowable service for the former members of the following consolidating relief associations:

(1) Austin firefighters relief association;

(2) Austin police relief association;

5886

(3) South St. Paul firefighters relief association;

(4) South St. Paul police relief association; and

(5) Virginia police relief association.

(d) The formula percentage rate shall be 2.1875 percent per year of allowable service for each of the first 20 years of allowable service and 1.25 percent per year of allowable service for each year of allowable service in excess of 20 years of allowable service but not in excess of 27 years of allowable service for the former members of the Columbia Heights police relief association.

(e) The formula percentage rate shall be 2.65 percent per year of allowable service for each of the first 20 years of allowable service and an additional annual benefit of \$120 per year of allowable service in excess of 20 years of allowable service but not in excess of 25 years of allowable service for the former members of the following consolidating relief associations:

(1) Hibbing firefighters relief association; and

(2) Hibbing police relief association.

(f) The formula percentage rate or rates shall be the following for the former members of the consolidating relief associations as indicated:

(1) 2.5 percent per year of allowable service for each of the first 20 years of allowable service, one percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, and 1.5 percent per year of allowable service in excess of 25 years of allowable service, Albert Lea firefighters relief association;

(2) 2.5333 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of allowable service, but not in excess of 27 years of allowable service, if service as an active member terminated before January 31, 1994, and 2.3333 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service for each year of allowable service in excess of 20 years of allowable service, but not in excess of 27 years of allowable service if service as an active member terminated on or after January 31, 1994, Bloomington police relief association;

(3) the greater of 2.5 percent per year of allowable service for each of the first 20 years of allowable service applied to the final salary base, or two percent per year of allowable service for each of the first 20 years of allowable service applied to top grade patrol officer's salary base, Brainerd police relief association;

(4) 4.25 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$10 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, Buhl police relief association;

(5) 2.5 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$5 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, Chisholm firefighters relief association;

(6) 2.5 percent per year of allowable service for each of the first 20 years of allowable service and an additional benefit of \$5 per month per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years of allowable service, Chisholm police relief association;

(7) 2.1875 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service and 1.75 percent per year of allowable service in excess of 25 years of allowable service, Columbia Heights fire department relief association, paid division;

(8) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service and 1.5 percent per year of allowable service rendered after attaining the age of 60 years, Crookston fire department relief association;

(9) 2.5 percent per year of allowable service for each year of the first 30 years of allowable service, Crookston police relief association;

(10) 2.25 percent per year of allowable service for each year of the first 20 years of allowable service and 1.25 percent per year of allowable service in excess of 20 years of allowable service, but not more than 27 years of service, Crystal police relief association;

(11) 1.99063 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent for the 21st year of allowable service, and 2.5 percent per year of allowable service in excess of 21 years of allowable service but not more than 25 years of allowable service, Duluth firefighters relief association;

(12) 1.9875 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent for the 21st year of allowable service, and 2.5 percent per year of allowable service in excess of 21 years of allowable service but not more than 25 years of allowable service, Duluth police relief association;

(13) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service, and two percent per year of allowable service in excess of 20 years but not more than 25 years of allowable service and not to include any year of allowable service rendered after attaining the age of 55 years, Fairmont police benefit association;

(14) two percent per year of allowable service for each year of the first ten years of allowable service, 2.67 percent per year of allowable service in excess of ten years of allowable service but not more than 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of service but not more than 27 years of allowable service, Fridley police pension association;

(15) 2.5 percent per year of allowable service for each year of the first 20 years of allowable service and an additional annual amount of \$30 per year of allowable service in excess of 20 years of allowable service but not more than 30 years of allowable service, Mankato fire department relief association;

(16) for members who terminated active service as a Minneapolis firefighter before June 1, 1993, 2.0625 percent per year of allowable service for each year of the first 20 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 24 years of allowable service and five percent for the 25th year of allowable service, and for members who terminated active service as a Minneapolis firefighter after May 31, 1993, two percent for each year of the first 19 years of allowable service, 3.25 percent for the 20th year of allowable service, and two percent per year of allowable service in excess of 20 years of service, but not more than 25 years of allowable service, Minneapolis fire department relief association;

(17) 2.125 two percent per year of allowable service for each year of the first 20 25 years of allowable service, 1.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 24 years of allowable service, and five percent for the 25th year of allowable service. Minneapolis police relief association;

(18) the greater of 2.5 percent per year of allowable service for each of the first 20 years of allowable service applied to the final salary base, or two percent per year of allowable service for each of the first 20 years of allowable service applied to highest patrol officer's salary base plus .5 percent of the final salary base per year of allowable service for each of the first three years of allowable service in excess of 20 years of allowable service, New Ulm police relief association;

(19) two percent per year of allowable service for each of the first 25 years of allowable service and 1.5 percent per year of allowable service in excess of 25 years of allowable service, Red Wing fire department relief association;

(20) 2.55 percent per year of allowable service for each of the first 20 years of allowable service, Richfield fire department relief association;

(21) 2.4 percent per year of allowable service for each of the first 20 years of allowable service and 1.3333 percent per year of allowable service in excess of 20 years of allowable service but not more than 27 years of allowable service, Richfield police relief association;

(22) for a former member with less than 20 years of allowable service on June 16, 1985, 2.6 percent, and for a former member with 20 or more years of allowable service on June 16, 1985, 2.6175 percent for each of the first 20 years of allowable service and, for each former member, one percent for each year of allowable service in excess of 20 years, but no more than 30 years, St. Louis Park fire department relief association;

5889

(23) 1.9375 percent per year of allowable service for each of the first 20 years of allowable service, 2.25 percent per year of allowable service in excess of 20 years of allowable service but not more than 25 years of allowable service, and .5 percent per year of allowable service in excess of 25 years of allowable service, St. Paul fire department relief association;

(24) two percent per year of allowable service for each of the first 25 years of allowable service and .5 percent per year of allowable service, St. Paul police relief association;

(25) 2.25 percent per year of allowable service for each of the first 20 years of allowable service and one percent per year of allowable service in excess of 20 years but not more than 25 years of allowable service and .5 percent per year of allowable service in excess of 25 years, Virginia fire department relief association;

(26) two percent per year of allowable service for each of the first 20 years of allowable service, one percent per year of allowable service in excess of 20 years but not more than 24 years of allowable service, three percent for the 25th year of allowable service and one percent per year of allowable service in excess of 25 years of allowable service but not more than 30 years of allowable service, West St. Paul firefighters relief association; and

(27) 2.333 percent for each of the first 20 years of allowable service, 1.333 percent for each year of allowable service in excess of 20 years but no more than 28 years, and .5 percent for each year of allowable service in excess of 25 years, Winona fire department relief association.

Sec. 2. Minnesota Statutes 1992, section 353B.11, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY; SURVIVING SPOUSE BENEFIT.] (a) Except as specified in paragraph (b), (c), (d), (e), or (f), the person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least one year before the separation from active service if the deceased member was a deceased, deferred, or retired member and who was residing with the member at the time of the death of the deceased member was a deceased member shall be entitled to receive a surviving spouse benefit.

(b) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the deceased member, who was legally married to the member at the time of separation from active service if the deceased member was a deceased deferred or retired member and who was residing with the member at the time of the death of the member shall be entitled to receive a surviving spouse benefit in the case of former members of the following consolidating relief associations:

Albert Lea police relief association;

(2) Anoka police relief association;

(3) Austin firefighters relief association;

(4) Austin police relief association;

(5) Brainerd police benefit association;

(6) Columbia Heights police relief association;

(7) Crookston fire department relief association;

(8) Crookston police relief association;

(9) Fairmont police benefit association;

(10) Faribault police benefit association;

(11) Mankato fire department relief association;

(12) Red Wing police relief association;

(13) South St. Paul police relief association;

(14) Virginia fire department relief association;

(15) Virginia police relief association; and

(16) West St. Paul police relief association.

(c) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, and who was legally married to the member at the time of separation from active service if the deceased member was a deceased deferred or retired member shall be entitled to receive a surviving spouse benefit in the case of former members of the following consolidating relief associations:

(1) Chisholm police relief association;

(2) Hibbing police relief association;

(3) Mankato police benefit association; and

(4) New Ulm police relief association.

(d) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least one year before the separation from active service if the deceased member was the recipient of a service pension or was entitled to a deferred service pension and who was residing with the member at the time of the death of the deceased member in the case of former members of the Minneapolis fire department relief association.

(e) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the deceased member, who was residing with the member at the time of the deceased member, who was residing with the member at the time of the deceased member, who was residing with the member at the time of the deceased member was the recipient of a service pension or was entitled to a deferred service pension at the time of death, who was legally married to the member for at least five years before the member's death, in the case of former members of the Minneapolis police relief association.

(f) The person who survives a deceased active, deferred, or retired member, who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least three years before the separation from active service if the deceased member was a deceased, retired, or deferred member and who was residing with the member at the time of the death of the member shall be entitled to receive a surviving spouse benefit in the case of former members of the South St. Paul firefighters relief association.

(f) (g) The person who survives a deceased active, deferred, or retired member who was legally married to the member at the time of the death of the deceased member, who was legally married to the member for at least one year before the separation from active service if the deceased member was a deceased, deferred, or retired member and who had not deserted the member at the time of the death of the deceased member shall be entitled to receive a surviving spouse benefit in the case of former members of the St. Paul police relief association.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective on the effective date of article 1, section 1."

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections 353B.11, subdivision 1; and"

Page 1, line 7, delete "section" and insert "sections 353B.07, subdivision 3; and"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2520, A bill for an act relating to the environment; authorizing a person who wishes to construct or expand an air emission facility to reimburse certain costs of the pollution control agency; amending Minnesota Statutes 1992, section 116.07, subdivision 4d.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2525, A bill for an act relating to health; MinnesotaCare; establishing and regulating community integrated service networks; defining terms; creating a reinsurance and risk adjustment association; classifying data; requiring reports; mandating studies; modifying provisions relating to the regulated all-payer option; requiring administrative rulemaking; setting timelines and requiring plans for implementation; designating essential community providers; establishing an expedited fact finding and dispute resolution process; requiring proposed legislation; establishing task forces; providing for demonstration models; mandating universal coverage; requiring insurance reforms; providing grant programs; establishing the Minnesota health care administrative simplification act; implementing electronic data interchange standards; creating the Minnesota center for health care electronic data interchange; providing standards for the Minnesota health care identification card; appropriating money; providing penalties; amending Minnesota Statutes 1992, sections 60A.15, subdivision 1; 62A.303; 62D.04, by adding a subdivision; 62E.02, subdivisions 10, 18, 20, and 23; 62E.10, subdivisions 1, 2, and 3; 62E.141; 62E.16; 62J.03, by adding a subdivision; 62L.02, subdivisions 9, 13, 16, 17, 24, and by adding subdivisions; 62L.03, subdivision 1; 62L.05, subdivisions 1, 5, and 8; 62L.08, subdivisions 2, 5, 6, and 7; 62L.12; 62L.21, subdivision 2; 62M.02, subdivisions 5 and 21; 62M.03, subdivisions 1, 2, and 3; 62M.05, subdivision 3; 62M.06, subdivision 3; 62M.09, subdivision 5; 65B.49, subdivision 2; and 295.50, by adding subdivisions; Minnesota Statutes 1993 Supplement, sections 43A.317, by adding a subdivision; 60K.14, subdivision 7, 61B.20, subdivision 13; 62A.011, subdivision 3, 62A.65, subdivisions 2, 3, 4, 5, and by adding subdivisions; 62D.12, subdivision 17; 62J.03, subdivision 6; 62J.04, subdivisions 1 and 1a; 62J.09, subdivision 2; 62J.33, by adding subdivisions; 62J.35, subdivisions 2 and 3; 62J.38; 62J.41, subdivision 2; 62J.45, by adding subdivisions; 62L.02, subdivisions 8, 11, 15, 19, and 26; 62L.03, subdivisions 3, 4, and 5; 62L.04, subdivision 1; 62L.08, subdivisions 4 and 8; 62N.01; 62N.02, subdivisions 1, 8, and by adding a subdivision; 62N.06, subdivision 1; 62N.065, subdivision 1; 62N.10, subdivisions 1 and 2; 62N.22; 62N.23; 62P.01; 62P.03; 62P.04; 62P.05; 144.1486; 151.21, subdivisions 7 and 8; 256.9352, subdivision 3; 256.9356, subdivision 3; 256.9657, subdivision 3; 295.50, subdivisions 3, 4, and 12b; 295.53, subdivisions 1, 2, and 5; 295.54; 295.58; and 295.582; proposing coding for new law in Minnesota Statutes, chapters 62A; 62J; 62N; and 62P; proposing coding for new law as Minnesota Statutes, chapter 62Q; repealing Minnesota Statutes 1992, sections 62A.02, subdivision 5; 62E.51; 62E.52; 62E.53; 62E.531; 62E.54; 62E.55; and 256.362, subdivision 5; Minnesota Statutes 1993 Supplement, sections 62J.04, subdivision 8; 62N.07; 62N.075; 62N.08; 62N.085; and 62N.16.

Reported the same back with the following amendments:

Page 3, lines 5 and 6, delete "after rules have been adopted" and insert "January 1, 1996"

Page 3, line 6, delete "and rules"

Page 3, line 7, delete "or adopted"

Page 6, line 5, delete "may" and insert "shall"

Page 7, after line 1, insert:

"Subd. 5. [EXEMPTION.] A community network is exempt from the requirements of this section, to the extent that it operates as a staff model health plan company, as defined in section 295.50, subdivision 12b, by employing allied independent health care providers to deliver health care services to enrollees."

Page 7, line 2, delete "Subd. 5." and insert "Subd. 6."

Page 15, after line 36, insert:

## "Sec. 17. [62N.36] [NOTIFICATION OF PROVIDER NETWORK OPENING.]

A community integrated service network or integrated service network shall publish a notice of any health care provider network opening, vacancy, or contract in appropriate regional newspapers. This notice must be published at least 14 days before the closing date for applications for the open or vacant position. The requirement for notification shall not apply if the community integrated service network or integrated service network is replacing a network provider, and any delay in filling a vacancy causes an impairment to delivery of health care services."

Page 17, lines 28 and 29, delete the headnote and insert "[EVALUATION OF CONSUMER SATISFACTION.]"

Page 17, line 29, delete ", in consultation with" and insert "may make a grant to"

Page 17, line 30, delete ", shall" and insert "to" and after "develop" insert "and implement"

Page 17, line 31, delete "patient" and insert "consumer"

Page 17, line 32, delete "<u>patient</u>" and insert "<u>consumer</u>" and after the period, insert "<u>As a condition of receiving this</u> <u>grant, the data institute shall appoint a consumer advisory group which shall consist of 13 individuals, representing</u> <u>enrollees from public and private health plan companies and programs and two uninsured consumers, to advise the</u> <u>data institute on issues of concern to consumers.</u> The advisory group must have at least one member from each <u>regional coordinating board region of the state.</u>" and delete "patients" and insert "<u>enrollees</u>"

Page 17, line 36, delete "commissioner" and insert "data institute"

Page 18, line 5, delete "commissioner" and insert "data institute"

Page 18, delete lines 6 to 8 and insert "<u>This enrollment information provided by the health plan companies and group purchasers is classified as private data on individuals, as defined in section 13.02, subdivision 12. The data institute"</u>

Page 18, line 9, delete "entity"

Page 18, line 10, delete everything after "<u>unit</u>" and insert ". <u>The data institute may analyze and prepare findings</u> from the raw, unaggregated data, and the findings from"

Page 18, line 11, delete "shall" and insert "may"

Page 18, line 12, after "unit," insert "in consultation with the data institute,"

Page 18, line 13, after the period, insert "The raw unaggregated data is classified as private data on individuals as defined in section 13.02, subdivision 12."

Page 18, line 15, delete "patients" and insert "enrollees"

Page 18, line 17, delete "patients" and insert "consumers"

Page 27, line 17, after "may" insert "select the workers' compensation reinsurance association, established under chapter 79, to manage, administer, and operate the reinsurance and risk adjustment association, or may"

Page 29, delete line 26

Page 29, line 27, delete everything before "<u>persons</u>" and insert "<u>individuals within certain racial, cultural, and ethnic communities; individuals and families with low income; adolescents; the elderly; individuals with limited or no English language proficiency;"</u>

Page 29, line 29, after the period, insert "<u>The action plan must also reflect actual utilization of providers by enrollees</u> <u>defined by this section as high risk or special needs populations during the previous year.</u> For purposes of this paragraph, "provider" has the meaning given in section <u>62J.03</u>, subdivision <u>8</u>." Page 30, delete lines 7 to 14 and insert:

"Subdivision 1. [ESTABLISHED.] The commissioners of health and commerce shall make dispute resolution processes available to encourage early settlement of disputes in order to avoid the time and cost associated with litigation and other formal adversarial hearings. For purposes of this section, "dispute resolution" means the use of negotiation, mediation, arbitration, mediation-arbitration, neutral fact finding, and minitrials. These processes shall be nonbinding unless otherwise agreed to by all parties to the dispute.

Subd. 2. [REQUIREMENTS.] (a) If an enrollee of a health plan company chooses to use a dispute resolution process prior to the filing of a formal claim or of a lawsuit, the health plan company must participate.

(b) If an enrollee chooses to use a dispute resolution process after the filing of a lawsuit, the health plan company must participate in dispute resolution, including, but not limited to, alternative dispute resolution under Rule 114 of the Minnesota general rules of practice.

(c) The commissioners of health and commerce shall inform and educate health plan companies' enrollees about dispute resolution and its benefits.

(d) <u>A health plan company may encourage but not require an enrollee to submit a complaint to alternative dispute resolution.</u>

Sec. 20. [62Q.13] [LIMITATION ON EXCLUSIVE CONTRACTS.]

A contract requirement between a health care provider and health plan company that obligates the health care provider to provide health care services exclusively to enrollees or insureds of the health plan company applies only if the health plan company maintains the same licensure status that it did at the time the contract was entered into. If the health plan company changes its licensure status, a contract for the exclusive provision of services is not valid and is not enforceable. For purposes of this section, the provision of health care services through a preferred provider organization is considered a form of licensure status. This section does not apply to health care providers employed by a health plan company."

Page 30, after line 18, insert:

"Sec. 22. [62Q.16] [STANDARD POLICY TERMS.]

The termination of any health plan as defined in section 62A.011, subdivision 3, with the exception of individual health plans, issued or renewed after January 1, 1995, must provide coverage until the end of the month in which coverage was terminated.

Sec. 23. Minnesota Statutes 1992, section 79.36, is amended to read:

79.36 [ADDITIONAL POWERS.]

In addition to the powers granted in section 79.35, the reinsurance association may do the following:

(a) Sue and be sued. A judgment against the reinsurance association shall not create any direct liability against the individual members of the reinsurance association. The reinsurance association shall provide in the plan of operation for the indemnification, to the extent provided in the plan of operation, of the members, members of the board of directors of the reinsurance association, and officers, employees and other persons lawfully acting on behalf of the reinsurance association;

(b) Reinsure all or any portion of its potential liability, including potential liability in excess of the prefunded limit, with reinsurers licensed to transact insurance in this state or otherwise approved by the commissioner of labor and industry;

(c) Provide for appropriate housing, equipment, and personnel as may be necessary to assure the efficient operation of the reinsurance association;

(d) Contract for goods and services, including but not limited to independent claims management, actuarial, investment, and legal services from others within or without this state to assure the efficient operation of the reinsurance association;

(e) Adopt operating rules, consistent with the plan of operation, for the administration of the reinsurance association, enforce those operating rules, and delegate authority as necessary to assure the proper administration and operation of the reinsurance association;

(f) Intervene in or prosecute at any time, including but not limited to intervention or prosecution as subrogee to the member's rights in a third party action, any proceeding under this chapter or chapter 176 in which liability of the reinsurance association may, in the opinion of the board of directors of the reinsurance association or its designee, be established, or the reinsurance association affected in any other way;

(g) The net proceeds derived from intervention or prosecution of any subrogation interest, or other recovery, shall first be used to reimburse the reinsurance association for amounts paid or payable pursuant to this chapter, together with any expenses of recovery, including attorney's fees, and any excess shall be paid to the member or other person entitled thereto, as determined by the board of directors of the reinsurance association, unless otherwise ordered by a court.

(h) Hear and determine complaints of a company or other interested party concerning the operation of the reinsurance association; and

(i) Perform other acts not specifically enumerated in this section which are necessary or proper to accomplish the purposes of the reinsurance association and which are not inconsistent with sections 79.34 to 79.40 or the plan of operation; and

(j) Manage, administer, and operate the reinsurance and risk adjustment association, if selected by the commissioner of commerce under section 620.03, subdivision 6."

Page 30, after line 24, insert:

"Sec. 25. [ALTERNATIVE DISPUTE RESOLUTION PILOT PROJECT.]

<u>Subdivision 1.</u> [ESTABLISHMENT.] The commissioner of health, in consultation with the commissioner of commerce, the Minnesota health care commission, and the state office of dispute resolution at the bureau of mediation services, shall establish an alternative dispute resolution pilot project. The project shall be administered by the commissioner of health. For purposes of this section, "dispute resolution" means the use of negotiation, mediation, mediation, and minitrials.

<u>Subd. 2.</u> [REQUIREMENTS.] The pilot project may be used by health care providers and their patients to attempt to resolve disputes before litigation is commenced in any court. The pilot project requires the use of negotiation, mediation, arbitration, mediation-arbitration, neutral fact finding, and minitrals prior to the filing of a lawsuit. These processes shall be nonbinding unless otherwise agreed to by all parties to the dispute.

Subd. 3. [REPORT.] The commissioner of health shall report to the legislature by January 1, 1995, on the results of the pilot project and on any recommended legislative changes.

Sec. 26. [EXEMPTION.]

The commissioner of health shall apply to the health care financing administration for an exemption to the requirement that physicians report settlements of \$10,000 or less to the National Practitioners Data Bank under Code of Federal Regulations, title 45, part 60."

Page 33, lines 22 and 23, reinstate the stricken language and delete the new language

Page 34, delete lines 11 to 14, and insert:

"(e) "Total expenditures" means incurred claims or expenditures on health care services, administrative expenses, charitable contributions, and all other payments made by health plan companies out of premium revenues, except taxes and assessments, and payments of allocations made to establish or maintain reserves. Total expenditures are equivalent to the amount of total revenue minus taxes and assessments."

Page 34, lines 16, 22, 23, 32, 33, and 34, reinstate the stricken language and delete the new language

Page 35, lines 4 and 11, reinstate the stricken "expenditure" and delete "revenue"

Page 35, line 19, strike "commissioner" and insert "commissioners"

Page 35, line 20, after the first "health" insert "and commerce"

Page 35, line 22, after "64B" insert "with respect to the health plan companies that each commissioner respectively regulates"

Page 35, lines 26 and 27, reinstate the stricken language

Page 35, line 36, reinstate the stricken language and delete the new language

Page 36, line 4, reinstate the stricken language and delete the new language

Page 36, line 7, reinstate the stricken "expenditure"

Page 36, line 8, delete "revenue"

Page 36, line 10, reinstate the stricken language and delete the new language

Page 36, line 29, reinstate the stricken "expenditure"

Page 36, line 30, delete "revenue"

Page 36, line 33, reinstate the stricken language and delete the new language

Page 36, line 36, delete "excess revenue" and insert "amount overspent"

Page 42, line 26, delete everything after "1996"

Page 42, line 27, delete everything before the period

Page 42, delete lines 30 to 36, and insert:

"Subd. 4. [IMPLEMENTATION PLAN.] The commissioner, as part of the implementation plan due January 1, 1995, shall present recommendations and draft legislation to the legislature to:

(1) establish reimbursement methods for the all-payer option reimbursement system;

(2) provide an implementation schedule to phase-in the all-payer reimbursement system, beginning January 1, 1996; and

(3) establish mechanisms to ensure compliance by all-payer insurers, health care providers, and patients with the all-payer option reimbursement system and all-payer option reimbursement limits established under section 62].04."

Page 43, delete lines 1 to 5

Page 47, line 35, before the period, insert "<u>except that all-payer insurers may establish and maintain preferred provider networks solely for utilization control and quality management and not for negotiation of provider payments</u>"

Page 48, line 2, after "network" insert "or otherwise becoming subject to this section"

Page 49, line 9, strike "or" and insert a comma

Page 49, line 10, before the period, insert "t or as an insurance company licensed under chapter 60A"

Page 49, line 11, strike "nonprofit"

Page 52, delete lines 32 to 34, and insert:

"Subd. 7. [RECOMMENDATIONS ON ESSENTIAL COMMUNITY PROVIDERS.] As part of the implementation plan due January 1, 1995, the commissioner shall present recommendations and draft legislation for defining essential community providers, using the criteria established under subdivision 1, and defining the relationship between essential community providers and health plan companies."

5895

Page 53, line 11, after "populations," insert "facilitate the utilization of cost-effective alternatives to traditional inpatient acute and extended health care delivery,"

Page 53, line 27, after "address" insert "the type, frequency, level, setting, and duration of services that address an individual's mental or physical condition,"

Page 53, line 29, after "including" insert "those who need health services to improve their functioning,"

Page 53, line 30, after "possible" insert a comma

Page 54, line 7, delete "and"

Page 54, line 8, delete the period, and insert "; and

(9) cost-efficient and effective alternatives to inpatient health care services for acute or extended health care needs, such as home health care services."

Page 54, lines 14 and 21, after the period, insert "No more than half plus one of the members may be of the same gender."

Page 55, line 15, delete everything after "commissioner" and insert ", as part of the implementation plan due January 1, 1995, shall present to the legislature recommendations and draft legislation to establish up to"

Page 56, line 17, delete "and"

Page 56, line 19, delete the period and insert ";

(9) cost-sharing requirements and benefit or service limitations for outpatient mental health and outpatient chemical dependency services, except for persons placed in chemical dependency services under Minnesota Rules, parts 9530.6600 to 9530.6600, must not place a greater financial burden on the insured or enrollee, or be more restrictive than those requirements and limitations for outpatient medical services; and

(10) cost-sharing requirements and benefit or service limitations for inpatient hospital mental health and inpatient hospital and residential chemical dependency services, except for persons placed in chemical dependency services under Minnesota Rules, parts 9530.6600 to 9530.6660, must not place a greater financial burden on the insured or enrollee, or be more restrictive than those requirements and limitations for inpatient hospital medical services."

Page 59, line 21, after the period, insert "No more than half plus one of the members may be of the same gender."

Page 60, line 5, delete "and"

Page 60, line 7, before the period, insert "; and

(8) integration of services provided by licensed school nurses into integrated service networks"

Page 60, after line 16, insert:

"Sec. 7. [PREPAID MEDICAL ASSISTANCE PLAN STUDY.]

The commissioners of health and human services shall study the coordination between health care reform and the prepaid medical assistance plan. The study must also determine whether there have been cost savings, cost increases, or cost shifting under current implementation of the prepaid medical assistance plan. The commissioners shall jointly report their findings to the legislature by January 1, 1995."

Page 64, after line 10, insert:

"Subd. 6. [LIMITS ON PREMIUM RATE VARIATIONS.] (a) Effective July 1, 1995, the premium rate variations permitted under sections 62A.65 and 62L.08 become:

(1) for factors other than age and geography, 12.5 percent of the index rate; and

(2) for age, 25 percent of the index rate.

(b) Effective July 1, 1996, the premium variations permitted under sections 62A.65 and 62L.08 become:

(1) for factors other than age and geography, 7.5 percent of the index rate; and

(2) for age, 15 percent of the index rate.

(c) Effective July 1, 1997, no health plan company shall offer, sell, issue, or renew a health plan, that is subject to section 62A.65 or 62L.08, for which the premium rate varies between covered persons on the basis of any factor other than:

(1) for individual health plans, differences in benefits or benefit design, and for group health plans, actuarially valid differences in benefits or benefit design;

(2) the number of persons to be covered by the health plan;

(3) actuarially valid differences in expected costs between adults and children;

(4) healthy lifestyle discounts authorized by statute; and

(5) for individual health plans, geographic variations permitted under section 62A.65, and for group health plans, geographic variations permitted under section 62L.08.

(d) All premium rate variations permitted under paragraph (c) are subject to the approval of the commissioner."

Page 64, line 11, delete "6" and insert "7"

Page 64, line 31, delete "7" and insert "8"

Page 64, line 36, delete "8" and insert "9"

Page 65, line 1, delete "6" and insert "7"

Page 68, line 27, delete "PUBLIC HEALTH" and insert "LOCAL PUBLIC ACCOUNTABILITY AND"

Page 69, line 1, delete "region" and insert "service area"

Page 69, line 6, delete everything after the period, and insert "<u>Local government units with responsibilities and</u> authority defined under chapters 145A and 256E may designate individuals to participate in the collaborative planning with the managed care organization to provide expertise and represent community needs and goals as identified under chapters 145A and 256E."

Page 69, delete lines 7 to 9

Page 69, line 11, after "<u>strategies</u>" insert "<u>and a description of any activities which contribute to public health goals</u> and needs of high risk and special needs populations as defined and developed under chapters 145A and 256E;"

Page 69, line 16, after "units" insert "and local government unit designees"

Page 69, line 30, after the period, insert "The plan may be reviewed by the county boards, or city councils acting as a local board of health in accordance with chapter 145A, within the managed care organization's service area to determine whether the plan is consistent with the goals and objectives of the plans required under chapters 145A and 256E and whether the plan meets the needs of the community. The county board, or applicable city council, may also review and make recommendations on the availability and accessibility of services provided by the managed care organization. The county board, or applicable city council, may submit written comments to the appropriate commissioner, and may advise the commissioner of the managed care organization's effectiveness in assisting to meet the needs and goals as defined under the responsibilities of chapters 145A and 256E."

Pages 70 to 72, delete sections 3 to 7, and insert:

"Sec. 3. [62Q.33] [LOCAL GOVERNMENT PUBLIC HEALTH FUNCTIONS.]

<u>Subdivision 1.</u> [FINDINGS.] The legislature finds that the local government public health functions of community assessment, policy development, and assurance of service delivery are essential elements in consumer protection and in achieving the objectives of health care reform in Minnesota. The legislature further finds that the site-based and

population-based services provided by state and local health departments are a critical strategy for the long-term containment of health care costs. The legislature further finds that without adequate resources, the local government public health system will lack the capacity to fulfill these functions in a manner consistent with the needs of a reformed health care delivery system.

<u>Subd. 2.</u> [REPORT ON SYSTEM DEVELOPMENT.] The commissioner of health, in consultation with the state community health services advisory committee and the commissioner of human services, and representatives of local health departments, county government, a municipal government acting as a local board of health, the Minnesota health care commission, area Indian health services, health care providers, and citizens concerned about public health, shall coordinate the process for defining implementation and financing responsibilities of the local government core public health functions. The commissioner shall submit recommendations and an initial and final report on local government core public health functions according to the timeline established in subdivision 5.

<u>Subd. 3.</u> [CORE PUBLIC HEALTH FUNCTIONS.] (a) The report required by subdivision 2 must describe the local government core public health functions of: assessment of community health needs; goal-determination, public policy, and program development for addressing these needs; and assurance of service availability and accessibility to meet community health goals and needs. The report must further describe activities for implementation of these functions that are the continuing responsibility of the local government public health system, taking into account the ongoing reform of the health care delivery system.

(b) The activities to be defined in terms of the local government core public health functions include, but are not limited to:

(1) consumer protection and advocacy;

(2) targeted outreach and linkage to personal services;

(3) health status monitoring and disease surveillance;

(4) investigation and control of diseases and injuries;

(5) protection of the environment, work places, housing, food, and water;

(6) laboratory services to support disease control and environmental protection;

(7) health education and information;

(8) community mobilization for health-related issues;

(9) training and education of public health professionals;

(10) public health leadership and administration;

(11) emergency medical services;

(12) violence prevention; and

(13) other activities that have the potential to improve the health of the population or special needs populations and reduce the need for or cost of health care services.

<u>Subd.</u> <u>4.</u> [CAPACITY BUILDING, ACCOUNTABILITY AND FUNDING.] <u>The recommendations required by</u> <u>subdivision 2 shall include:</u>

(1) a definition of minimum outcomes for implementing core public health functions, including a local ombudsperson under the assurance of services function;

(2) the identification of counties and applicable cities with public health programs that need additional assistance to meet the minimum outcomes;

(3) a budget for supporting all functions needed to achieve the minimum outcomes, including the local ombudsperson assurance of services function;

(4) an analysis of the costs and benefits expected from achieving the minimum outcomes;

(5) strategies for improving local government public health functions throughout the state to meet the minimum outcomes including: (i) funding distribution for local government public health functions necessary to meet the minimum outcomes; and (ii) strategies for the financing of personal health care services within the uniform benefits set and identifying appropriate mechanisms for the delivery of these services; and

(6) a recommended level of dedicated funding for local government public health functions in terms of a percentage of total health service expenditures by the state or in terms of a per capita basis, including methods of allocating the dedicated funds to local government.

Subd. 5. [TIMELINE.] (a) By October 1, 1994, the commissioner shall submit to the legislative commission on health care access the initial report and recommendations required by subdivisions 2 to 4.

(b) By February 15, 1995, the commissioner, in cooperation with the legislative commission on health care access, shall submit a final report to the legislature, with specific recommendations for capacity building and financing to be implemented over the period from January 1, 1996, through December 31, 1997.

(c) By January 1, 1997, and by January 1 of each odd-numbered year thereafter, the commissioner shall present to the legislature an updated report and recommendations."

Page 72, after line 34, insert:

"Section 1. [43A.312] [LIMITATION ON COMPENSATION.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following definitions apply:

(a) <u>"Administrative employee"</u> means an individual whose primary duty as an employee is the performance of office or nonmanual work directly related to management policies or general business operations.

(b) "Compensation" means the annual value of wages, salary, benefits, deferred compensation, and stock options.

(c) "Executive employee" means an individual whose primary duty as an employee consists of the management of the enterprise in which the individual is employed.

(d) "Health care provider" means a person or organization that provides health care or medical care services within Minnesota for a fee and is eligible for reimbursement under the medical assistance program under chapter 256B. "Health care provider" includes a for-profit affiliate of the health care provider. For purposes of this subdivision, "for a fee" includes traditional fee-for-service arrangements, capitation arrangements, and any other arrangement in which a provider receives compensation for providing health care services or has the authority to directly bill a group purchaser, health plan company, or individual for providing health care services. For purposes of this subdivision, "eligible for reimbursement under the medical assistance program" means that the provider's services would be reimbursed by the medical assistance program if the services were provided to medical assistance enrollees and the provider sought reimbursement, or that the services would be eligible for reimbursement under medical assistance except that those services are characterized as experimental, cosmetic, or voluntary.

(e) "Health plan company" means:

(1) a health carrier as defined under section 62A.011, subdivision 2;

(2) an integrated service network as defined under section 62N.02;

(3) an all-payer insurer regulated under chapter 62P;

(4) a community integrated service network regulated under chapter 62N; or

(5) a for-profit affiliate of an entity listed in this paragraph.

(f) "State health care plan" means the medical assistance program, the general assistance medical care program, the MinnesotaCare program, health insurance plans for state employees established under section 43A.18, the public employees insurance plan under section 43A.316, the workers' compensation system under section 176.135, and insurance plans provided through the Minnesota comprehensive health association under sections 62E.01 to 62E.19.

<u>Subd. 2.</u> [SALARY RATIO LIMITATION.] <u>No health care provider or health plan company serving enrollees or clients of a state health care plan, or serving as a contractor or third-party administrator for a state health care plan, may compensate its most highly paid executive or administrative employee an amount exceeding 25 times the compensation paid to its lowest paid employee. For purposes of this requirement, stock options are valued at fair market value at the time they become the property of the employee.</u>

Subd. 3. [REPORTING.] Each health care provider and health plan company subject to the salary ratio limitation in subdivision 2 shall report the compensation received by its most highly paid executive or administrative employee, based upon full-time equivalents, and its lowest paid employee, based upon full-time equivalents, to the commissioner of employee relations. This information shall be provided in the form and at the times specified by the commissioner. This information on compensation is classified as public data under chapter 13. Health plan companies subject to subdivision 2, and state health care programs, shall report the names and business addresses of all health care providers serving as participating providers to the commissioner of employee relations. This information is classified as private data under chapter 13.

Subd. 4. [ENFORCEMENT.] The commissioner of employee relations shall verify that all health care providers and health plan companies subject to subdivision 2 have reported the information required in subdivision 3 and shall verify that all health care providers and health plan companies have complied with the salary ratio limitation. The commissioner shall notify all health care providers and health plan companies in violation of subdivision 2 and shall provide four years for the health care provider or health plan company to comply with the salary ratio limitation. The commissioner shall require health care providers and health plan company to comply with the salary ratio limitation. The commissioner shall require health care providers and health plan company to comply with the information necessary to demonstrate compliance. If at the end of four years the health care provider or health plan companies or commissioner or commissioners, shall prohibit the health care provider or health plan company from serving enrollees or clients of a state health care plan, or from serving as a contractor or third-party administrator for state health care plans. All state agency commissioners shall cooperate with the commissioner of employee relations in administering and enforcing this section."

Page 74, after line 5, insert:

"Sec. 3. Minnesota Statutes 1992, section 62A.48, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract, or other evidence of coverage of nursing home care or other long-term care services shall be offered, issued, delivered, or renewed in this state, whether or not the policy is issued in this state, unless the policy is offered, issued, delivered, or renewed by a qualified insurer and the policy satisfies the requirements of sections 62A.46 to 62A.56. A long-term care policy must cover prescribed long-term care in nursing facilities and at least the prescribed long-term home care services in section 62A.46, subdivision 4, clauses (1) to (5), provided by a home health agency. Coverage under a long-term care policy AA must include: a maximum lifetime benefit limit of at least \$100,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums. Coverage under a long-term care policy A must include: a maximum lifetime benefit limit of at least \$50,000 for services, and nursing facility and home care coverages must not be subject to separate lifetime maximums. Prior hospitalization may not be required under a long-term care policy.

Coverage under either policy designation must cover preexisting conditions during the first six months of coverage if the insured was not diagnosed or treated for the particular condition during the 90 days immediately preceding the effective date of coverage. Coverage under either policy designation may include a waiting period of up to 90 days before benefits are paid, but there must be no more than one waiting period per benefit period; for purposes of this sentence, "days" means calendar days. No policy may exclude coverage for mental or nervous disorders which have a demonstrable organic cause, such as Alzheimer's and related dementias. No policy may require the insured to be homebound or house confined to receive home care services. The policy must include a provision that the plan will not be canceled or renewal refused except on the grounds of nonpayment of the premium, provided that the insurer may change the premium rate on a class basis on any policy anniversary date. A provision that the policyholder may elect to have the premium paid in full at age 65 by payment of a higher premium up to age 65 may be offered. A provision that the premium would be waived during any period in which benefits are being paid to the insured during confinement in a nursing facility must be included. A nongroup policyholder may return a policy within 30 days of its delivery and have the premium refunded in full, less any benefits paid under the policy, if the policyholder is not satisfied for any reason.

#### WEDNESDAY, MARCH 30, 1994

No individual long-term care policy shall be offered or delivered in this state until the insurer has received from the insured a written designation of at least one person, in addition to the insured, who is to receive notice of cancellation of the policy for nonpayment of premium. The insured has the right to designate up to a total of three persons who are to receive the notice of cancellation, in addition to the insured. The form used for the written designation must inform the insured that designation of one person is required and that designation of up to two additional persons is optional and must provide space clearly designated for listing between one and three persons. The designation shall include each person's full name, home address, and telephone number. Each time an individual policy is renewed or continued, the insurer shall notify the insured of the right to change this written designation.

The insurer may file a policy form that utilizes a plan of care prepared as provided under section 62A.46, subdivision 5, clause (1) or (2)."

Page 83, after line 2, insert:

"Sec. 18. Minnesota Statutes 1993 Supplement, section 62J.32, subdivision 4, is amended to read:

Subd. 4. [PRACTICE PARAMETER ADVISORY COMMITTEE.] (a) The commissioner shall convene a 15-member practice parameter advisory committee comprised of eight health care professionals, and representatives of the research community and the medical technology industry. <u>One representative of the research community must be an individual with expertise in pharmacology or pharmaceutical economics who is familiar with the results of the pharmaceutical care research project at the University of Minnesota and the potential cost savings that can be achieved through use of a comprehensive pharmaceutical care model. The committee shall present recommendations on the adoption of practice parameters to the commissioner and the Minnesota health care commission and provide technical assistance as needed to the commissioner and the commission. The advisory committee is governed by section 15.059, except that its existence does not terminate and members do not receive per diem compensation.</u>

(b) The commissioner, upon the advice and recommendation of the practice parameter advisory committee, may convene expert review panels to assess practice parameters and outcome research associated with practice parameters."

Page 84, after line 33, insert:

"Sec. 23. Minnesota Statutes 1993 Supplement, section 62J.45, subdivision 11, is amended to read:

Subd. 11. [USE OF DATA.] (a) The board of the data institute, with the advice of the data collection advisory committee and the practice parameter advisory committee through the commissioner, is responsible for establishing the methodology for the collection of the data and is responsible for providing direction on what data would be useful to the plans, providers, consumers, and purchasers.

(b) The health care analysis unit is responsible for the analysis of the data and the development and dissemination of reports.

(c) The commissioner, in consultation with the board, shall determine when and under what conditions data disclosure to group purchasers, health care providers, consumers, researchers, and other appropriate parties may occur to meet the state's goals. The commissioner may require users of data to contribute toward the cost of data collection through the payment of fees. The commissioner shall require users of data to maintain the data according to the data privacy provisions applicable to the data.

(d) The commissioner and the board shall not allow a group purchaser or health care provider to use or have access to data collected by the data institute, unless the group purchaser or health care provider fully cooperates with the data collection efforts of the data institute by submitting all data requested in the form and manner specified by the board. The commissioner and the board shall prohibit group purchasers and health care providers from transferring, providing, or sharing data obtained from the data institute with a group purchaser or health care provider that does not fully cooperate with the data collection efforts of the data institute.

## Sec. 24. [62].65] [EXEMPTION.]

Patient revenues derived from non-Minnesota patients are exempt from the regulated all-payer system and balance billing prohibition requirements under Medicare."

Page 95, after line 11, insert:

## "Sec. 34. [144.1492] [PHYSICIAN SUBSTITUTE DEMONSTRATION PROJECT.]

<u>Subdivision 1.</u> [ESTABLISHMENT.] The commissioner of health, through the office of rural health, shall establish and administer a physician substitute (locum tenens and emergency room coverage) demonstration project at up to four rural demonstration sites within the state. The commissioner shall coordinate the administration of the project with the University of Minnesota health system. The commissioner may contract with a nonprofit rural health policy organization to establish, administer, and evaluate the physician substitute program.

Subd. 2. [PROJECT ACTIVITIES.] The project must:

(1) encourage physicians to serve as substitute physicians for the demonstration sites;

(2) provide a central register of physicians interested in serving as physician substitutes at the demonstration sites;

(3) provide a referral service for requests from demonstration sites for physician substitutes; and

(4) provide physician substitute services, at rates that reflect the administrative savings resulting from centralized referral and credentialing.

<u>Subd. 3.</u> [UNIVERSITY OF MINNESOTA HEALTH SYSTEM.] <u>The commissioner shall seek the assistance of the</u> <u>University of Minnesota health system in credentialing persons desiring to serve as physician substitutes.</u> The <u>University of Minnesota health system may employ physician substitutes serving in the demonstration project as</u> <u>temporary clinical faculty and may provide physician substitutes with additional opportunities for professional</u> <u>education and interaction.</u>

<u>Subd. 4.</u> [DEMONSTRATION SITES.] <u>The commissioner shall designate up to four rural communities as demonstration sites for the project. The commissioner shall choose sites based on a community's need for physician substitute services and the willingness of the community to work cooperatively with the commissioner and the University of Minnesota health system and participate in the demonstration project evaluation.</u>

<u>Subd. 5.</u> [EVALUATION.] The commissioner shall evaluate the demonstration project and shall present an evaluation report to the legislature by January 15, 1995. The evaluation must identify any modifications necessary to improve the effectiveness of the project. The evaluation must also include a recommendation on whether the demonstration project should be extended to other areas of the state.

Sec. 35. [144.1493] [STATE RURAL HEALTH NETWORK REFORM INITIATIVE.]

<u>Subdivision 1.</u> [PURPOSE AND MATCHING FUNDS.] <u>The commissioner of health shall apply for federal grant</u> funding under the state rural health network reform initiative, a health care financing administration program to provide grant funds to states to encourage innovations in rural health financing and delivery systems. The commissioner may use state funds appropriated to the department of health for the provision of technical assistance for community integrated service network development as matching funds for the federal grant.

Subd. 2. [USE OF FEDERAL FUNDS.] If the department of health receives federal funding under the state rural health network reform initiative, the department shall use these funds to implement a program to provide technical assistance and grants to rural communities to establish health care networks and to develop and test a rural health network reform model.

Subd. 3. [ELIGIBLE APPLICANTS AND CRITERIA FOR AWARDING OF GRANTS TO RURAL COMMUNITIES.] (a) Funding which the department receives to award grants to rural communities to establish health care networks shall be awarded through a request for proposal process. Planning grant funds may be used for community facilitation and initial network development activities including incorporation as a nonprofit organization or cooperative, assessment of network models, and determination of the best fit for the community. Implementation grant funds can be used to enable incorporated nonprofit organizations and cooperatives to purchase technical services needed for further network development such as legal, actuarial, financial, marketing, and administrative services.

(b) In order to be eligible to apply for a planning or implementation grant under the federally funded health care network reform program, an organization must be located in a rural area of Minnesota excluding the seven-county Twin Cities metropolitan area and the census-defined urbanized areas of Duluth, Rochester, St. Cloud, and Moorhead. The proposed network organization must also meet or plan to meet the criteria for a community integrated service network.

### (c) In determining which organizations will receive grants, the commissioner may consider the following factors:

(1) the applicant's description of their plans for health care network development, their need for technical assistance, and other technical assistance resources available to the applicant. The applicant must clearly describe the service area to be served by the network, how the grant funds will be used, what will be accomplished, and the expected results. The applicant should describe achievable objectives, a timetable, and roles and capabilities of responsible individuals and organizations;

(2) the extent of community support for the applicant and the health care network. The applicant should demonstrate support from private and public health care providers in the service area, local community and government leaders, and the regional coordinating board for the area. Evidence of such support may include commitment of financial support, in-kind services or cash, for development of the network;

(3) the size and demographic characteristics of the population in the service area for the proposed network and the distance of the service area from the nearest metropolitan area; and

(4) the technical assistance resources available to the applicant from nonstate sources and the financial ability of the applicant to purchase technical assistance services with nonstate funds."

Page 97, after line 23, insert:

"Sec. 41. [317A.022] [ELECTION BY CERTAIN CHAPTER 318 ASSOCIATIONS.]

<u>Subdivision 1.</u> [GENERAL.] <u>An association described in section 318.02, subdivision 5, may elect to cease to be an association subject to and governed by chapter 318 and to become subject to and governed by this chapter in the same manner and to the extent provided in this chapter as though it were a nonprofit corporation by complying with this section.</u>

Subd. 2. [AMENDED TITLE AND OTHER CONFORMING AMENDMENTS.] The declaration of trust, as defined in section 318.02, subdivision 1, of the association must be amended to identify it as the "articles of an association electing to be treated as a nonprofit corporation." All references in this chapter to "articles" or "articles of incorporation" include the declaration of trust of an electing association. If the declaration of trust includes a provision prohibited by this chapter for inclusion in articles of incorporation, omits a provision required by this chapter to be included in articles of incorporation, or is inconsistent with this chapter, the electing association shall amend its declaration of trust to conform to the requirements of this chapter. The appropriate provisions of the association's declaration of trust or bylaws or chapter 318 control the manner of adoption of the amendments required by this subdivision.

Subd. 3. [METHOD OF ELECTION.] An election by an association under subdivision 2 must be made by resolution approved by the affirmative vote of the trustees of the association and by the affirmative vote of the members or other persons with voting rights in the association. The affirmative vote of both the trustees of the association and of the members or other persons with voting rights, if any, in the association must be of the same proportion that is required for an amendment of the declaration of trust of the association before the election, in each case upon proper notice that a purpose of the meeting is to consider an election by the association to cease to be an association subject to and governed by chapter 318 and to become and be a nonprofit corporation subject to and governed by this chapter. The resolution and the articles of the amendment of the declaration of trust must be filed with the secretary of state and are effective upon filing, or a later date as may be set forth in the filed resolution. Upon the effective date, without any other action or filing by or on behalf of the association, the association automatically is subject to this chapter in the same manner and to the same extent as though it had been formed as a nonprofit corporation pursuant to this chapter. Upon the effective date of the election, the association is not considered to be a new entity, but is considered to be a continuation of the same entity.

<u>Subd. 4.</u> [EFFECTS OF ELECTION.] <u>Upon the effective date of an association's election under subdivision 3, and consistent with the continuation of the association under this chapter:</u>

(1) the organization has the rights, privileges, immunities, powers, and is subject to the duties and liabilities, of a corporation formed under this chapter;

(2) all real or personal property, debts, including debts arising from a subscription for membership and interests belonging to the association, continue to be the real and personal property, and debts of the organization without further action;

(3) an interest in real estate possessed by the association does not revert to the grantor, or otherwise, nor is it in any way impaired by reason of the election, and the personal property of the association does not revert by reason of the election;

(4) except where the will or other instrument provides otherwise, a devise, bequest, gift, or grant contained in a will or other instrument, in a trust or otherwise, made before or after the election has become effective, to or for the association, inures to the organization;

(5) the debts, liabilities, and obligations of the association continue to be the debts, liabilities, and obligations of the organization, just as if the debts, liabilities, and obligations had been incurred or contracted by the organization after the election;

(6) existing claims or a pending action or proceeding by or against the association may be prosecuted to judgment as though the election had not been affected;

(7) the liabilities of the trustees, members, officers, directors, or similar groups or persons, however denominated, of the association, are not affected by the election;

(8) the rights of creditors or liens upon the property of the association are not impaired by the election;

(9) an electing association may merge with one or more nonprofit corporations in accordance with the applicable provisions of this chapter, and either the association or a nonprofit corporation may be the surviving entity in the merger; and

(10) the provisions of the bylaws of the association that are consistent with this chapter remain or become effective and provisions of the bylaws that are inconsistent with this chapter are not effective.

Sec. 42. Minnesota Statutes 1992, section 318.02, is amended by adding a subdivision to read:

<u>Subd. 5.</u> [ELECTION TO BE GOVERNED BY CHAPTER 317A.] <u>An association may cease to be subject to or</u> governed by this chapter by filing an election in the manner described in section <u>317A.022</u>, to be subject to and governed by chapter <u>317A</u> in the same manner and to the same extent provided in chapter <u>317A</u> as though it were a nonprofit corporation if:

(1) it is not formed for a purpose involving pecuniary gain to its members, other than to members that are nonprofit organizations or subdivisions, units, or agencies of the United States or a state or local government; and

(2) it does not pay dividends or other pecuniary remuneration, directly or indirectly, to its members, other than to members that are nonprofit organizations or subdivisions, units, or agencies of the United States or a state or local government.

Sec. 36. [APPROPRIATION.]

(a) \$...... is appropriated from the general fund to the commissioner of health for the fiscal year ending June 30, 1995, to establish and implement the physician substitute program under section 34.

(b) \$..... is appropriated from the general fund to the regents of the University of Minnesota for the fiscal year ending June 30, 1995, for costs incurred by the University of Minnesota Health System in credentialing physician substitutes and employing physician substitutes as temporary clinical faculty under section 34.

(c) \$..... is appropriated from the general fund to the commissioner of employee relations for the fiscal year ending June 30, 1995, to administer salary ratio limitations under section 1."

Page 103, delete lines 30 to 33, and insert:

"(b) The Unique Identification Number (UPIN) assigned by the health care financing administration shall be used as the unique identification number for individual health care providers. Providers who do not currently have a UPIN number shall request one from the health care financing administration." 80TH DAY]

Page 104, delete lines 2 to 4

Page 105, line 7, after the period, insert "<u>This provision does not require that patients provide their social</u> security numbers and does not require group purchasers or providers to demand that patients provide their social security numbers."

Page 112, line 28, delete "601.50 to 601.61" and insert "621.50 to 621.54, subdivision 3, and 621.56 to 621.59"

Page 112, line 35, after the period, insert "The commissioner shall not adopt any rules requiring patients to provide their social security numbers unless and until federal laws are modified to allow or require such action, nor shall the commissioner adopt rules which allow medical records, claims, or other treatment or clinical data to be included on the health care identification card, except as specifically provided in this chapter."

Page 145, after line 35, insert:

# "ARTICLE 11

## HEALTH CARE COOPERATIVES

Section 1. Minnesota Statutes 1992, section 256.9657, is amended by adding a subdivision to read:

<u>Subd. 4a.</u> [HEALTH CARE NETWORK COOPERATIVES.] <u>Each health care network cooperative established under</u> <u>chapter 308B shall pay the commissioner a surcharge on total premium revenues of the health care network</u> <u>cooperative, according to the following phase-in schedule:</u>

(1) for payments made in calendar year 1994, the surcharge shall be zero percent of total premium revenue;

(2) for payments made in calendar year 1995, the surcharge shall be two-tenths of one percent of total premium revenue;

(3) for payments made in calendar year 1996, the surcharge shall be three-tenths of one percent of total premium revenue;

(4) for payments made in calendar year 1997, the surcharge shall be four-tenths of one percent of total premium revenue;

(5) for payments made in calendar year 1998, the surcharge shall be five-tenths of one percent of total premium revenue; and

(6) for payments made in calendar year 1999 and subsequent calendar years, the surcharge shall be six-tenths of one percent of total premium revenue.

Sec. 2. [308B.01] [STATEMENT OF LEGISLATIVE PURPOSE AND INTENT.]

The legislature finds that the goals of containing health care costs, improving the quality of health care, and increasing the access of Minnesota citizens to health care services reflected under chapters 62] and 62N may be further enhanced through the promotion of health care cooperatives. The legislature further finds that locally based and controlled efforts among health care providers, local businesses, units of local government, and health care consumers, can promote the attainment of the legislature's goals of health care reform, and takes notice of the long history of successful operations of cooperative organizations in this state. Therefore, in order to encourage cooperative efforts awith the goals of health care reform, including efforts among health care providers as sellers of health care services and efforts of consumers as buyers of health care services and health plan coverage, and to encourage the formation of and increase the competition among health plans in Minnesota, the legislature enacts the Minnesota health care cooperative act.

Sec. 3. [308B.02] [CITATION.]

This chapter may be cited as the "Minnesota health care cooperative act."

5905

# Sec. 4. [308B.03] [APPLICABILITY OF OTHER LAWS.]

Subdivision 1. [MINNESOTA COOPERATIVE LAW.] <u>A health care cooperative organizing under this chapter is</u> subject to chapter 308A unless otherwise provided in this chapter. After incorporation, a health care cooperative shall enjoy the powers and privileges and shall be subject to the duties and liabilities of other cooperatives organized under chapter 308A, to the extent applicable and except as limited or enlarged by this chapter. If any provision of this chapter conflicts with a provision of chapter 308A, the provision of this chapter takes precedence.

<u>Subd. 2.</u> [HEALTH PLAN LICENSURE AND OPERATION.] <u>A health care network cooperative organized under</u> this chapter must be licensed as a health maintenance organization licensed under chapter 62D, a mutual accident and health insurance company licensed under chapter 60A and offering coverage under chapter 62A, a nonprofit health service plan corporation licensed under chapter 62C, or a community integrated service network or an integrated service network licensed under chapter 62N, at the election of the health care network cooperative. The health care network cooperative shall be subject to the duties and liabilities of health plans licensed pursuant to the chapter under which the cooperative elects to be licensed, to the extent applicable and except as limited or enlarged by this chapter. If any provision of any chapter under which the cooperative elects to be licensed conflicts with the provisions of this chapter, the provisions of this chapter take precedence.

Subd. 3. [HEALTH PROVIDER COOPERATIVES.] <u>A health provider cooperative organized under this chapter</u> shall not be considered a mutual insurance company under chapter 60A, a health maintenance organization under chapter 62D, a nonprofit health services corporation under chapter 62C, or a community integrated service network or an integrated service network under chapter 62N. <u>A health provider network shall not be considered to violate</u> any limitations on the corporate practice of medicine. <u>Health care service contracts under section 308B.06 shall not be considered to violate section 62J.23.</u>

Sec. 5. [308B.04] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For purposes of this chapter, the terms defined in this section have the meanings given.

Subd. 2. [HEALTH CARE COOPERATIVE.] "Health care cooperative" means a health care network cooperative or a health provider cooperative.

Subd. 3. [HEALTH CARE NETWORK COOPERATIVE.] "Health care network cooperative" means a corporation organized under this chapter and licensed in accordance with section 308B.03, subdivision 2.

Subd. 4. [HEALTH PROVIDER COOPERATIVE.] "Health provider cooperative" means a corporation organized under this chapter and operated on a cooperative plan to market health care services to purchasers of those services.

Subd. 5. [MEMBER.] "Member" means:

(1) in the case of a health care network cooperative, the policyholder; if the policyholder is an individual enrollee, the individual enrollee is the member; if the policyholder is an employer or other group type, entity, or association, the group policyholder is the member;

(2) in the case of a health provider cooperative, the licensed health care provider, professional corporation, partnership, hospital, or other licensed institution, as provided in the cooperative's articles or bylaws.

Subd. 6. [ACCREDITED CAPITATED PROVIDER.] "Accredited capitated provider" means a health care providing entity or a health provider cooperative, that:

(1) receives capitated payments from a health care network cooperative under a contract to provide health services to the network's enrollees. For purposes of this section, a health care providing entity or health provider cooperative is "capitated" when its compensation arrangement with a health care network cooperative involves the provider's acceptance of material financial risk for the delivery of a predetermined set of services for a specified period of time;

(2) is licensed to provide and provides the contracted services, either directly or through an affiliate, or is a group of licensed providers organized as a health provider cooperative. For purposes of this subdivision, an "affiliate" is any person that directly or indirectly controls, or is controlled by, or is under common control with, the health care providing entity, and "control" exists when any person, directly or indirectly, owns, controls, or holds the power to vote, or holds proxies representing, no less than 80 percent of the voting securities or governance rights of any other person;

(3) agrees to serve as an accredited capitated provider of a health care network cooperative for the purpose of reducing the cooperative's net worth and deposit requirements under section 308B.14; and

(4) is approved by the commissioner as an accredited capitated provider for a health care network cooperative in accordance with section 308B.13.

<u>Subd. 7.</u> [PERCENTAGE OF RISK CEDED.] "Percentage of risk ceded" means the ratio, expressed as a percentage, between capitated payments made (or, in the case of a new entity, expected to be made) by a health care network cooperative to all accredited capitated providers during any contract year and the total premium revenue (adjusted to eliminate expected administrative costs) received for the same time period by the health care network cooperative.

<u>Subd. 8.</u> [PROVIDER AMOUNT AT RISK.] <u>"Provider amount at risk" means a dollar amount certified by an actuary to represent the expected direct costs to an accredited capitated provider for providing the contracted, covered health care services to the enrollees of the health care network cooperative to which it is accredited for a period of 90 days.</u>

<u>Subd. 9.</u> [COMMISSIONER.] <u>Unless otherwise specified, "commissioner" means the commissioner of health for a health care network cooperative licensed under chapter 62D or 62N and the commissioner of commerce for a health care network cooperative licensed under chapters 60A and 62A, or 62C.</u>

Subd. 10. [HEALTH CARRIER.] "Health carrier" has the meaning provided in section 62A.011.

Subd. 11. [HEALTH CARE PROVIDING ENTITY.] "Health care providing entity" means a participating entity that provides health care to enrollees of a health care cooperative.

Sec. 6. [308B.05] [POWERS.]

In addition to the powers enumerated under section 308A.201, a health care cooperative shall have all of the powers granted a nonprofit corporation under section 317A.161, except to the extent expressly inconsistent with the provisions of chapter 308A.

Sec. 7. [308B.06] [HEALTH CARE SERVICE CONTRACTS.]

Subdivision 1. [PROVIDER CONTRACTS.] <u>A health provider cooperative and its licensed members may execute</u> marketing and service contracts requiring the provider members to provide some or all of their health care services through the provider cooperative to the enrollees, members, subscribers, or insureds, of a health care network cooperative, community integrated service network, integrated service network, nonprofit health service plan, health maintenance organization, accident and health insurance company, or any other purchaser, including the state of Minnesota and its agencies, instruments, or units of local government. Each purchasing entity is authorized to execute contracts for the purchase of health care services from a health provider cooperative in accordance with this section. Any contract between a provider cooperative and a purchaser must provide for payment by the purchaser to the health provider cooperative on a substantially capitated or similar risk-sharing basis. Each contract between a provider cooperative and a purchaser shall be filed by the provider network cooperative with the commissioner of health and is subject to the provisions of section 62D.19.

Subd. 2. [NO NETWORK LIMITATION.] <u>A health care network cooperative may contract with any health provider</u> cooperative and may contract with any other licensed health care provider to provide health care services for its enrollees.

<u>Subd. 3.</u> [NO RESTRAINT OF TRADE.] <u>A health provider cooperative exercising authority under this section is not a combination in restraint of trade. The contracts adopted under this section are not illegal, or an unlawful restraint of trade, or part of a conspiracy or combination to accomplish an improper or illegal purpose.</u>

Sec. 8. [308B.07] [AMENDMENT OF ARTICLES.]

The articles of a health care cooperative incorporated under this chapter shall be amended as provided in section 317A.131.

Sec. 9. [308B.08] [AMENDMENT OF BYLAWS.]

The bylaws of a health care cooperative incorporated under this chapter shall be amended as provided in section 317A.181.

Sec. 10. [308B.09] [VOTING.]

<u>Subdivision 1.</u> [ELECTION OF DIRECTORS.] <u>Directors of health care cooperatives shall be elected in the manner</u> provided in section 308A.311 with the exception of subdivision 4 of that section. Any requirements applicable to directors under chapters 60A and 62A, 62C, 62D, or 62N do not apply.

<u>Subd. 2.</u> [VOTE BY MAIL.] (a) <u>A member may vote by mail for a director unless mail voting is prohibited for election of directors by the articles or bylaws.</u>

(b) The ballot must be in a form prescribed by the board.

(c) The member shall mark the ballot for the candidate chosen and mail the ballot to the cooperative in a sealed plain envelope inside another envelope bearing the member's name.

(d) If the ballot of the member is received by the cooperative on or before the date of the regular members' meeting, the ballot must be accepted and counted as the vote of the absent member.

Subd. 3. [VOTING GENERALLY.] The requirements and procedures for membership voting for each health care cooperative shall be as provided in the bylaws.

Sec. 11. [308B.10] [GOVERNMENTAL PARTICIPATION.]

The state of Minnesota, or any agency, instrumentality, or unit of local government, may be a member of a health care cooperative. Any governmental hospital authorized, organized, or operated under chapters 158, 250, 376, and 397, or under sections 246A.01 to 246A.27, 412.221, 447.05 to 447.13, or 471.50, or under any special law authorizing or establishing a hospital or hospital district, may be a member of a health care provider cooperative.

Sec. 12. [308B.11] [RELICENSURE.]

(a) A health care network cooperative licensed under chapters 60A and 62A, 62C, or 62D may relinquish that license and be granted a new license as a community integrated service network or an integrated service network under chapter 62N in accordance with this subdivision, provided:

(1) the cooperative meets all of the requirements for licensure as a network under chapter 62N, to the extent not expressly inconsistent with the provisions of this chapter and chapter 308A;

(2) a written plan of relicensure has been approved by the affirmative vote of two-thirds of the cooperative's board of directors and by a majority of its members present and voting at a regular or special meeting of the members at which the plan of relicensure is submitted for approval;

(3) the cooperative's amended articles of incorporation have been filed with the secretary of state;

(4) the plan of relicensure has been approved by the commissioner having jurisdiction over the cooperative prior to relicensure as fair to the cooperative's members in the best interests of the public; and

(5) following the completion of all of the above, the cooperative has surrendered its previous license to the agency that granted the license.

(b) The relicensure shall be effective at the time specified in the plan of relicensure, which must not be earlier than the date upon which the previous license is surrendered.

(c) Upon the relicensure of the cooperative as a community integrated service network or an integrated service network:

(1) all existing group and individual enrollee benefit contracts in force on the effective date of the relicensure shall continue in effect and with the same terms and conditions, notwithstanding the cooperative's new licensure as a network, until the date of each contract's next renewal or amendment, but no later than one year from the date of the relicensure. At this time, each benefit contract then in force must be amended to comply with all statutory and regulatory requirements for network benefit contracts as of that date; and

(2) all contracts between the cooperative and any health care providing entity, including a health care provider cooperative, in force on the effective date of relicensure shall remain in effect under the cooperative's new licensure as a network until the date of the next renewal or amendment of that contract, but no later than one year from the date of relicensure.

(d) Except as otherwise provided in this section, nothing in the relicensure of a health care network cooperative shall in any way affect its corporate existence or any of its contracts, rights, privileges, immunities, powers or franchises, debts, duties or other obligations or liabilities.

Sec. 13. [308B.12] [ACCREDITED CAPITATED PROVIDERS GENERALLY.]

<u>Subdivision 1.</u> [GENERAL.] <u>A health care providing entity seeking accreditation under this chapter may be organized under chapter 302A, 317A, 319A, or may be a governmental hospital authorized, organized, or operated under chapters 158, 250, 376, and 397, or under sections 246A.01 to 246A.27, 412.221, 447.05 to 447.13, 447.31, or 471.59, or under any special law authorizing or establishing a hospital or hospital district.</u>

<u>Subd. 2.</u> [NO COMPELLED ACCREDITATION.] <u>No health care providing entity shall be compelled by a health care network cooperative to obtain accreditation under this section.</u>

<u>Subd. 3.</u> [OTHER RELATIONSHIPS PERMITTED.] <u>Accreditation of a health care providing entity or a health</u> provider cooperative does not preclude the accredited entity from other participation in the structure or operation of a health care network cooperative, including, without limitation, participation as a member, guarantor, lender or provider of services. <u>A health care providing entity or health provider cooperative may serve as an accredited</u> capitated provider for more than one health care network cooperative, as agreed between the accredited capitated provider and each health care network cooperative, and as approved by the appropriate commissioner. A health care network cooperative may make capitated payments to nonaccredited health care providing entities or health provider cooperatives.

<u>Subd. 4.</u> [EFFECT OF OTHER LAWS.] <u>An accredited capitated provider shall not, solely by reason of accreditation</u> under this section, be considered to be an insurance company under chapter 60A, a health maintenance organization under chapter 62D, a nonprofit health service plan corporation under chapter 62C, or a community integrated service network or integrated service network under chapter 62N.

Sec. 14. [308B.13] [STANDARDS FOR ACCREDITATION.]

<u>Subdivision 1.</u> [GENERAL.] Each health care providing entity or health provider cooperative seeking initial accreditation as an accredited capitated provider shall submit to the appropriate commissioner sufficient information to establish that the applicant has operational capacity, facilities, personnel, and financial capability to provide the contracted covered services to the enrollees of the health care network cooperative for which it seeks accreditation on: (1) an ongoing basis; and (2) for a period of 90 days following the insolvency of the network without receiving payment from the network. Accreditation shall continue until abandoned by the accredited capitated provider or revoked by the commissioner in accordance with subdivision 7.

<u>Subd. 2.</u> [OPERATIONAL CAPACITY.] <u>The applicant for accreditation must establish that its operational capacity,</u> <u>available facilities, and current personnel are sufficient to provide the services which it has contracted to provider</u> <u>enrollees and for which it seeks accreditation.</u>

<u>Subd. 3.</u> [FINANCIAL CAPABILITY.] <u>The applicant for accreditation must establish that it can withstand the loss</u> of capitated payment from the health care network cooperative for a period of not more than 90 days. The applicant may establish this capability by demonstrating that the provider amount at risk can be covered by or through any of the following, either alone or in combination:

(1) allocated or restricted funds;

(2) the availability of a letter of credit from a bank or other financial institution meeting the requirements of section 60A.093; subdivision 2;

(3) the taxing authority of the applicant or governmental sponsor of the applicant;

(4) a debt rating in the highest two categories for investment grade debt;

(5) an unrestricted fund balance at least two times the provider amount at risk;

(6) reinsurance, either purchased directly by the applicant or by the integrated service network to which it will be accredited, from an insurance company licensed in, or a reinsurer accredited in, the state of Minnesota; or

(7) any other method accepted by the commissioner.

Subd. 4. [SAFE HARBOR.] <u>Financial capability of the applicant shall be presumed to exist if the number of capitated enrollees from all health care network cooperatives to which the applicant will be accredited is not reasonably expected to exceed 15 percent of the total patient population served by the applicant.</u>

Subd. 5. [ANNUAL REPORTING PERIOD.] Each accredited capitated provider shall submit to the appropriate commissioner annually, no later than April 15, information regarding its ongoing ability to accept risk as provided in this section, including but not limited to the following information for each health care network cooperative to which it is accredited:

(1) the provider amount at risk for that year;

(2) the number of enrollees for the integrated service network, both for the prior year and estimated for the current year;

(3) any material change in the operational capacity of the accredited provider since its last report to the commissioner;

(4) any material change since the last report to the commissioner to any of the bases under which the financial capability of the accredited capitated provider was established; and

(5) any other information reasonably requested by the commissioner.

<u>Subd. 6.</u> [ADDITIONAL REPORTING.] <u>Each accredited capitated provider shall provide the appropriate commissioner with the following information within the time period described below:</u>

(1) notice of any material, negative change in the accredited capitated provider's financial condition, including loss or reinsurance, within ten business days of the day the accredited capitated provider becomes aware of the change;

(2) notice of any change in the accredited capitated provider's operational capabilities, to the extent the change materially and negatively affects the enrollees of the health care network cooperative to which the accredited capitated provider is accredited, within ten business days of the day the accredited capitated provider becomes aware of the change;

(3) termination of the accredited capitated provider relationship with a health care network cooperative within five business days of the date of termination; and

(4) any additional information reasonably within the control of the accredited capitated provider that is material to the ongoing operational or financial capability of the accredited capitated provider to accept risk under this section within 15 business days of the receipt of a written request from the commissioner.

<u>Subd. 7.</u> [REVOCATION OF ACCREDITATION.] <u>The appropriate commissioner may revoke the accreditation of</u> an accredited capitated provider if the accredited capitated provider's ongoing operational or financial capabilities fail to meet the requirements of this section. The revocation must be handled in the same fashion as placing a health carrier under administrative supervision in accordance with the provisions applicable to health carriers operating under comparable licensure.

Sec. 15. [308B.14] [INSOLVENCY PREVENTION.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this subdivision, the following definitions apply.

(b) "Admitted assets" means admitted assets as defined in section 62D.044.

(c) "Net worth" means net worth as defined in section 62D.02, subdivision 15.

5910

(d) "Working capital" means current assets minus current liabilities.

(e) "Guaranteeing organization" means an organization that has agreed to make necessary contributions or advancements to a health care network cooperative to maintain the network's required net worth.

<u>Subd. 2.</u> [NET WORTH REQUIREMENT.] <u>Except as permitted by subdivision 4 or 5, and in lieu of any other</u> requirements arising under chapters 60A and 62A, 62C, 62D, or 62N, unless specifically referenced in this section, a health care network cooperative shall maintain a minimum net worth equal to the greater of:

(1) \$1,500,000; or

(2) an amount equal to at least 8-1/3 percent but no more than 33-1/3 percent of the sum of all expenditures expected to be incurred in the cooperative's first 12 months of operation or, for an existing network, at least 8-1/3 percent but no more than 33-1/3 percent of the sum of all expenditures incurred in the most recent calendar year.

Subd. 3. [PHASE-IN PROVISION.] <u>A network satisfies subdivision 2, clause (2), if the network meets the following phase-in schedule:</u>

(1) 25 percent of the amount required by subdivision 2, clause (2), as of the date that the network begins providing services;

(2) 50 percent of the amount required by subdivision 2, clause (2), as of the end of the network's first year of providing services, except that if that date is not December 31, the network need not comply until the next December 31;

(3) 75 percent of the amount required by subdivision 2, clause (2), as of the December 31 immediately following the December 31 deadline provided in clause (2); and

(4) 100 percent of the amount required by subdivision 2, clause (2), as of the December 31 immediately following the December 31 deadline provided in clause (3).

Subd. 4. [NET WORTH REDUCTION.] If a health care network cooperative has contracts with accredited capitated providers, and only for so long as those contracts or successor contracts remain in force, the net worth requirement of subdivision 2 shall be reduced by the percentage of risks ceded, but in no event shall the net worth requirement be reduced to less than \$1,000,000.

<u>Subd. 5.</u> [WORKING CAPITAL.] (a) <u>A health care network cooperative must maintain a positive working capital.</u> If the network fails to meet this requirement, the appropriate commissioner and the network shall proceed in accordance with section 62D.042, subdivision 7.

(b) If a health care network cooperative is to be established with participation by accredited capitated providers, a network shall establish an initial working capital of no less than \$350,000. The network must thereafter maintain a positive working capital. If the network fails to maintain a continuing positive working capital, the appropriate commissioner and the network shall comply with section 62D.042, subdivision 7.

<u>Subd. 6.</u> [INVESTMENT OF NETWORK ASSETS.] <u>A health care network cooperative shall invest its assets only</u> in compliance with the requirements of the chapter under which the network is licensed.

Subd. 7. [CREDIT FOR REINSURANCE.] <u>A health care network cooperative may credit against its liabilities 90</u> percent of the premiums that it pays for reinsurance.

<u>Subd. 8.</u> [EXEMPTIONS FROM HEALTH MAINTENANCE ORGANIZATION REQUIREMENTS.] In addition to any other exceptions under this chapter, whether express or implied, a health care network cooperative licensed under chapter 62D shall be exempt from the requirements arising under Minnesota Rules, parts 4685.1125 (focused studies) and 4685.1200 (maintenance and filing of statistics); and under sections 62D.03, subdivision 4; and 62D.08, subdivision 1 (filing provider contracts); 62D.08, subdivision 5 (the ten-day filing requirement shall be guarterly); 62D.123, subdivision 3 (notice of termination of contracts); 62D.03, subdivision 4, paragraph (1); and 62D.08, subdivision 1 (the creation and filing of marketing plan). <u>Subd. 9.</u> [GUARANTEEING ORGANIZATION.] <u>With the written approval of the appropriate commissioner, a</u> <u>health care network cooperative may satisfy the net worth requirement by arranging for a guaranteeing organization</u> to assume the cooperative's obligation to maintain the required net worth. A guaranteeing organization for a cooperative shall comply with section 62D.043.

Subd. 10. [DEPOSIT REQUIREMENT.] (a) A health care network cooperative shall maintain at all times on deposit with the appropriate commissioner \$300,000 worth of cash, securities, or any combination of cash and securities. Securities must be United States treasury obligations, unless otherwise permitted by the commissioner. The network may withdraw interest accrued on the deposit on a quarterly basis or as otherwise approved by the commissioner. With the approval of the appropriate commissioner, the deposit may be held by a third-party independent trustee in a custodial or controlled account. A deposit is an admitted asset and counts toward the network's required net worth. A network may follow a phase-in schedule to comply with this paragraph as follows:

(1) \$150,000 as of the date that the network begins operations; and

(2) \$300,000 as of one year later.

(b) If a health care network cooperative is placed under an order of rehabilitation or conservation, the appropriate commissioner shall use the deposit to protect the interests of the enrollees and assure continuation of health care services to enrollees. If the network is placed under an order of liquidation, the deposit is an asset subject to chapter 60B, except that the commissioner has a lien on the deposit to reimburse the commissioner for administrative costs directly attributable to the insolvency.

Subd. 11. [FINANCIAL REPORTING.] <u>A health care network cooperative shall submit financial reports to the</u> appropriate commissioner in accordance with the requirements of the chapter under which the operations of the cooperative are licensed or as the commissioner otherwise requires by rule.

<u>Subd. 12.</u> [FINANCIAL EXAMINATIONS.] <u>A health care network cooperative and its participating entities and</u> <u>guaranteeing organizations are subject to examination by the appropriate commissioner under the requirements of</u> <u>the chapter under which the operations of the cooperative are licensed or as the commissioner otherwise requires</u> <u>by rule.</u>

<u>Subd. 13.</u> [SURPLUS NOTES PERMITTED.] <u>A health care network cooperative may issue one or more surplus</u> notes, with the approval of the appropriate commissioner. For statutory accounting purposes, amounts received by the health care network cooperative under a surplus note may be treated as contributed surplus for all purposes, including the satisfaction of the network's net worth requirements under this section. The liability of the network under each surplus note must be subordinated in the same manner as preferred ownership claims under section <u>60B.44</u>, subdivision 10, provided, however, that payments of interest and principal under a surplus note may be made by the network if required by the note, so long as the network, by reason of the payment or otherwise, is not insolvent, and does not or would not fail to meet the net worth requirements of this section. The network shall not make any payment prohibited by the commissioner.

Sec. 16. [308B.15] [EFFECT OF NETWORK INSOLVENCY.]

<u>Subdivision 1.</u> [GENERAL.] Upon the insolvency of a health care network cooperative, the enrollees shall have the same rights to coverage under the Minnesota comprehensive health association as enrollees of an insolvent health maintenance organization.

<u>Subd. 2.</u> [EFFECT OF ACCREDITED CAPITATED PROVIDER CONTRACTS.] If a health care network cooperative with which an accredited capitated provider has contracted becomes insolvent, the enrollees shall continue to receive covered services from the accredited capitated provider for a term equal to the lesser of the term of the contract between the health care network cooperative and the accredited capitated provider or 90 days. The accredited capitated provider shall have no recourse for payment of those services either from the enrollee or the Minnesota comprehensive health association.

<u>Subd. 3.</u> [EFFECT OF ACCREDITED CAPITATED PROVIDER INSOLVENCY.] In the event that both the health care network cooperative and the accredited capitated provider become insolvent, the enrollees shall continue to have the rights described in subdivision 1. The Minnesota comprehensive health association shall have the status of an unsecured creditor as to the insolvent accredited capitated provider for any payments the Minnesota comprehensive health association makes to provide alternative coverage services on behalf of enrollees formerly treated by the accredited capitated provider.

80TH DAY]

<u>Subd. 4.</u> [RIGHT TO OBTAIN PAYMENT.] <u>Accreditation of a health care providing entity or health provider</u> <u>cooperative shall not in itself limit the ability of the accredited capitated provider to seek payment of unpaid capitated</u> <u>amounts from a health care network cooperative, whether the health care network cooperative is solvent or insolvent;</u> <u>provided that, if the health care network cooperative is subject to any liquidation, rehabilitation, or conservation</u> <u>provisions, the accredited capitated provider shall have the status accorded creditors under section 60B.44,</u> <u>subdivision 10.</u>

Sec. 17. [308B.16] [RELATIONSHIP TO MINNESOTA COMPREHENSIVE HEALTH ASSOCIATION.]

<u>Subdivision 1.</u> [GENERAL.] Each health care network cooperative shall be a contributing member of the Minnesota comprehensive health association established under section 62E.10. Health care network cooperatives are not members of the life and health insurance guaranty association established under chapter 61B.

<u>Subd.</u> 2. [PHASE-IN OF ASSESSMENTS.] <u>The assessments described in section 62E.11 for the Minnesota</u> <u>comprehensive health association's general account for a health care network cooperative shall be phased-in as</u> <u>follows:</u>

(1) for calendar years 1994, 1995, and 1996, the assessment shall be 20 percent of the assessment which otherwise would have been levied for those years;

(2) for calendar year 1997, the assessment shall be 40 percent of the assessment which otherwise would have been levied for that year;

(3) for calendar year 1998, the assessment shall be 60 percent of the assessment which otherwise would have been levied for that year;

(4) for calendar year 1999, the assessment shall be 80 percent of the assessment which otherwise would have been levied for that year; and

(5) for calendar year 2000, the full assessment shall be levied.

## ARTICLE 12 MINNESOTA COMPREHENSIVE HEALTH ASSOCIATION

Section 1. [62E.115] [WITHDRAWAL LIABILITY.]

Subdivision 1. [GENERAL.] If a member of the association ceases to be a contributing member through:

(1) a surrender of the license giving rise to its status as a contributing member, other than a relicensure under section <u>308B.11</u>;

(2) a voluntary cessation on writing new business or a substantial reduction of business subject to assessment under section 62E.11, subdivision 5; or

(3) for any other reason, the member is liable to the association in the amount determined under this section to be the withdrawal liability.

<u>Subd. 2.</u> [SUBSTANTIAL REDUCTION.] For purposes of this section, a member has had a substantial reduction in business subject to assessment under section 62E.11, subdivision 5, if the member's total accident and health insurance premium received from or on behalf of Minnesota residents has decreased more than 50 percent over any 24-month period.

<u>Subd. 3.</u> [WITHDRAWAL LIABILITY.] For purposes of subdivision 1, the withdrawal liability shall be equal to the annual average of the member's assessments under section 62E.11, subdivision 5, for the past three calendar years multiplied by the withdrawal liability multiplier established each year by the association in accordance with subdivision 5. For purposes of this subdivision, the withdrawal liability multiplier shall be an actuarially appropriate factor which, when multiplied by the member's three-year annual average assessment, represents the present value of the withdrawing member's expected proportionate share of assessments for the next succeeding three calendar years.

<u>Subd. 4.</u> [PAYMENT.] (a) Each member shall pay the withdrawal liability to the association in three equal installments, the first of which shall be paid within 30 days after notice of the assessment from the association. Subsequent equal payments shall be due on the second and third anniversaries of the first payment. Withdrawal liabilities may be prepaid without penalty. Interest shall not accrue on the unpaid balance of any withdrawal liability.

(b) If a withdrawal liability arises because of a substantial reduction in business subject to assessment, any payments of that withdrawal liability in accordance with paragraph (a) may be offset by one-half of any subsequent assessment arising from the member's remaining accident and health insurance premiums subject to assessment.

(c) The association shall have the same rights, powers, and privileges to collect a withdrawal liability from a member that it has for any other assessment under this chapter.

<u>Subd. 5.</u> [NOTICE OF FACTOR.] <u>The association shall determine the withdrawal liability factor no less frequently</u> than annually. <u>The initial factor for each year shall be established no later than January 30</u>. <u>The association shall</u> notify all contributing members within 15 days of the date of the determination of the initial factor or any updated factor.

Sec. 2. [62E.165] [INSOLVENCY ACCOUNT.]

(a) The association shall establish a separate account within the comprehensive health insurance plan to provide coverage for all enrollees who become eligible for coverage under the plan by reason of the insolvency of an accident and health insurer, health maintenance organization, community integrated service network, integrated service network, health care network cooperative, or nonprofit health service organization, but only to the extent that enrollment on account of that insolvency is otherwise permitted or required by law. This account shall be known as the "insolvency account," and the account to provide all other coverage shall be known as the "general account."

(b) Losses due to the claims experience of the comprehensive health insurance plan under the insolvency account shall be allocated among all contributing members of the association in accordance with section 62E.11, subdivision 5.

## ARTICLE 13 RURAL HEALTH INITIATIVES

Section 1. Minnesota Statutes 1993 Supplement, section 62N.23, is amended to read:

62N.23 [TECHNICAL ASSISTANCE; LOANS.]

(a) The commissioner shall provide technical assistance to parties interested in establishing or operating <u>a</u> <u>community integrated service network or</u> an integrated service network. This shall be known as the integrated service network technical assistance program (ISNTAP).

The technical assistance program shall offer seminars on the establishment and operation of integrated service networks in all regions of Minnesota. The commissioner shall advertise these seminars in local and regional newspapers, and attendance at these seminars shall be free.

The commissioner shall write a guide to establishing and operating an integrated service network. The guide must provide basic instructions for parties wishing to establish an integrated service network. The guide must be provided free of charge to interested parties. The commissioner shall update this guide when appropriate.

The commissioner shall establish a toll-free telephone line that interested parties may call to obtain assistance in establishing or operating an integrated service network.

(b) The commissioner, in consultation with the commission, shall provide recommendations for the creation of a loan program that would provide loans or grants to entities forming integrated service networks or to networks less than one year old. The commissioner shall propose criteria for the loan program. shall grant loans for organizational and start-up expenses to entities forming community integrated service networks or integrated service networks, or to networks less than one year old, to the extent of any appropriation for that purpose. The commissioner shall allocate the available funds among applicants based upon the following criteria, as evaluated by the commissioner within the commissioner's discretion:

(1) the applicant's need for the loan;

(2) the likelihood that the loan will foster the formation or growth of a network; and

(3) the likelihood of repayment.

The commissioner shall determine any necessary application deadlines and forms and is exempt from rulemaking in doing so.

Sec. 2. Minnesota Statutes 1993 Supplement, section 144.1464, is amended to read:

144.1464 [SUMMER HEALTH CARE INTERNS.]

Subdivision 1. [SUMMER INTERNSHIPS.] The commissioner of health, through a contract with a nonprofit organization as required by subdivision 4, shall award grants to hospitals and clinics to establish a <u>secondary and post-secondary</u> summer health care intern program. The purpose of the program is to expose interested high school <u>secondary and post-secondary</u> pupils to various careers within the health care profession.

Subd. 2. [CRITERIA.] (a) The commissioner, through the organization under contract, shall award grants to hospitals and clinics that agree to:

(1) provide <u>secondary and post-secondary</u> summer health care interns with formal exposure to the health care profession;

(2) provide an orientation for the secondary and post-secondary summer health care interns;

(3) pay one-half the costs of employing a <u>the secondary and post-secondary</u> summer health care intern, based on an overall hourly wage that is at least the minimum wage but does not exceed \$6 an hour; and

(4) interview and hire <u>secondary</u> and <u>post-secondary</u> pupils for a minimum of six weeks and a maximum of 12 weeks.

(b) In order to be eligible to be hired as a secondary summer health intern by a hospital or clinic, a pupil must:

(1) intend to complete high school graduation requirements and be between the junior and senior year of high school;

(2) be from a school district in proximity to the facility; and

(3) provide the facility with a letter of recommendation from a health occupations or science educator.

(c) In order to be eligible to be hired as a post-secondary summer health care intern by a hospital or clinic, a pupil must:

(1) intend to complete a two-year or four-year degree program and be planning on enrolling in or be enrolled in that degree program;

(2) be from a school district or attend an educational institution in proximity to the facility; and

(3) provide the facility with a letter of recommendation from a health occupations or science educator.

(d) Hospitals and clinics awarded grants may employ pupils as <u>secondary and post-secondary</u> summer health care interns beginning on or after June 15, 1993, if they agree to pay the intern, during the period before disbursement of state grant money, with money designated as the facility's 50 percent contribution towards internship costs.

Subd. 3. [GRANTS.] The commissioner, through the organization under contract, shall award <u>separate</u> grants to hospitals and clinics meeting the requirements of subdivision 2. The grants must be used to pay one-half of the costs of employing a <u>pupil secondary and post-secondary pupils</u> in a hospital or clinic during the course of the program. No more than five pupils may be selected from any <u>one high school secondary or post-secondary institution</u> to participate in the program and no more than one-half of the number of pupils selected may be from the seven-county metropolitan area.

Subd. 4. [CONTRACT.] The commissioner shall contract with a statewide, nonprofit organization representing facilities at which <u>secondary and post-secondary</u> summer health care interns will serve, to administer the grant program established by this section. The organization awarded the grant shall provide the commissioner with any information needed by the commissioner to evaluate the program, in the form and at the times specified by the commissioner.

Sec. 3. [144.1471] [EMERGENCY ROOM COVERAGE GRANT PROGRAM.]

<u>Subdivision 1.</u> [GRANT AWARDS.] <u>The commissioner shall establish a grant program to improve access to quality</u> and efficient emergency medical care. <u>The commissioner shall award grants to small, rural hospitals that</u>.

(1) agree to utilize the grant to maintain and keep open an emergency room, 24 hours a day, seven days a week; and

(2) meet the criteria in subdivision 2.

Subd. 2. [CRITERIA.] In order to be eligible for a grant, a hospital must:

(1) be a licensed acute-care hospital operating in the state;

(2) not be financially able to keep its emergency room open 24 hours a day, seven days a week;

(3) have fewer than three medical doctors on staff; and

(4) have fewer than 50 licensed hospital beds.

Sec. 4. [RURAL MEDICAL SCHOOL PLANNING GRANT.]

The higher education coordinating board shall award a planning grant to a post-secondary institution located in St. Louis county to expand its currently existing two-year medical school program to a four-year medical school program. The newly established four-year medical school program must focus on the training of primary care physicians who are likely to practice in rural areas of the state.

Sec. 5. [PHYSICAL THERAPIST DEGREE PROGRAM.]

The higher education coordinating board shall study the need for the expansion of certified physical therapists degree programs at post-secondary institutions located in the northwestern and southwestern parts of the state of Minnesota. The higher education coordinating board shall also explore the option of telecommunications to provide greater access to physical therapist programs. The higher education coordinating board shall present recommendations to the legislature by January 15, 1995.

Sec. 6. [APPROPRIATION.]

(a) \$..... is appropriated from the health care access fund to the commissioner of health for the fiscal year ending June 30, 1995, to implement section 1.

(b) \$..... is appropriated from the general fund to the commissioner of health for the fiscal year ending June 30, 1995, to implement sections 2 and 3.

(c) \$..... is appropriated from the general fund to the higher education coordinating board for the fiscal year ending June 30, 1995, to provide a medical school planning grant under section 4 and to study physical therapist degree programs under section 5."

Page 145, line 36, delete "ARTICLE 11" and insert "ARTICLE 14"

Page 151, line 7, delete "and"

Page 151, line 11, before the period, insert "; and

(18) payments from student fees received by a university or college student health service"

Renumber the sections in sequence and correct internal references

Amend the title accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2598, A bill for an act relating to state government; board of government innovation and cooperation; authorizing local governments to apply to the board for waivers on behalf of nonprofit organizations providing services to the local governments; modifying certain powers and duties of the board; modifying grant programs administered by the board; appropriating money; amending Minnesota Statutes 1993 Supplement, sections 465.795, subdivision 7; 465.796, subdivision 2; 465.797, subdivisions 1, 2, 3, 4, and 5; 465.798; and 465.799; proposing coding for new law in Minnesota Statutes, chapter 465; repealing Minnesota Statutes 1992, section 465.80, subdivision 3; Minnesota Statutes 1993 Supplement, section 465.80, subdivisions 1, 2, 4, and 5.

Reported the same back with the following amendments:

Page 2, lines 32 to 35, reinstate the stricken language

Page 3, line 3, after "to" insert "one or more local units of government on behalf of"

Page 7, line 26, delete "or a state agency"

Page 8, line 9, delete "a scoring system devised by the board" and insert "the scoring system in section 465.802"

Page 8, line 10, strike "\$50,000" and insert "\$100,000"

Page 8, line 16, delete the first comma, and insert "or" and delete everything after "organization"

Page 8, line 17, delete "agency"

Page 9, line 9, delete "a scoring system devised by the board" and insert "the scoring system in section 465.802"

Page 9, line 11, strike "\$50,000" and insert "\$100,000"

Page 9, line 15, delete the first comma, and insert "or" and delete everything after "organization"

Page 9, line 16, delete "state agency"

Page 9, lines 34 and 35, delete "a scoring system devised by the board" and insert "the scoring system in section 465.802"

Page 9, line 36, delete "\$50,000" and insert "\$100,000"

Page 10, delete section 11, and insert:

"Sec. 11. [465.802] [SCORING SYSTEM.]

In deciding whether to award a grant under section 465.798, 465.799, or 465.801, the board shall use the following scoring system:

(1) Up to 15 points shall be awarded to reflect the extent to which the application demonstrates creative thinking, careful planning, cooperation, involvement of the clients of the affected service, and commitment to assume risk.

(2) Up to 20 points shall be awarded to reflect the extent to which the proposed project is likely to improve the quality of the service and to have benefits for other local governments.

(3) Up to 15 points shall be awarded to reflect the extent to which the application's budget provides sufficient detail, maximizes the use of state funds, documents the need for financial assistance, commits to local financial support, and limits expenditures to essential activities.

(4) Up to 20 points shall be awarded to reflect the extent to which the application reflects the statutory goal of the grant program.

(5) Up to 15 points shall be awarded to reflect the merit of the proposed project and the extent to which it warrants the state's financial participation.

(6) Up to 5 points shall be awarded to reflect the cost/benefit ratio projected for the proposed project.

(7) Up to 5 points shall be awarded to reflect the number of government units participating in the proposal.

(8) Up to 5 points shall be awarded to reflect the minimum length of time the application commits to implementation."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Jacobs from the Committee on Regulated Industries and Energy to which was referred:

H. F. No. 2617, A bill for an act relating to alcoholic beverages; defining terms; prohibiting certain solicitations by retailers; authorizing consignment sales of beer by wholesalers to temporary licensees; removing requirement that retail licensees be citizens or resident aliens; authorizing counties to issue on-sale licenses; placing registered political committees in existence for less than three years to obtain temporary on-sale licenses; placing restrictions on the number of temporary licenses issued to any organization or for any location; imposing new restrictions on issuance of more than one off-sale license to any person in a municipality; regulating certain wine tastings; restricting use of coupons by retailers, wholesalers, and manufacturers; providing penalties; amending Minnesota Statutes 1992, sections 340A.101, subdivision 13; 340A.308; 340A.404, subdivisions 6 and 10; 340A.405, subdivision 4; 340A.410, by adding a subdivision; 340A.412, subdivision 3; and 340A.416, subdivision 3; Minnesota Statutes 1993 Supplement, sections 340A.402; and 340A.415; proposing coding for new law in Minnesota Statutes, chapter 340A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 325B.02, is amended to read:

325B.02 [NO INDUCEMENT OR COERCION.]

No brewer shall:

(1) Induce or coerce, or attempt to induce or coerce, any beer wholesaler to accept delivery of any alcoholic beverage or any other commodity which shall not have been ordered by the beer wholesaler.

(2) Induce or coerce, or attempt to induce or coerce, any beer wholesaler to do any illegal act or thing by threatening to amend, cancel, terminate, or refuse to renew any agreement existing between a brewer and a beer wholesaler.

(3) Require a wholesaler to assent to any condition, stipulation or provision limiting the wholesaler's right to sell the product of any other brewer anywhere in the state of Minnesota, provided that the acquisition of the product of another brewer does not materially impair the quality of service or quantity of sales of the existing brand or brands of the brewer seeking to impose the condition, stipulation or provision.

(4) Refuse to supply, in reasonable quantities and within a reasonable time after receipt of the wholesaler's order, beer ordered by a wholesaler who has an agreement with the brewer for sale and distribution of the brewer's beer, unless the refusal to supply is due to:

(i) the brewer's prudent and reasonable restrictions on extension of credit to the wholesaler;

(ii) weather or other natural events;

(iii) a work stoppage or delay resulting from a strike or other labor dispute;

(iv) a bona fide shortage of materials;

(v) a freight embargo; or

(vi) any other cause over which the brewer or the brewer's agents have no control.

Sec. 2. [325B.031] [BRANDS; BRAND EXTENSIONS.]

Subdivision 1. [DEFINITIONS.] For purposes of this section:

(a) "Brand" is any word, name, group of letters, symbol, or combination thereof, that is adopted and used by a brewer or importer to identify a specific beer product, and to distinguish that beer product from another beer product.

(b) "Brand extension" is any brand that (1) incorporates all or a substantial part of the unique features of a preexisting brand of the same brewer or importer, and (2) which relies to a significant extent on the goodwill associated with that preexisting brand.

Subd. 2. [BRAND EXTENSION TO BE ASSIGNED.] <u>A brewer or importer who assigns a brand extension to a</u> wholesaler must assign the brand extension to the wholesaler to whom the brewer or importer granted the exclusive sales territory to the brand from which the brand extension resulted. This requirement does not apply to assignments of brand extensions to wholesalers that were made by a brewer or importer before the effective date of this section.

Subd. 3. [ADDITIONAL BRAND EXTENSION.] In the event that prior to the effective date of this section a brewer or importer had assigned a brand extension to a wholesaler who was not the appointed wholesaler for the brand from which the brand extension was made, then any additional brand extension must be assigned to the wholesaler who first had the brand.

Sec. 3. Minnesota Statutes 1992, section 325B.04, is amended to read:

325B.04 [CANCELLATION TERMINATION OF AGREEMENTS.]

<u>Subdivision 1.</u> [TERMINATIONS.] Notwithstanding the terms, provisions or conditions of any agreement, no brewer shall amend, cancel, terminate or refuse to continue to renew any agreement, or cause a wholesaler to resign from an agreement, unless good cause exists for amendment, termination, cancellation, nonrenewal, noncontinuation or causing a resignation. "Cood cause" shall not include the sale or purchase of a brewer. "Cood cause" shall include, but not be limited to, the following:

(1) Revocation of the wholesaler's license to do business in the state.

(2) Bankruptcy or insolvency of the wholesaler.

(3) Assignment for the benefit of creditors or similar disposition of the assets of the wholesaler.

(4) Failure by the wholesaler to substantially comply, without reasonable excuse or justification, with any reasonable and material requirement imposed upon the wholesaler by the brewer. <u>the brewer:</u>

(1) has satisfied the notice and opportunity to cure requirements of section 325B.05;

(2) has acted in good faith; and

(3) has good cause for the cancellation, termination, nonrenewal, discontinuance, or forced resignation.

Subd. 2. [GOOD CAUSE.] For purposes of subdivision 1:

(a) "Good cause" includes, but is not limited to, the following:

(1) revocation of the wholesaler's license under section 340A.304;

(2) the wholesaler's bankruptcy or insolvency;

(3) assignment of the assets of the wholesaler for the benefit of creditors, or a similar disposition of the wholesaler's assets; or

(4) a failure by the wholesaler to substantially comply, without reasonable excuse or justification, with any reasonable and material requirement imposed on the wholesaler by the brewer, where the failure was discovered by the brewer not more than one year before the date on which the brewer gave notice to the wholesaler under section 325B.05.

(b) "Good cause" does not include the sale or purchase of a brewer.

Sec. 4. Minnesota Statutes 1992, section 325B.05, is amended to read:

325B.05 [NOTICE OF INTENT TO TERMINATE.]

Except as provided in this section, a brewer shall provide a wholesaler at least 90 days prior written notice of any intent to amend, terminate, cancel or not renew any agreement. The notice shall state all the reasons for the intended amendment, termination, cancellation or nonrenewal. The wholesaler shall have 90 days in which to rectify any claimed deficiency. If the deficiency shall be rectified within 90 days of notice, then the proposed amendment, termination, cancellation or nonrenewal and void and without legal effect. The notice provisions of this section shall not apply if the reason for the amendment, termination, or nonrenewal shall be amendment, termination, cancellation is

(1) The bankruptcy or insolvency of the wholesaler.

(2) An assignment for the benefit of creditors or similar disposition of the assets of the business.

(3) Revocation of the wholesaler's license-

(4) Conviction or a plea of guilty or no contest to a charge of violating a law-relating to the business that materially affects the wholesaler's ability to remain in business.

<u>Subdivision 1.</u> [NOTICES; TIME LIMIT.] (a) <u>Notwithstanding any provision to the contrary in any agreement</u> between a brewer and a wholesaler, a brewer who intends to terminate, cancel, discontinue, or refuse to renew an agreement with a wholesaler must furnish written notice to that effect to the wholesaler not less than 90 days before the effective date of the intended action and must provide the wholesaler with a bona fide opportunity to substantially cure any claimed deficiency within the 90 days.

(b) The notice must be sent by certified mail and must contain, at a minimum, (1) the effective date of the intended action, and (2) a statement of the nature of the intended action and the brewer's reasons therefor.

(c) In no event may a termination, cancellation, discontinuance, or nonrenewal be effective until at least 90 days from the wholesaler's receipt of written notice under this section, unless the wholesaler has consented in writing to a shorter period.

<u>Subd. 2.</u> [NOTICES; OTHER PROVISIONS.] <u>Notwithstanding subdivision 1 or section 325B.04, a brewer may terminate or refuse to renew an agreement on not less than 15 days written notice to the wholesaler, upon any of the following occurrences:</u>

(1) the bankruptcy or insolvency of the wholesaler;

(2) an assignment of the wholesaler's assets for the benefit of creditors, or a similar disposition of those assets;

(3) revocation of the wholesaler's license under section 340A.304; or

(4) conviction or a plea of guilty or no contest to a charge of violating any state or federal law, where the violation materially affects the wholesaler's right to remain in business. A notice under this subdivision must meet the requirements of subdivision 1, paragraph (b).

Sec. 5. Minnesota Statutes 1992, section 325B.12, is amended to read:

325B.12 [NO DISCRIMINATION.]

<u>Subdivision 1.</u> [DISCRIMINATION PROHIBITED.] No brewer shall discriminate among its wholesalers in any business dealings including, but not limited to, the price of beer sold to the wholesaler, unless the classification among its wholesalers is based upon reasonable grounds.

Subd. 2. [SALES; REBATES.] No brewer may:

(1) sell or offer to sell any beer to any Minnesota wholesaler at a price lower than the actual price offered to any other Minnesota wholesaler for the same product;

(2) utilize any method, including but not limited to, sales promotion plans or programs, that results in a different price being paid by wholesalers for the same product, or in a fixed price predetermined solely by the brewer; or

(3) <u>utilize any rebate plan or program in connection with the sale of beer to a Minnesota wholesaler</u>.

Sec. 6. Minnesota Statutes 1992, section 340A.101, subdivision 13, is amended to read:

Subd. 13. [HOTEL.] "Hotel" is an establishment where food and lodging are regularly furnished to transients and which has:

(1) a resident proprietor or manager;

(2) a dining room serving the general public at tables and having facilities for seating at least 30 guests at one time; and

(3) (2) guest rooms in the following minimum numbers: in first class cities, 50; in second class cities, 25; in all other cities and unincorporated areas, 10.

Sec. 7. Minnesota Statutes 1992, section 340A.301, subdivision 6, is amended to read:

Subd. 6. [FEES.] The annual fees for licenses under this section are as follows:

(a) Manufacturers (except as provided		
in clauses (b) and (c))	\$ 15,000	
Duplicates	\$ 3,000	
(b) Manufacturers of wines of not more	-	
than 25 percent alcohol by volume	\$ 500	
(c) Brewers other than those described		
in clause (d)	\$ 2,500	
(d) Brewers who also hold a retail on-sale		
license and who manufacture fewer than		
2,000 <u>3,500</u> barrels of malt liquor in a year,		
except as provided in subdivision 10,		
the entire production of which is solely	•	
for consumption on tap on the licensed		
premises	\$ 500	
(e) Wholesalers (except as provided in		
clauses (f), (g), and (h))	\$ 15,000	
Duplicates	\$ 3,000	
(f) Wholesalers of wines of not more		
than 25 percent alcohol by volume	\$ 2,000	
(g) Wholesalers of intoxicating		
malt liquor	\$ 600	
Duplicates	\$ 25	
(h) Wholesalers of 3.2 percent	•	
malt liquor	\$ 10	

If a business licensed under this section is destroyed, or damaged to the extent that it cannot be carried on, or if it ceases because of the death or illness of the licensee, the commissioner may refund the license fee for the balance of the license period to the licensee or to the licensee's estate.

# 5922

## Sec. 8. Minnesota Statutes 1992, section 340A.301, subdivision 7, is amended to read:

Subd. 7. [INTEREST IN OTHER BUSINESS.] (a) Except as provided in this subdivision, a holder of a license as a manufacturer, brewer, or wholesaler may not have any ownership, in whole or in part, in a business holding a retail intoxicating liquor or 3.2 percent malt liquor license. The commissioner may not issue a license under this section to a manufacturer, brewer, or wholesaler if a retailer of intoxicating liquor has a direct or indirect interest in the manufacturer, brewer, or wholesaler. A manufacturer or wholesaler of intoxicating liquor may use or have property rented for retail intoxicating liquor sales only if the manufacturer or wholesaler has owned the property continuously since November 1, 1933. A retailer of intoxicating liquor may not use or have property rented for the manufacture or wholesaling of intoxicating liquor.

(b) A licensed brewer of malt liquor described in subdivision 6, clause (d) may be issued an on-sale intoxicating liquor or 3.2 percent malt liquor license by a municipality for a restaurant operated in or immediately adjacent to the place of manufacture. <u>Malt liquor brewed by such a licensee may not be removed from the licensed premises unless</u> the malt liquor is entered in a tasting competition where none of the malt liquor so removed is sold.

(c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a may have any interest, in whole or in part, directly or indirectly, in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.

Sec. 9. Minnesota Statutes 1992, section 340A.301, is amended by adding a subdivision to read:

<u>Subd. 10.</u> [BREWERY-RESTAURANTS; PERMITS.] <u>A licensed brewer of malt liquor described in subdivision 6, clause (d), may apply to the commissioner for a permit to manufacture more than 3,500 barrels of malt liquor in a calendar year. The commissioner shall issue the permit if the commissioner determines that (1) the brewer will manufacture at least 3,500 barrels of malt liquor in that year, and (2) all malt liquor manufacture by the brewer will be consumed on the licensed premises only. The permit authorizes the permit holder to manufacture more than 3,500 barrels of malt liquor in the year in which the permit is issued, for consumption on the licensed premises only. A permit under this subdivision expires on December 31 of the year of issuance.</u>

Sec. 10. Minnesota Statutes 1992, section 340A.307, subdivision 4, is amended to read:

Subd. 4. [EXCEPTIONS.] Nothing in this section applies to:

(a) (1) wine or malt liquor of any alcohol content; or

(b) (2) intoxicating liquor which is:

(1) (i) further distilled, refined, rectified, or blended within the state; and

(2) (ii) bottled within the state and labeled with the importer's own labels after importation into the state; or

(3) any brand of intoxicating liquor which is offered for sale only in this state.

This exception does not include any brand of intoxicating liquor that varies from an existing brand sold in another state where the variation is only in age or proof of the product.

Sec. 11. Minnesota Statutes 1992, section 340A.308, is amended to read:

#### 340A.308 [PROHIBITED TRANSACTIONS.]

(a) No brewer or malt liquor wholesaler may directly or indirectly, or through an affiliate or subsidiary company, or through an officer, director, stockholder, or partner:

(1) give, or lend money, credit, or other thing of value to a retailer;

(2) give, lend, lease, or sell furnishing or equipment to a retailer;

(3) have an interest in a retail license; or

(4) be bound for the repayment of a loan to a retailer.

(b) <u>No retailer may solicit any equipment, fixture, supplies, money, or other thing of value from a brewer or malt liquor wholesaler if furnishing of these items by the brewer or wholesaler is prohibited by law and the retailer knew or had reason to know that the furnishing is prohibited by law.</u>

(c) This section does not prohibit a manufacturer or wholesaler from:

(1) furnishing, lending, or renting to a retailer outside signs, of a cost of up to \$400 excluding installation and repair costs;

(2) furnishing, lending, or renting to a retailer inside signs and other promotional material, of a cost of up to \$300 in a year;

(3) furnishing to or maintaining for a retailer equipment for dispensing malt liquor, including tap trailers, cold plates and other dispensing equipment, of a cost of up to \$100 per tap in a year;

(4) using or renting property owned continually since November 1, 1933, for the purpose of selling intoxicating or 3.2 percent malt liquor at retail; or

(5) extending customary commercial credit to a retailer in connection with a sale of nonalcoholic beverages only, or engaging in cooperative advertising agreements with a retailer in connection with the sale of nonalcoholic beverages only; or

(6) in the case of a wholesaler, with the prior written consent of the commissioner, selling beer on consignment to a holder of a temporary license under section 340A.403, subdivision 2, or 340A.404, subdivision 10.

Sec. 12. Minnesota Statutes 1992, section 340A.311, is amended to read:

#### 340A.311 [BRAND REGISTRATION.]

(a) A brand of intoxicating liquor or 3.2 percent malt liquor may not be manufactured, imported into, or sold in the state unless the brand label has been registered with and approved by the commissioner. A brand registration must be renewed every three years in order to remain in effect. The fee for an initial brand registration is \$30. The fee for brand registration renewal is \$20. The brand label of a brand of intoxicating liquor or 3.2 percent malt liquor for which the brand registration has expired, is conclusively deemed abandoned by the manufacturer or importer.

(b) In this section "brand" and "brand label" include trademarks and designs used in connection with labels.

(c) The label of any brand of wine or intoxicating or nonintoxicating malt <u>alcoholic</u> beverage may be registered only by the brand owner or authorized agent. No such brand may be imported into the state for sale without the consent of the brand owner or authorized agent. This section does not limit the provisions of section 340A.307.

(d) The commissioner shall refuse to register a malt liquor brand label, and shall revoke the registration of a malt liquor brand label already registered, if the brand label depicts an actual living or dead American Indian leader. This paragraph does not apply to a brand label registered for the first time in Minnesota before July 1, 1993.

Sec. 13. [340A.318] [REPORTS BY BREWERS.]

A brewer that manufactures 25,000 or fewer barrels of malt liquor in any year must report monthly to the commissioner, on a form the commissioner prescribes, on the total amount of malt liquor brewed in the previous month.

Sec. 14. [340A.32] [TRANSPORTATION OF ALCOHOLIC BEVERAGES.]

<u>Subdivision</u> 1. [PERMIT REQUIRED.] No person other than the holder of a valid retailer's identification card issued by the commissioner may transport distilled spirits or wine intended for resale to consumers without possessing a valid alcoholic beverage transporter's permit issued under this section.

<u>Subd. 2.</u> [ISSUANCE OF PERMIT.] (a) A person seeking a transporter's permit must submit an application, on a form the commissioner prescribes, that contains the applicant's name and address, and if a corporation, the names and addresses of the corporation's officers and such other information as the commissioner deems necessary.

(b) A permit under this section is valid for one year. The annual fee for the permit is \$20.

JOURNAL OF THE HOUSE

<u>Subd. 3.</u> [SUSPENSION; REVOCATION.] <u>The commissioner may revoke, or suspend for up to 60 days, a permit</u> under this subdivision, or impose on the permit holder a civil fine of not more than \$2,000 for each violation, on a finding that the permit holder has violated a provision of this chapter or a rule of the commissioner. A suspension or revocation is a contested case under the administrative procedure act.

Subd. 4. [PREMISES.] For purposes of inspection of premises of transporter permit holders under section 340A.907, "premises" includes any vehicle the transporter uses to transport distilled spirits or wine.

Sec. 15. Minnesota Statutes 1993 Supplement, section 340A.402, is amended to read:

340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

(1) a person not a citizen of the United States or a resident alien;

(2) a person under 21 years of age;

(3) (2) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested;

(4) (3) a person not of good moral character and repute; or

(5) (4) a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a felony or a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 16. Minnesota Statutes 1992, section 340A.404, subdivision 6, is amended to read:

Subd. 6. [COUNTIES.] (a) A county board may issue an annual on-sale intoxicating liquor license within the area of the county that is unorganized or unincorporated to a bowling center, restaurant, or club, or hotel with the approval of the commissioner.

(b) A county board may also with the approval of the commissioner issue up to ten seasonal on-sale licenses to restaurants and clubs for the sale of intoxicating liquor within the area of the county that is unorganized or unincorporated. Notwithstanding section 340A.412, subdivision 8, a seasonal license is valid for a period specified by the board, not to exceed nine months. Not more than one license may be issued for any one premises during any consecutive 12-month period.

Sec. 17. Minnesota Statutes 1992, section 340A.404, subdivision 10, is amended to read:

Subd. 10. [TEMPORARY ON-SALE LICENSES.] The governing body of a municipality may issue to a club or charitable, religious, or other nonprofit organization in existence for at least three years, or to a political committee registered under section 10A.14, a temporary license for the on-sale of intoxicating liquor in connection with a social event within the municipality sponsored by the licensee. The license may authorize the on-sale of intoxicating liquor for not more than three consecutive days, and may authorize on-sales on premises other than premises the licensee owns or permanently occupies. The license may provide that the licensee may contract for intoxicating liquor catering services with the holder of a full-year on-sale intoxicating liquor license issued by any municipality. The licenses are subject to the terms, including a license fee, imposed by the issuing municipality. Licenses issued under this subdivision are subject to all laws and ordinances governing the sale of intoxicating liquor except section 340A.409 and those laws and ordinances which by their nature are not applicable. Licenses under this subdivision are not valid unless first approved by the commissioner of public safety.

A county under this section may issue a temporary license only to a premises located in the unincorporated or unorganized territory of the county. Sec. 18. Minnesota Statutes 1992, section 340A.405, subdivision 1, is amended to read:

Subdivision 1. [CITIES.] (a) A city other than a city of the first class may issue with the approval of the commissioner, an off-sale intoxicating liquor license to an exclusive liquor store, or to a drugstore to which an off-sale license had been issued on May 1, 1994.

(b) A city of the first class may issue an off-sale license to an <u>exclusive liquor store</u>, a general food store to which an off-sale license had been issued on August 1, 1989, <u>or a drugstore to which an off-sale license had been issued on May 1, 1994</u>.

Sec. 19. Minnesota Statutes 1992, section 340A.405, subdivision 2, is amended to read:

Subd. 2. [COUNTIES.] (a) A county may issue an off-sale intoxicating license with the approval of the commissioner to exclusive liquor stores located within unorganized territory of the county.

(b) A county board of any county except Ramsey county containing a town exercising powers under section 368.01, subdivision 1, may issue an off-sale license to an exclusive liquor store within that town with the approval of the commissioner. No license may be issued under this paragraph unless the town board adopts a resolution supporting the issuance of the license.

(c) A county board of any county except Ramsey county containing a town that may not exercise powers under section 368.01, subdivision 1, may issue an off-sale license to an exclusive liquor store within that town, or a combination off-sale and on-sale license to restaurants a restaurant within that town with the approval of the commissioner pursuant to section 340A.404, subdivision 6. No license may be issued under this paragraph unless the town board adopts a resolution supporting the issuance of the license.

(d) No license may be issued under this subdivision unless a public hearing is held on the issuance of the license. Notice must be given to all interested parties and to any city located within three miles of the premises proposed to be licensed. At the hearing the county board shall consider testimony and exhibits presented by interested parties and may base its decision to issue or deny a license upon the nature of the business to be conducted and its impact upon any municipality, the character and reputation of the applicant, and the propriety of the location. Any hearing held under this paragraph is not subject to chapter 14.

(e) A county board may not issue a license under this subdivision to a person for an establishment located less than one mile by the most direct route from the boundary of any statutory or home rule city that had established a municipal liquor store before August 1, 1991, provided, that a county board may not issue a new license under this subdivision to a person for an establishment located less than three miles by the most direct route from the boundary of a city that (1) is located outside the metropolitan area as defined in section 473.121, subdivision 2, (2) has a population over 5,000 according to the most recent federal decennial census, and (3) had established a municipal liquor store before August 1, 1991.

(f) The town board may impose an additional license fee in an amount not to exceed 20 percent of the county license fee.

(g) Notwithstanding any provision of this subdivision or Laws 1973, chapter 566, as amended by Laws 1974, chapter 200, a county board may transfer or renew a license that was issued by a town board under Minnesota Statutes 1984, section 340.11, subdivision 10b, prior to January 1, 1985.

Sec. 20. Minnesota Statutes 1992, section 340A.405, subdivision 4, is amended to read:

Subd. 4. [TEMPORARY OFF-SALE LICENSES; WINE AUCTIONS.] (a) The governing body of a city or county may issue a temporary license for the off-sale of wine at an auction with the approval of the commissioner. A license issued under this subdivision authorizes the sale of only vintage wine of a brand and vintage that is not commonly being offered for sale by any wholesaler in Minnesota. The license may authorize the off-sale of wine for not more than three consecutive days provided not more than 600 cases of wine are sold at any auction. The licenses are subject to the terms, including license fee, imposed by the issuing city or county. Licenses issued under this subdivision are subject to all laws and ordinances governing the sale of intoxicating liquor except section 340A.409 and those laws and ordinances which by their nature are not applicable.

(b) As used in the subdivision, "vintage wine" means bottled wine which is at least five years old.

Sec. 21. Minnesota Statutes 1992, section 340A.410, is amended by adding a subdivision to read:

Subd. 10. [TEMPORARY LICENSES; RESTRICTION ON NUMBER.] <u>A municipality may not issue more than three</u> temporary licenses for the sale of alcoholic beverages to any one organization or registered political committee, or for any one location, within a 12-month period. This restriction applies to temporary licenses issued under sections 340A.403, subdivision 2, and 340A.404, subdivision 10.

Sec. 22. Minnesota Statutes 1992, section 340A.412, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS ON ISSUANCE OF LICENSES TO ONE PERSON OR PLACE.] (a) A municipality may not issue more than one off-sale intoxicating liquor license to any one person or for any one place.

(b) A municipality may not allow the same business name to be used by more than one of its off-sale intoxicating liquor licensees.

(c) For purposes of this subdivision, "person" means:

(1) a holder of an off-sale intoxicating liquor license;

(2) an officer, director, agent, or employee of a holder of an off-sale intoxicating liquor license; or

(3) an affiliate of a holder of an off-sale intoxicating liquor license, regardless of whether the affiliation is corporate or by management, direction, or control.

Sec. 23. Minnesota Statutes 1993 Supplement, section 340A.415, is amended to read:

340A.415 [LICENSE REVOCATION OR SUSPENSION; CIVIL PENALTY.]

The authority issuing any retail license or permit under this chapter or the commissioner shall either suspend for up to 60 days or revoke the license or permit or impose a civil penalty not to exceed \$2,000 for each violation. On a finding that the license or permit holder has (1) sold alcoholic beverages to another retail licensee for the purpose of resale, (2) purchased alcoholic beverages from another retail licensee for the purpose of resale, (3) conducted or permitted the conduct of gambling on the licensed premises in violation of the law, (4) failed to remove or dispose of alcoholic beverages when ordered by the commissioner to do so under section 340A.508, subdivision 3, or (5) failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages, the <u>commissioner or the authority issuing a retail license or permit under this chapter may revoke the license or permit, suspend the license or permit for up to 60 days, impose a civil penalty of up to \$2,000 for each violation, or impose any combination of these sanctions. No suspension or revocation takes effect until the license or permit holder has been given an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearings. Imposition of a penalty or suspension by either the issuing authority or the commissioner does not preclude imposition of an additional penalty or suspension by the other so long as the total penalty or suspension does not exceed the stated maximum.</u>

Sec. 24. Minnesota Statutes 1992, section 340A.416, subdivision 3, is amended to read:

Subd. 3. [EFFECT OF ELECTION RESULTS.] If a majority of persons voting on the referendum question the vote "against license," the city may not issue intoxicating liquor licenses until the results of the referendum have been reversed at a subsequent election where the question has been submitted as provided in this section.

## Sec. 25. [340A.417] [WINE TASTINGS.]

Subdivision 1. [DEFINITION.] For purposes of this section, a "wine tasting" is an event of not more than four hours' duration at which persons pay a fee or donation to participate, and are allowed to consume wine by the glass without paying a separate charge for each glass.

Subd. 2. [TASTINGS AUTHORIZED.] (a) <u>A charitable, religious, or other nonprofit organization may conduct a</u> wine tasting on premises the organization owns or leases or has use donated to it, or on the licensed premises of a holder of an on-sale intoxicating liquor license that is not a temporary license, if the organization holds a temporary on-sale intoxicating liquor license under section 340A.404, subdivision 10, and complies with this section. An organization holding a temporary license may be assisted in conducting the wine tasting by another nonprofit organization. (b) An organization that conducts a wine tasting under this section may use the net proceeds from the wine tasting only for (1) the organization's primary nonprofit purpose, or (2) donation to another nonprofit organization assisting in the wine tasting, if the other nonprofit organization uses the donation only for that organization's primary nonprofit purpose.

(c) No wine at a wine tasting under this section may be sold, or orders taken, for off-premise consumption.

(d) Notwithstanding any other law, an organization may purchase or otherwise obtain wine for a wine tasting conducted under this section from a wholesaler licensed to sell wine, and the wholesaler may sell or give wine to an organization for a wine tasting conducted under this section and may provide personnel to assist in the wine tasting. A wholesaler who sells or gives wine to an organization for a wine tasting under this section must deliver the wine directly to the location where the wine tasting is conducted.

Sec. 26. Minnesota Statutes 1992, section 340A.505, is amended to read:

340A.505 [LICENSEE MAY NOT SELL FOR RESALE.]

A retail licensee may not sell alcoholic beverages to any person for the purpose of resale or to any person whom the licensee has reason to believe intends to resell the alcoholic beverage without written approval of the commissioner. Notwithstanding this section, an off-sale retailer of intoxicating liquor may sell for resale up to five quarts of intoxicating liquor in any day to an on-sale retailer of intoxicating liquor.

Sec. 27. [340A.5071] [COUPONS PROHIBITED.]

<u>A retailer of alcoholic beverages may not accept as full or partial payment for any product any coupons that are redeemed directly or indirectly from a manufacturer or wholesaler of alcoholic beverages.</u>

Sec. 28. Minnesota Statutes 1992, section 340A.907, is amended to read:

340A.907 [INSPECTION.]

The commissioner of public safety or any duly authorized employee may, at all reasonable hours, enter in and upon the premises of any licensee or permit holder under this chapter to inspect the premises and examine the books, papers, and records of a manufacturer, wholesaler, importer, or retailer for the purpose of determining whether the provisions of this chapter are being complied with. If the commissioner or any duly authorized employee is denied free access or is hindered or interfered with in making an inspection or examination, the licensee or permit holder is subject to revocation pursuant to section 340A.304 in the case of a wholesaler, manufacturer, or importer, and section 340A.415 in the case of a retailer. For a holder of a temporary license under section 340A.403, subdivision 2, or 340A.404, subdivision 10, the commissioner's authority under this section extends for two years beyond the expiration of the temporary license or the permit.

Sec. 29. [ST. LOUIS COUNTY; OFF-SALE LICENSE.]

Notwithstanding Minnesota Statutes, section 340A.405, subdivision 2, paragraph (c), the St. Louis county board may issue one off-sale intoxicating liquor license to a premises located in Embarrass township.

Sec. 30. [ST. PAUL; LICENSE AUTHORIZED.]

Notwithstanding any state or local law or charter provision, the city of St. Paul may issue an on-sale license to the College of St. Catherine catering service for the sale of wine and 3.2 percent malt liquor at O'Shaughnessy auditorium and St. Joseph's hall on the campus of the College of St. Catherine. The license may only authorize the licensee to dispense wine and 3.2 percent malt liquor to persons attending social events or performances at O'Shaughnessy auditorium or St. Joseph's hall. The license authorized by this section is in addition to any other licenses authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized by this section.

Sec. 31. [EDEN PRAIRIE; ON-SALE LICENSES.]

The Eden Prairie city council may issue eight on-sale intoxicating liquor licenses in addition to the number authorized by Minnesota Statutes, section 340A.413. The licenses are subject to all other provisions of chapter 340A.

# Sec. 32. [EAGAN; LICENSES AUTHORIZED.]

The city of Eagan may issue three on-sale intoxicating liquor licenses in addition to the number authorized by Minnesota Statutes, section 340A.413. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the licenses authorized by this section.

## Sec. 33. [CLAY COUNTY; OFF-SALE LICENSE.]

Notwithstanding any state or local law or charter provision, the Clay county board may issue one off-sale intoxicating liquor license to a premises located in Elkton township. The license is subject to all other provisions of chapter 340A.

### Sec. 34. [BURNSVILLE; ADDITIONAL LICENSES.]

The city of Burnsville may issue up to three on-sale intoxicating liquor licenses in addition to the number authorized by law. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the licenses authorized by this section.

#### Sec. 35. [EFFECTIVE DATE.]

Sections 7, 9, and 25 are effective the day following final enactment. Section 29 is effective on approval by the St. Louis county board and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 30 is effective on approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 31 is effective on approval by the Eden Prairie city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 32 is effective on approval by the Eagan city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 33 is effective on approval by the Clay county board and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 33 is effective on approval by the Clay county board and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 34 is effective on approval by the Burnsville city council and compliance with Minnesota Statutes, section 645.021, subdivision 3.

#### Delete the title and insert:

"A bill for an act relating to alcoholic beverages; defining terms; regulating agreements between brewers and wholesalers; providing for amounts of malt liquor that may be brewed in a brewery-restaurant; providing exemption from law regulating nondiscrimination in liquor wholesaling; prohibiting certain solicitations by wholesalers; allowing only owner of a brand of distilled spirits to register that brand; denying registration to certain brand labels; requiring reports by certain brewers; requiring permits for transporters of distilled spirits and wine; removing requirements that retail licensees be citizens or resident aliens; allowing counties to issue on-sale licenses to hotels; allowing political committees to obtain temporary on-sale licenses; restricting issuance of off-sale licenses to drugstores; allowing counties to issue exclusive liquor store licenses in certain towns; allowing counties to issue wine auction licenses; restricting issuance of temporary on-sale licenses to one organization or for one location; imposing new restrictions on issuance of more than one off-sale license to any person in a municipality; regulating wine tastings; allowing on-sales of intoxicating liquor after 8 p.m. on Christmas eve; allowing certain sales by off-sale retailers to on-sale retailers' restricting use of coupons by retailers, wholesalers, and manufacturers; providing for inspection of premises of temporary on-sale licensees; authorizing issuance of licenses by certain cities and counties; amending Minnesota Statutes 1992, sections 325B.02; 325B.04; 325B.05; 325B.12; 340A.101, subdivision 13; 340A.301, subdivisions 6, 7, and by adding a subdivision; 340A.307, subdivision 4; 340A.308; 340A.311; 340A.404, subdivisions 6 and 10; 340A.405, subdivisions 1, 2, and 4; 340A.410, by adding a subdivision; 340A.412, subdivision 3; 340A.416, subdivision 3; 340A.505; and 340A.907; Minnesota Statutes 1993 Supplement, sections 340A.402; and 340A.415; proposing coding for new law in Minnesota Statutes, chapters 325B; and 340A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2644, A bill for an act relating to companion animals; establishing a low-cost spaying and neutering program; imposing a tax on wholesale sales of dog and cat food; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 346; proposing coding for new law as Minnesota Statutes, chapter 297E.

Reported the same back with the following amendments:

Page 1, delete lines 9 and 10 and insert:

"Section 1. [346.58] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 and 2.

Subd. 2. [ANIMAL.] "Animal" means a dog, wholly or in part of the species Canis familiaris, or a cat, wholly or in part of the species Felis domesticus.

Subd. 3. [BREEDER.] "Breeder" means a person, firm, partnership, corporation, or association that:

(1) breeds animals for direct or indirect sale to the public and sells or gives away more than 24 puppies or kittens per year; or

(2) sells animals to brokers or pet dealers.

Subd. <u>4.</u> [BROKER.] <u>"Broker" means a person, firm, partnership, corporation, or association that purchases or breeds animals for resale to other brokers or pet dealers.</u>

Subd. 5. [CONFINEMENT AREA.] "Confinement area" means a structure used or designed for use to restrict an animal to a limited amount of space, such as a room, pen, cage, kennel, compartment, or hutch.

Subd. 6. [HOUSING FACILITY.] "Housing facility" means a room, building, or area that contains a confinement area.

Subd. 7. [PET DEALER.] "Pet dealer" means a person, firm, partnership, corporation, or association, that sells animals to the public. "Pet dealer" does not include a humane society, a nonprofit organization performing the functions of a humane society, an animal control agency, a pet broker, or a person, firm, partnership, corporation, or association that breeds animals for direct sale to the public and sells or gives away fewer than 25 puppies or kittens per year.

Subd. 8. [VETERINARIAN.] "Veterinarian" means a doctor of veterinary medicine, licensed to practice in the state of Minnesota, who does not have a financial interest in the firm, partnership, corporation, or the transaction or sale of animals for which the examination of the animals is being performed.

Sec. 2. [346.59] [STANDARDS.]

Subdivision 1. [APPLICABILITY.] This section applies to breeders, brokers, and pet dealers. Breeders, brokers, and pet dealers do not need to comply with section 346.39.

Subd. 2. [FOOD.] Animals must be provided with food which meets or exceeds National Research Council standards for nutrients and balance and American Association of Feed Company Officials, Inc., standards of processing of sufficient quantity and quality to allow for normal growth or maintenance of body weight. Animals must be provided wholesome food suitable for the species served in a clean receptacle, dish, or container, at a frequency and amount appropriate for the species and age. Animals over the age of 20 weeks must be offered food at least once every 12 hours.

Subd. 3. [WATER.] Animals must be provided access to clean, fresh, potable water provided in a sanitary manner at least once every 12 hours or in sufficient quantity to satisfy the animals' needs or supplied by free choice. Snow or ice is not an adequate water source.

Subd. 4. [SHELTER.] A shelter that protects the animal from inclement weather, wind, and direct rays of the sun must be supplied for each animal. If an animal is maintained in an outdoor confinement area, that space must contain a shelter that complies with section 343.40. If an animal is maintained in a confinement area within a housing facility used primarily to house animals, the confinement area must provide sufficient space to allow each animal to turn around freely and to easily stand, sit, and lie in a normal position. Each confined animal must be provided a minimum square footage of floor space as measured from the tip of its nose to the base of its tail, plus 25 percent, expressed in square feet. The formula for computing minimum square footage is: (length of animal in inches plus 25 percent) divided by 144.

Subd. 5. [CONFINEMENT AND EXERCISE AREA SURFACES.] The interior surfaces of all indoor confinement and exercise areas, including crates or containers, must be constructed and maintained so that they are impermeable and may be readily cleaned. Confinement area flooring must be constructed of nonabrasive wire of ten gauge or larger or smooth, durable, impermeable material suitable for animals. Sufficient space or barrier must be provided between confinement areas to ensure that no liquid or solid waste, water, or food passes from one confinement area to the other. Confinement areas must be ventilated sufficiently to allow for the free movement of air in and around the confinement area. Confinement areas must protect the animal from injury and be kept in good repair. All outdoor confinement area flooring must be impermeable material or well drained aggregate. Each animal must be provided with a raised solid resting surface of appropriate size to allow the animal to lie down comfortably.

Subd. 6. [EXERCISE.] All animals must be provided the opportunity for exercise at least twice per day. An indoor or outdoor exercise area of at least 72 square feet must be provided for each animal. If more than three animals use an area simultaneously, space must be increased to allow sufficient room for each animal to exercise freely. A shaded area must be provided sufficient to protect the animal from the direct rays of the sun at all times during the months of May to October.

Subd. 7. [GROUP HOUSING AND BREEDING.] <u>Animals housed together must be kept in compatible groups.</u> Animals must not be bred so as to endanger their health. Health is endangered if a female is bred more than three times in two years. A female animal younger than 18 months may not be bred. A female animal over eight years old may not be bred unless individually authorized in writing by a veterinarian.

<u>Subd. 8.</u> [TEMPERATURE.] Indoor housing facilities for animals must be maintained at an ambient temperature of not less than 50 degrees Fahrenheit at floor level. Heating and cooling units must be of a type and installation approved by applicable building or safety codes. Infrared heating devices may not be used as a primary heating source.

Subd. 9. [VENTILATION.] Housing facilities must be ventilated. Auxiliary ventilation, such as exhaust fans, vents, air conditioning, or a combination of them, must be used when the ambient temperature exceeds 85 degrees Fahrenheit at floor level. Facilities used primarily to house animals must be equipped with an air exchange or air purification system that fully exchanges or purifies the air at least four times per hour. This system must be of a type and installation approved by applicable building or safety codes.

<u>Subd. 10.</u> [LIGHTING.] <u>Housing facilities must have at least eight hours of illumination at a minimum of 25 foot</u> candles 30 inches above floor level. <u>Ample lighting, by natural or artificial means must be uniformly distributed</u>. <u>The lighting must be provided in a regular diurnal cycle</u>. <u>Confinement areas must be placed to avoid exposure of</u> <u>animals to excessive light</u>.

Subd. 11. [DRAINAGE.] <u>A suitable method must be used to eliminate excess fluids from confinement areas.</u> All feces must be removed and disposed of daily. All waste drainage and waste material must be disposed of using a method prescribed by applicable building or health codes.

Subd. 12. [SANITATION.] Food and water receptacles must be accessible to each animal and located so as to prevent contamination by excreta. Opened food bags must be stored in plastic or metal cans with tight fitting lids. Feeding and water receptacles must be kept clean and free of contaminants. Disposable foods receptacles must be discarded when soiled.

<u>Confinement areas must be thoroughly cleaned daily and impervious surfaces treated with disinfectant at least once</u> per week. Animals must be removed from an area while the area is being treated with disinfectant and animals must not be returned to that area until the area is dry.

<u>Animals with infectious or contagious diseases must be isolated from healthy animals.</u> <u>Caretakers must disinfect</u> their hands and shoes after handling animals with infectious or contagious diseases. A sink must be furnished and must be provided with hot and cold running water.

Bedding, if used, must be kept clean and dry. Outdoor confinement and exercise areas must be kept clean and base material replaced as necessary.

Each cat confinement area must be provided with a container for elimination. This container must be constructed so it is impervious to moisture and may be readily cleaned. The container must contain absorbent material suitable for use by cats. The container must be cleaned daily and absorbent material removed and replaced at least once per week. <u>Subd. 13.</u> [FEMALES AND LITTERS.] <u>Females and litters must be provided a separate confinement area of a size that complies with this section. Healthy litters must remain with their mother at least five weeks, unless rejected or endangered by their mother or the mother's health is endangered by its litter. No animal may be sold or given away before the age of eight weeks.</u>

The ambient temperature of the confinement area must be maintained at a minimum of 70 degrees Fahrenheit at floor level and a maximum of 90 degrees Fahrenheit for animals under seven weeks of age unless authorized in writing by a veterinarian. The litter must be provided fresh, clean water at all times and fresh food in amounts and at frequency appropriate for age and species.

Litters must be provided socialization and exercise. Socialization must include physical contact with other animals of like species and human beings.

No pet dealer who is not the breeder of the animal may be in possession of an animal that is under the age of eight weeks.

Subd. 14. [TRANSPORTATION AND SHIPMENT.] An animal may not be delivered or held for transport in commerce more than four hours before the scheduled departure time of the primary conveyance on which the animal is to be transported. No animal may be shipped on consignment. Shippers must provide the carriers or intermediate handlers with the name, address, and telephone number of the receiver, shipper's name, address, telephone number, tag or tattoo number of the animals, and time and date the animal was last fed and watered. All shippers must securely attach to the outside of the shipping container written instructions for the in-transit food and water requirements.

No one may transport or cause to be transported into, out of, or within the state for purposes of resale any animal under eight weeks of age.

If animals are transported in containers, the containers must be constructed of nonabrasive wire or a smooth, durable material suitable for animals. Floors must be smooth, impermeable material with grating of smooth wire of ten gauge or larger. Containers must be provided with barriers so as to ensure that no liquid or solid waste, water, or food passes from one confinement area to another. Containers must be clean, adequately ventilated, contain sufficient space to allow the animals to stand up, lie down, and turn around and provide maximum safety and protection to the animals. If more than a single animal is transported in one container, each animal must be provided sufficient space to stand up, lie down, and turn around.

<u>Animals must be maintained in compatible groups.</u> No more than two animals may be transported in the same container. Female animals in estrus may not be transported in the same container with any male.

Food and water receptacles must be securely attached inside the container and placed so that the receptacle can be filled from outside the container without opening the door. Animals over the age of 20 weeks must be offered food at least once every 24 hours. Animals under the age of 20 weeks must be offered food at least once every 12 hours. Each animal must be offered clean, fresh, potable water, provided in a sanitary manner, at least once every eight hours.

Exercise must be provided at least once every eight hours, or at suitable intervals in relation to food and water consumption.

<u>Subd. 15.</u> [FIRE SAFETY.] <u>Smoke detectors must be installed in a housing facility at a frequency prescribed by applicable fire code.</u> Fire extinguishers containing substances nontoxic to animals must be readily available.

<u>Subd. 16.</u> [PENALTIES.] <u>A violation of this section is a misdemeanor.</u> Each violation with each animal is a <u>separate misdemeanor</u>. No penalty shall be imposed under this subdivision unless the offender was notified in writing of the violation and the violation continued to exist ten days after the notification.

Subd. 17. [ENFORCEMENT.] The enforcement provisions in chapter 343 also apply to sections 1 and 2."

Page 1, line 11, delete "Section 1." and insert "Sec. 3."

Page 3, after line 4, insert:

"Sec. 4. [APPROPRIATION.]

<u>\$...... is appropriated from the general fund to the board of animal health to operate and administer the spaying and neutering program provided by section 3. The appropriation is available until expended.</u>"

Page 3, line 5, delete "2" and insert "5"

Page 3, line 6, delete the first "1" and insert "3"

Page 3, after line 6, insert:

"Sec. 6. [EFFECTIVE DATE.]

Sections 1 and 2 are effective 180 days following final enactment."

Page 3, delete lines 7 and 8

Pages 3 to 9, delete sections 1 to 11

Delete the title and insert:

"A bill for an act relating to companion animals; establishing a low-cost spaying and neutering program; establishing certain standards of care for dogs and cats; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 346."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2658, A bill for an act relating to retirement; waiving the annuity reduction for certain faculty in the state university system who return to teaching part-time after retirement; mandating employer-paid health insurance for these faculty; proposing coding for new law in Minnesota Statutes, chapters 136 and 354.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [136.90] [EMPLOYER-PAID HEALTH INSURANCE.]

(a) This section applies to a person who:

(1) retires from the state university system or the community college system with at least ten years of service credit in the system from which the person retires;

(2) was employed on a full-time basis immediately preceding retirement;

(3) begins drawing an annuity from the teachers retirement association; and

(4) returns to work on not less than a one-third time basis and not more than a two-thirds time basis in the system from which the person retired under an agreement in which the person may not earn a salary of more than \$35,000 in a calendar year from employment in the system from which the person retired.

(b) Initial participation, the amount of time worked, and the duration of participation under this section must be mutually agreed upon by the employer and the employee. The employer may require up to one-year notice of intent to participate in the program as a condition of participation under this section. The employer shall determine the time of year the employee shall work.

(c) For a person eligible under paragraphs (a) and (b), the employing board must make the same employer contribution for hospital, medical, and dental benefits as would be made if the person were employed full-time.

(d) For work under paragraph (a), a person shall receive that percentage of the person's salary at the time of retirement that is equal to the percentage of time the person works compared to full-time work.

(e) If a collective bargaining agreement covering a person provides for an early retirement incentive that is based on age, the incentive provided to the person must be based on the person's age at the time employment under this section ends. However, the salary used to determine the amount of the incentive must be the person's salary during the last year of full-time employment.

Sec. 2. [354.445] [NO ANNUITY REDUCTION.]

(a) The annuity reduction provisions of section 354.44, subdivision 5, do not apply to a person who:

(1) retires from the state university system or the community college system with at least ten years of service credit in the system from which the person retires;

(2) was employed on a full-time basis immediately preceding retirement;

(3) begins drawing an annuity from the teachers retirement association; and

(4) returns to work on not less than a one-third time basis and not more than a two-thirds time basis in the system from which the person retired under an agreement in which the person may not earn a salary of more than \$35,000 in a calendar year from employment in the system from which the person retired.

(b) Initial participation, the amount of time worked, and the duration of participation under this section must be mutually agreed upon by the employer and the employee. The employer may require up to one-year notice of intent to participate in the program as a condition of participation under this section. The employer shall determine the time of year the employee shall work.

(c) Notwithstanding any law to the contrary, a person eligible under paragraphs (a) and (b) shall not earn further service credit in the teachers retirement association, and is not eligible to participate in the individual retirement account plan or the supplemental retirement plan established in chapter 354B as a result of service under this section. No employer or employee contribution to any of these plans shall be made on behalf of such a person."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2672, A bill for an act relating to elections; eliminating combined precincts but authorizing a combined polling place under the same conditions; adding three years to the time precinct boundaries may be changed; requiring separate precincts for each congressional district; limiting precinct boundary changes close to an election; amending Minnesota Statutes 1992, sections 204B.14, subdivisions 2 and 3; 204B.22, subdivision 1; and 205A.11; Minnesota Statutes 1993 Supplement, section 204B.14, subdivisions 4 and 5; repealing Minnesota Statutes 1992, sections 204B.16, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2920, A bill for an act relating to the environment; reestablishing the office of waste management as the office of environmental assistance; transferring environmental assistance programs from the pollution control agency to the office; transferring waste management and policy planning from the metropolitan council to the office; amending Minnesota Statutes 1992, sections 115A.03, by adding a subdivision; 115A.055; 115A.06, subdivision 2; 115A.072; 115A.12; 115A.14, subdivision 4; 115A.15, subdivision 5; 115A.411, subdivision 1; 115A.42; 115A.5501,

subdivision 2; 115A.84, subdivision 3; 115A.86, subdivision 2; 115A.912, subdivision 1; 115A.96, subdivision 2; 116.96, subdivision 4; 116.97, subdivision 1; 116F.02, subdivision 2; 473.149, subdivisions 1, 3, 5, and by adding a subdivision; 473.801; 473.803, subdivisions 2 and 4; and 473.823, subdivision 5; Minnesota Statutes 1993 Supplement, sections 115A.551, subdivision 4; 115A.96, subdivisions 3 and 4; 115A.981, subdivision 3; 473.149, subdivision 6; 473.803, subdivision 3; and 473.846; repealing Minnesota Statutes 1992, sections 115A.81, subdivision 3; 115A.914, subdivision 1; 115A.952; 116.96, subdivision 2; 3, 4, and 5; 116F.08; 473.181, subdivision 4; and 473.803, subdivision 1b; Minnesota Statutes 1993 Supplement, section 473.149, subdivision 4.

Reported the same back with the following amendments:

Page 3, delete lines 27 and 28

Page 3, line 29, delete "(5)" and insert "(4)"

Page 4, line 1, delete "(6)" and insert "(5)"

Page 4, after line 11, insert:

"Subd. 4. [EMPLOYEE TRANSFERS.] Employees of the metropolitan council currently performing the duties under Minnesota Statutes, sections 473.149, 473.151, and 473.801 to 473.849 shall be given the option of filling positions to perform these duties at the office of environmental assistance. Employees so transferred shall not suffer a reduction in salary as a result of the transfer to state employment. For job seniority and benefit calculation purposes, the date of first employment with the state is the date on which services were first performed by the employee for the metropolitan council. Any sick leave, vacation time, or severance pay benefits accumulated by the affected employees under the policies of the metropolitan council shall carry over to state service. Employees of the metropolitan council who are transferred to the office of environmental assistance shall be offered an open enrollment in all insurance plans available to state employees with no limit on preexisting conditions."

Page 4, line 14, delete "116.96, subdivision 2;"

Pages 14 and 15, delete sections 18 and 19

Page 24, delete lines 19 to 21

Renumber the remaining clauses in sequence

Page 24, line 24, delete everything after the second semicolon

Page 24, line 25, delete everything before "<u>116F.05</u>"

Page 25, line 36, delete "21 to 31" and insert "19 to 29"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 14, delete everything after the first semicolon

Page 1, line 15, delete "subdivision 1;"

Page 1, line 24, delete "116.96, subdivision 2;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2953, A bill for an act relating to local government; authorizing the park and recreation board of the city of Minneapolis to transfer conveyed land to the Minnesota department of transportation.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2980, A bill for an act relating to commerce; directing the commissioner of commerce to conduct a study of the Minnesota pawnbroker industry.

Reported the same back with the following amendments:

Page 1, lines 19 and 21, after "interest" insert "or fee"

Page 1, line 22, after "interest" insert "or fee"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 3004, A bill for an act relating to elections; providing for simulated elections for minors; proposing coding for new law in Minnesota Statutes, chapter 204B.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3051, A bill for an act relating to local government in Pine county; providing for creation of sewer district and a sanitary sewer board to administer the district; providing for collection, treatment, and disposal of sewage in the Cross Lake area.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CROSS LAKE AREA WATER AND SEWER: POWERS TO TAX AND LEVY.]

The Cross Lake area water and sanitary sewer board, in order to implement the powers granted under this act to establish, maintain, and administer the Cross Lake area water and sanitary sewer district, may issue obligations and levy special assessments against benefited property within the limits of the district benefited by facilities constructed pursuant to this act in the manner provided for local governments by Minnesota Statutes, chapter 429.

Sec. 2. [SYSTEM EXPANSION; APPLICATION TO CITIES.]

In the Cross Lake area water and sanitary sewer district, the authority of the water and sanitary sewer board to establish water or sewer or combined water and sewer systems pursuant to this act shall extend to areas of the district organized into cities when requested by resolution of the governing body of the affected city or when ordered by the Minnesota pollution control agency after notice and hearing. For the purpose of any petition filed or special assessment levied with respect to any system, the entire area to be served within a city must be treated as if it were owned by a single person, and the governing body shall exercise all the rights and be subject to all the duties of an owner of the area, and shall have power to provide for the payment of all special assessments and other charges imposed upon the area with respect to the system by the appropriation of money, the collection of service charges, or the levy of taxes, which shall be subject to no limitation of rate or amount.

Sec. 3. [DEFINITIONS.]

Subdivision 1. For the purposes of sections 3 to 19, the terms defined in this section have the meanings given them.

Subd. 2. "Cross Lake area water and sanitary sewer district" and "district" mean the area over which the Cross Lake area water and sanitary sewer board has jurisdiction, including the towns of Pokegama and Chengwatana and Pine City in Pine county, but only that part within 1,000 feet of the high waterline of Cross Lake in those townships.

Subd. 3. "Water and Sanitary sewer board" or "board" means the Cross Lake area water and sanitary sewer board established for the district as provided in subdivision 2.

Subd. 4. "Person" means an individual, partnership, corporation, limited liability company, cooperative, or other organization or entity, public or private.

Subd. 5. "Local governmental unit" or "governmental unit" means the towns of Pokegama, Chengwatana, and Pine City.

Subd. 6. "Acquisition" and "betterment" have the meanings given them in Minnesota Statutes, chapter 475.

Subd. 7. "Agency" means the Minnesota pollution control agency created and established by Minnesota Statutes, chapter 116.

Subd. 8. "Sewage" means all liquid or water-carried waste products from whatever sources derived, together with any groundwater infiltration and surface water as may be present.

Subd. 9. "Pollution of water" and "sewer system" have the meanings given them in Minnesota Statutes, section 115.01.

Subd. 10. "Treatment works" and "disposal system" have the meanings given them in Minnesota Statutes, section 115.01.

Subd. <u>11.</u> "Interceptor" means a sewer and its necessary appurtenances, including but not limited to mains, pumping stations, and sewage flow-regulating and -measuring stations, that is:

(1) designed for or used to conduct sewage originating in more than one local governmental unit;

(2) designed or used to conduct all or substantially all the sewage originating in a single local governmental unit from a point of collection in that unit to an interceptor or treatment works outside that unit; or

(3) determined by the board to be a major collector of sewage used or designed to serve a substantial area in the district.

Subd. 12. "District disposal system" means any and all interceptors or treatment works owned, constructed, or operated by the board unless designated by the board as local water and sanitary sewer facilities.

Subd. 13. "Municipality" means any home rule charter or statutory city or town.

Subd. 14. "Total costs of acquisition and betterment" and "costs of acquisition and betterment" mean all acquisition and betterment expenses permitted to be financed out of stopped bond proceeds issued in accordance with section 13, whether or not the expenses are in fact financed out of the bond proceeds.

Subd. 15. "Current costs of acquisition, betterment, and debt service" means interest and principal estimated to be due during the budget year on bonds issued to finance said acquisition and betterment and all other costs of acquisition and betterment estimated to be paid during the year from funds other than bond proceeds and federal or state grants.

Subd. 16. [RESIDENT.] "Resident" means the owner of a dwelling located in the district and receiving water or sewer service.

Sec. 4. [WATER AND SANITARY SEWER BOARD.]

<u>Subdivision 1.</u> [ESTABLISHMENT.] <u>A water and sewer district is established for the towns of Pokegama,</u> <u>Chengwatana, and Pine City in Pine county, to be known as the Cross Lake area water and sanitary sewer district.</u> <u>The water and sewer district is under the control and management of the Cross Lake area water and sanitary sewer</u> <u>board.</u> The board is established as a public corporation and political subdivision of the state with perpetual succession and all the rights, powers, privileges, immunities, and duties that may be validly granted to or imposed upon a <u>municipal corporation, as provided in this act.</u>

Subd. 2. [MEMBERS AND SELECTION.] The board is composed of seven members selected as follows: the town boards of the governmental units each shall meet to appoint two members of the water and sanitary sewer board and each board member has one vote. One member must be selected by the city of Pine City. The first terms must be as follows: two for one year, two for two years, and three for three years, fixed by lot at the district's first meeting. Thereafter, all terms are for three years.

<u>Subd.</u> 3. [TIME LIMITS FOR SELECTION.] <u>The board members must be selected as provided in subdivision 2</u> within 60 days after this act becomes effective. The successor to each board member must be selected at any time within 60 days before the expiration of the member's term in the same manner as the predecessor was selected. A vacancy on the board must be filled within 60 days after it occurs.

<u>Subd. 4.</u> [VACANCIES.] If the office of a board member becomes vacant, the vacancy must be filled for the unexpired term in like manner as provided for selection of the member who vacated the office. The office is deemed vacant under the conditions specified in Minnesota Statutes, section 351.02.

<u>Subd. 5.</u> [REMOVAL.] <u>A board member may be removed by the unanimous vote of the governing body appointing the member, with or without cause, or for malfeasance or nonfeasance in the performance of official duties as provided by Minnesota Statutes, sections 351.14 to 351.23.</u>

<u>Subd. 6.</u> [QUALIFICATIONS.] <u>One board member representing a town must be a resident of the district and the other member representing that town must be a resident of the township, and each may, but need not be, an elected public official.</u>

<u>Subd. 7.</u> [CERTIFICATES OF SELECTION; OATH OF OFFICE.] <u>A certificate of selection of every board member</u> selected under subdivision 2 stating the term for which selected, must be made by the respective town clerks. The certificates, with the approval appended by other authority, if required, must be filed with the secretary of state. Counterparts thereof must be furnished to the board member and the secretary of the board. Each member shall qualify by taking and subscribing the oath of office prescribed by the Minnesota Constitution, article 5, section 8. The oath, duly certified by the official administering the same, must be filed with the secretary of state and the secretary of the board.

<u>Subd. 8.</u> [BOARD MEMBERS' COMPENSATION.] <u>Each board member, except the chair, must be paid a per diem</u> <u>compensation of \$35 for meetings and for other services as are specifically authorized by the board, not to exceed</u> <u>\$1,000 in any one year. The chair must be paid a per diem compensation of \$45 for meetings and for other services</u> <u>specifically authorized by the board, not to exceed \$1,500 in any one year. All members of the board must be</u> <u>reimbursed for all reasonable and necessary expenses actually incurred in the performance of duties.</u>

Sec. 5. [GENERAL PROVISIONS FOR ORGANIZATION AND OPERATION OF BOARD.]

<u>Subdivision 1.</u> [ORGANIZATION; OFFICERS; MEETINGS; SEAL.] <u>After the selection and qualification of all board</u> members, they shall meet to organize the board at the call of any two board members, upon seven days' notice by registered mail to the remaining board members, at a time and place within the district specified in the notice. A majority of the members shall constitute a quorum at that meeting and all other meetings of the board, but a lesser number may meet and adjourn from time to time and compel the attendance of absent members. At the first meeting the board shall select its officers and conduct other organizational business as may be necessary. Thereafter the board shall meet regularly at the time and place as the board shall by resolution designate. Special meetings may be held at any time upon call of the chair or any two members, upon written notice sent by mail to each member at least three days before the meeting, or upon other notice as the board by resolution may provide, or without notice if each member is present or files with the secretary a written consent to the meeting either before or after the meeting. Except as otherwise provided in this act, any action within the authority of the board may be taken by the affirmative vote of a majority of the board and may be taken by regular or adjourned regular meeting or at a duly held special meeting, but in any case only if a quorum is present. Meetings of the board must be open to the public. The board may adopt a seal, which must be officially and judicially noticed, to authenticate instruments executed by its authority, but omission of the seal does not affect the validity of any instrument.

Subd. 2. [CHAIR.] The board shall elect a chair from its membership. The term of the first chair of the board shall expire on January 1, 1996, and the terms of successor chairs expire on January 1 of each succeeding year. The chair shall preside at all meetings of the board, if present, and shall perform all other duties and functions usually incumbent upon such an officer, and all administrative functions assigned to the chair by the board. The board shall elect a vice-chair from its membership to act for the chair during temporary absence or disability.

<u>Subd. 3.</u> [SECRETARY AND TREASURER.] The board shall select a person or persons who may, but need not be, a member or members of the board, to act as its secretary and treasurer. The secretary and treasurer shall hold office at the pleasure of the board, subject to the terms of any contract of employment that the board may enter into with the secretary or treasurer. The secretary shall record the minutes of all meetings of the board, and be the custodian of all books and records of the board except those that the board entrusts to the custody of a designated employee. The treasurer is the custodian of all money received by the board except as the board otherwise entrusts to the custody of a designated employee. The board may appoint a deputy to perform any and all functions of either the secretary or the treasurer. No secretary or treasurer who is not a member of the board or a deputy of either shall have any right to vote.

Subd. 4. [EXECUTIVE DIRECTOR.] The board shall appoint an executive director, selected solely upon the basis of training, experience, and other qualifications and who shall serve at the pleasure of the board and at a compensation to be determined by the board. The executive director need not be a resident of the district. The executive director may also be selected by the board to serve as either secretary or treasurer, or both, of the board. The executive director shall attend all meetings of the board, but shall not vote, and shall have the following powers and duties:

(1) to see that all resolutions, rules, regulations, or orders of the board are enforced;

(2) to appoint and remove, upon the basis of merit and fitness, all subordinate officers and regular employees of the board except the secretary and the treasurer and their deputies;

(3) to present to the board plans, studies, and other reports prepared for board purposes and recommend to the board for adoption such measures as the executive director deems necessary to enforce or carry out the powers and the duties of the board, or the efficient administration of the affairs of the board;

(4) to keep the board fully advised as to its financial condition, and to prepare and submit to the board and to the governing bodies of the local governmental units, the board's annual budget and other financial information as the board may request;

(5) to recommend to the board for adoption rules and regulations as the executive director deems necessary for the efficient operation of the district disposal system; and

(6) to perform other duties as may be prescribed by the board.

<u>Subd. 5.</u> [PUBLIC EMPLOYEES.] The executive director and all other persons employed by the district are public employees and have all the rights and duties conferred on public employees under Minnesota Statutes, sections 179A.01 to 179A.25. The board may elect to have employees become members of either the public employees retirement association or the Minnesota state retirement system. The compensation and conditions of employment of the employees must be governed by rules applicable to state employees in the classified service and to the provisions of Minnesota Statutes, chapter 15A.

Subd. 6. [PROCEDURES.] The board shall adopt resolutions or bylaws establishing procedures for board action, personnel administration, keeping records, approving claims, authorizing or making disbursements, safekeeping funds, and auditing all financial operations of the board.

<u>Subd.</u> 7. [SURETY BONDS AND INSURANCE.] The board may procure surety bonds for its officers and employees, in amounts deemed necessary to ensure proper performance of their duties and proper accounting for funds in their custody. It may procure insurance against risks to property and liability of the board and its officers, agents, and employees for personal injuries or death and property damage and destruction, in amounts deemed necessary or desirable, with the force and effect stated in Minnesota Statutes, chapter 466.

Sec. 6. [GENERAL POWERS OF BOARD.]

<u>Subdivision 1.</u> [SCOPE.] The board has all powers necessary or convenient to discharge the duties imposed upon it by law. The powers include those herein specified, but the express grant or enumeration of powers does not limit the generality or scope of the grant of powers contained in this subdivision.

Subd. 2. [SUIT.] The board may sue or be sued.

<u>Subd. 3.</u> [CONTRACT.] <u>The board may enter into any contract necessary or proper for the exercise of its powers</u> or the accomplishment of its purposes.

<u>Subd. 4.</u> [RULEMAKING.] The board may adopt rules and regulations relating to the board's responsibilities and may provide penalties for their violation, not exceeding the maximum that may be specified for a misdemeanor, and the cost of prosecution may be added to the penalties imposed. Any rule or regulation prescribing a penalty for violation must be published at least once in a newspaper having general circulation in the district. The violations may be prosecuted before any court in the district having jurisdiction of misdemeanors, and every court having misdemeanor jurisdiction has jurisdiction of the violations. Any constable or other peace officer of any governmental unit in the district may make arrests for violations committed anywhere in the district in like manner and with like effect as for violations of city ordinances or for statutory misdemeanors. Fines collected in cases arising under this subdivision must be deposited in the treasury of the board, or may be allocated between the board and the governmental unit in which the prosecution occurs on a basis as the board and the governmental unit agree.

Subd. 5. [GIFTS, GRANTS, LOANS.] The board may accept gifts, apply for and accept grants or loans of money or other property from the United States, the state, or any person for any of its purposes, enter into any agreement required in connection herewith, and hold, use, and dispose of the money or property in accordance with the terms of the gift, grant, loan, or agreement relating it; and, with respect to loans or grants of funds or real or personal property or other assistance from any state or federal government or its agency or instrumentality, the board may contract to do and perform all acts and things required as a condition or consideration for the gift, grant, or loan pursuant to state or federal law or regulations, whether or not included among the powers expressly granted to the board in this act.

<u>Subd. 6.</u> [COOPERATIVE ACTION.] <u>The board may act under Minnesota Statutes, section 471.59, or any other</u> appropriate law providing for joint or cooperative action between governmental units.

<u>Subd. 7.</u> [STUDIES AND INVESTIGATIONS.] <u>The board may conduct research studies and programs, collect and analyze data, prepare reports, maps, charts, and tables, and conduct all necessary hearings and investigations in connection with the design, construction, and operation of the district disposal system.</u>

<u>Subd. 8.</u> [EMPLOYEES, TERMS.] The board may employ on terms as it deems advisable, persons or firms performing engineering, legal, or other services of a professional nature; require any employee to obtain and file with it an individual bond or fidelity insurance policy; and procure insurance in amounts as it deems necessary against liability of the board or its officers or both, for personal injury or death and property damage or destruction, with the force and effect stated in Minnesota Statutes, chapter 466, and against risks of damage to or destruction of any of its facilities, equipment, or other property as it deems necessary.

Subd. 9. [PROPERTY RIGHTS, POWERS.] The board may acquire by purchase, lease, condemnation, gift, or grant, any real or personal property including positive and negative easements and water and air rights, and it may construct, enlarge, improve, replace, repair, maintain, and operate any interceptor, treatment works, or water facility determined to be necessary or convenient for the collection and disposal of sewage in the district. Any local governmental unit and the commissioners of transportation and natural resources are authorized to convey to or permit the use of any of the above-mentioned facilities owned or controlled by it, by the board, subject to the rights of the holders of any bonds issued with respect to those facilities, with or without compensation, without an election or approval by any other governmental unit or agency. All powers conferred by this subdivision may be exercised both within or without the district as may be necessary for the exercise by the board of its powers or the accomplishment of its purposes. The board may hold, lease, convey, or otherwise dispose of the above-mentioned property for its purposes upon terms and in a manner as it deems advisable. Unless otherwise provided, the right to acquire lands and property rights by condemnation may be exercised only in accordance with Minnesota Statutes, sections 171.011 to 171.232, and shall apply to any property or interest in the property owned by any local governmental unit; provided, that no property devoted to an actual public use at the time, or held to be devoted to such use within a reasonable time, shall be so acquired unless a court of competent jurisdiction determines that the use proposed by the board is paramount to the existing use. Except in case of property in actual public use, the board may take possession of any property on which condemnation proceedings have been commenced at any time after the issuance of a court order appointing commissioners for its condemnation.

<u>Subd. 10.</u> [RELATIONSHIP TO OTHER PROPERTIES.] <u>The board may construct or maintain its systems or</u> facilities in, along, on, under, over, or through public waters, streets, bridges, viaducts, and other public rights-of-way without first obtaining a franchise from a county or municipality having jurisdiction over them. However, the facilities must be constructed and maintained in accordance with the ordinances and resolutions of the county or municipality relating to constructing, installing, and maintaining similar facilities on public properties and must not unnecessarily obstruct the public use of those rights-of-way.

Subd. 11. [DISPOSAL OF PROPERTY.] The board may sell, lease, or otherwise dispose of any real or personal property acquired by it which is no longer required for accomplishment of its purposes. The property may be sold in the manner provided by Minnesota Statutes, section 469.065, insofar as practical. The board may give notice of sale as it deems appropriate. When the board determines that any property or any part of the district disposal system acquired from a local governmental unit without compensation is no longer required but is required as a local facility by the governmental unit from which it was acquired, the board may by resolution transfer it to that governmental unit.

<u>Subd. 12.</u> [AGREEMENTS WITH OTHER GOVERNMENTAL UNITS.] <u>The board may contract with the United</u> States or any agency thereof, any state or agency thereof, or any regional public planning body in the state with jurisdiction over any part of the district, or any other municipal or public corporation, or governmental subdivision or agency or political subdivision in any state, for the joint use of any facility owned by the board or such entity, for the operation by that entity of any system or facility of the board, or for the performance on the board's behalf of any service, including but not limited to planning, on terms as may be agreed upon by the contracting parties. Unless designated by the board as a local water and sanitary sewer facility, any treatment works or interceptor jointly used, or operated on behalf of the board, as provided in this subdivision, is deemed to be operated by the board for purposes of including those facilities in the district disposal system.

#### Sec. 7. [COMPREHENSIVE PLAN.]

Subdivision 1. [BOARD PLAN AND PROGRAM.] The board shall adopt a comprehensive plan for the collection, treatment, and disposal of sewage in the district for a designated period the board deems proper and reasonable. The board shall prepare and adopt subsequent comprehensive plans for the collection, treatment, and disposal of sewage in the district for each succeeding designated period as the board deems proper and reasonable. The first plan, as modified by the board, and any subsequent plan shall take into account the preservation and best and most economic use of water and other natural resources in the area; the preservation, use, and potential for use of lands adjoining waters of the state to be used for the disposal of sewage; and the impact such a disposal system will have on present and future land use in the area affected. The plans shall include the general location of needed interceptors and treatment works, a description of the area that is to be served by the various interceptors and treatment works, a long-range capital improvements program and any other details as the board deems appropriate. In developing the plans, the board shall consult with persons designated for the purpose by governing bodies of any governmental unit within the district to represent the entities and shall consider the data, resources, and input offered to the board by the entities and any planning agency acting on behalf of one or more of the entities. Each plan, when adopted, must be followed in the district and may be revised as often as the board deems necessary.

<u>Subd. 2.</u> [COMPREHENSIVE PLANS; HEARING.] <u>Before adopting any subsequent comprehensive plan, the board</u> <u>shall hold a public hearing on the proposed plan at a time and place in the district as it determines.</u> The hearing may <u>be continued from time to time</u>. Not less than 45 days before the hearing, the board shall publish notice of the <u>hearing in a newspaper having general circulation in the district, stating the date, time, and place of the hearing, and</u> <u>the place where the proposed plan may be examined by any interested person. At the hearing, all interested persons</u> <u>must be permitted to present their views on the plan.</u> <u>Subd.</u> 3. [GOVERNMENTAL UNIT PLANS AND PROGRAMS; COORDINATION WITH BOARD'S RESPONSIBILITIES.] Once the board's plan is adopted, no construction project involving the construction of new sewers or other disposal facilities may be undertaken by the local governmental unit unless its governing body shall first find the project to be in accordance with the governmental unit's comprehensive plan and program as approved by the board. Before approval by the board of the comprehensive plan and program of any local governmental unit in the district, no water and sanitary sewer construction project may be undertaken by the governmental unit unless approval of the project is first secured from the board as to those features of the project affecting the board's responsibilities as determined by the board.

Sec. 8. [SEWAGE COLLECTION AND DISPOSAL; POWERS.]

<u>Subdivision 1.</u> [POWERS.] In addition to all other powers conferred upon the board in this act, it has the powers specified in this section.

Subd. 2. [DISCHARGE OF TREATED SEWAGE.] The board may discharge the effluent from any treatment works operated by it into any waters of the state, subject to approval of the agency if required and in accordance with any effluent or water quality standards lawfully adopted by the agency, any interstate agency, or any federal agency having jurisdiction.

<u>Subd. 3.</u> [UTILIZATION OF DISTRICT SYSTEM.] <u>The board may require any person or local governmental unit</u> to provide for the discharge of any sewage, directly or indirectly, into the district disposal system, or to connect any disposal system or a part of it with the district disposal system wherever reasonable opportunity for connection is provided; may regulate the manner in which the connections are made; may require any person or local governmental unit discharging sewage into the disposal system to provide preliminary treatment for it; may prohibit the discharge into the district disposal system of any substance that it determines will or may be harmful to the system or any persons operating it; and may require any local governmental unit to discontinue the acquisition, betterment, or operation of any facility for the unit's disposal system wherever and so far as adequate service is or will be provided by the district disposal system.

<u>Subd. 4.</u> [SYSTEM OF COST RECOVERY TO COMPLY WITH APPLICABLE REGULATIONS.] <u>Any charges, connection fees, or other cost-recovery techniques imposed on persons discharging sewage directly or indirectly into the district disposal system must comply with applicable state and federal law, including but not limited to state and federal regulations governing grant applications.</u>

Sec. 9. [BUDGET.]

The board shall prepare and adopt, on or before October 1, 1995 and on or before October 1, 1996, and each year thereafter, a budget showing for the following calendar year or other fiscal year determined by the board, sometimes referred to in this act as the budget year, estimated receipts of money from all sources, including but not limited to payments by each local governmental unit, federal or state grants, taxes on property, and funds on hand at the beginning of the year, and estimated expenditures for:

(1) costs of operation, administration, and maintenance of the district disposal system;

(2) cost of acquisition and betterment of the district disposal system; and

(3) debt service, including principal and interest, on general obligation bonds and certificates issued pursuant to section 13, and any money judgments entered by a court of competent jurisdiction. Expenditures within these general categories, and any other categories as the board may from time to time determine, must be itemized in detail as the board prescribes. The board and its officers, agents, and employees shall not spend money for any purpose other than debt service without having set forth the expense in the budget nor in excess of the amount set forth in the budget therefor, and no obligation to make an expenditure of the above-mentioned type is enforceable except as the obligation of the person or persons incurring it; provided that the board may amend the budget at any time by transferring from one purpose to another any sums except money for debt service and bond proceeds or by increasing expenditures in any amount by which cash receipts during the budget year actually exceed the total amounts designated in the original budget. The creation of any obligation pursuant to section 13 or the receipt of any federal or state grant is a sufficient budget designation of the proceeds for the purpose for which it is authorized, and of the tax or other revenue pledged to pay the obligation and interest on it, whether or not specifically included in any annual budget.

# Sec. 10. [ALLOCATION OF COSTS.]

<u>Subdivision 1.</u> [DEFINITION OF CURRENT COSTS.] The estimated cost of administration, operation, maintenance, and debt service of the district disposal system to be paid by the board in each fiscal year and the estimated costs of acquisition and betterment of the system that are to be paid during the year from funds other than state or federal grants and bond proceeds and all other previously unallocated payments made by the board pursuant to this act to be allocated in the fiscal year are referred to as current costs and must be allocated by the board as hereinafter provided in the budget for that year.

<u>Subd. 2.</u> [METHOD OF ALLOCATION OF CURRENT COSTS.] <u>Current costs must be allocated in the district on an equitable basis as the board may from time to time determine by resolution to be in the best interests of the district. The adoption or revision of any method of allocation used by the board must be by the affirmative vote of at least two-thirds of the members of the board.</u>

Sec. 11. [TAX LEVIES.]

To accomplish any duty imposed on it the board may, in addition to the powers granted in this act and in any other law or charter, exercise the powers granted any municipality by Minnesota Statutes, chapters 117, 412, 429, 475, sections 115.46, 444.075, and 471.59 with respect to the area in the district. In addition, the board may levy taxes upon all taxable property in the district for all or a part of the amount payable to the board, pursuant to section 10, to be assessed and extended as a tax upon that taxable property by the county auditor for the next calendar year, free from any limitation of rate or amount imposed by law or charter. The tax must be collected and remitted in the same manner as other general taxes.

Sec. 12. [PUBLIC HEARING AND SPECIAL ASSESSMENTS.]

Subdivision 1. [PUBLIC HEARING REQUIREMENT ON SPECIFIC PROJECT.] Before the board orders any project involving the acquisition or betterment of any interceptor or treatment works, all or a part of the cost of which will be allocated pursuant to section 10 as current costs, the board shall hold a public hearing on the proposed project following two publications in a newspaper having general circulation in the district, stating the time and place of the hearing, the general nature and location of the project, the estimated total cost of acquisition and betterment, that portion of costs estimated to be paid out of federal and state grants, and that portion of costs estimated to be allocated. The estimates must be best available at the time of the meeting and if costs exceed the estimate, the project cannot proceed until an additional public hearing is held, with notice as required at the initial meeting. The two publications must be a week apart and the hearing at least three days after the last publication. Not less than 45 days before the hearing, notice of the hearing must also be mailed to each clerk of all local governmental units in the district, but failure to give mailed notice or any defects in the notice does not invalidate the proceedings. The project may include all or part of one or more interceptors or treatment works. No hearing may be held on any project unless the project is within the area covered by the comprehensive plan adopted by the board pursuant to section 7 except that the hearing may be held simultaneously with a hearing on a comprehensive plan. A hearing is not required with respect to a project, no part of the costs of which are to be allocated as the current costs of acquisition, betterment, and debt service.

<u>Subd. 2.</u> [NOTICE TO BENEFITED PROPERTY OWNERS.] If the board proposes to assess against benefited property within the district all or any part of the allocable costs of the project as provided in subdivision 5, the board shall, not less than ten days before the hearing provided for in subdivision 1 cause mailed notice of the hearing to be given to the owner of each parcel within the area proposed to be specially assessed and shall also give one week's published notice of the hearing. The notice of hearing must contain the same information provided in the notice published by the board pursuant to subdivision 1, and in addition, a description of the area proposed to be assessed. For the purpose of giving mailed notice, owners are those shown to be 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. However, as to properties that are tax exempt or subject to taxation on a gross earnings basis and are not listed on the records of the county auditor or the owners, the owners must be ascertained by any practicable means and mailed notice given them as herein provided. Failure to give mailed notice or any defects in the notice does not invalidate the proceedings of the board.

Subd. 3. [BOARD PROCEEDINGS PERTAINING TO HEARING.] Before adoption of the resolution calling for a hearing brought pursuant to this section, the board shall secure from the district engineer or some other competent person of the board's selection a report advising it in a preliminary way as to whether the proposed project is feasible and as to whether it should best be made as proposed or in connection with some other project and the estimated

costs of the project as recommended; but no error or omission in the report invalidates the proceeding. The board may also take other steps before the hearing, as will in its judgment provide helpful information in determining the desirability and feasibility of the project, including but not limited to preparation of plans and specifications and advertisement for bids on them. The hearing may be adjourned from time to time and a resolution ordering the project may be adopted at any time within six months after the date of hearing. In ordering the project the board may reduce but not increase the extent of the project as stated in the notice of hearing and shall find that the project as ordered is in accordance with the comprehensive plan and program adopted by the board pursuant to section 7.

Subd. 4. [EMERGENCY ACTION.] If the board by resolution adopted by the affirmative vote of not less than two-thirds of its members determines that an emergency exists requiring the immediate purchase of materials or supplies or the making of emergency repairs, it may order the purchase of those supplies and materials and the making of the repairs before any hearing required under this section, provided that the board shall set as early a date as practicable for the hearing at the time it declares the emergency. All other provisions of this section must be followed in giving notice of and conducting the hearing. Nothing herein may be construed as preventing the board or its agents from purchasing maintenance supplies or incurring maintenance costs without regard to the requirements of this section.

<u>Subd 5.</u> [POWER OF THE BOARD TO SPECIALLY ASSESS.] <u>The board may specially assess all or any part of</u> the costs of acquisition and betterment as herein provided, of any project ordered pursuant to this section. The special assessments must be levied in accordance with the provisions of Minnesota Statutes, sections 429.051 to 429.081, except as otherwise provided in this subdivision. No other provisions of Minnesota Statutes, chapter 429, apply. For purposes of levying the special assessments, the hearing on the project required in subdivision 1 serves as the hearing on the making of the original improvement provided for by Minnesota Statutes, section 429.051. The area assessed may be less than but may not exceed the area proposed to be assessed as stated in the notice of hearing on the project provided for in subdivision 2.

Sec. 13. [BONDS, CERTIFICATES, AND OTHER OBLIGATIONS.]

<u>Subdivision 1.</u> [BUDGET ANTICIPATION CERTIFICATES OF INDEBTEDNESS.] <u>At any time after adoption of its annual budget and in anticipation of the collection of tax and other revenues estimated and set forth by the board in the budget, except in the case of deficiency taxes levied pursuant to this subdivision and taxes levied for the payment of certificates issued pursuant to subdivision 2, the board may, by resolution, authorize the issuance, negotiation, and sale, in accordance with subdivision 4 in the form and manner and upon terms as it may determine, of its negotiable general obligation certificates of indebtedness in aggregate principal amounts not exceeding 50 percent of the total amount of tax collections and other revenues and maturing not later than three months after the close of the budget year in which issued. The proceeds of the sale of the certificates must be used solely for the purposes for which the tax collections and other revenues are to be expended pursuant to the budget.</u>

All the tax collections and other revenues included in the budget for the budget year, after the expenditure of the tax collections and other revenues in accordance with the budget, must be irrevocably pledged and appropriated to a special fund to pay the principal and interest on the certificates when due. If for any reason the tax collections and other revenues are insufficient to pay the certificates and interest when due, the board shall levy a tax in the amount of the deficiency on all taxable property in the district and shall appropriate this amount when received to the special fund.

Subd. 2. [EMERGENCY CERTIFICATES OF INDEBTEDNESS.] If in any budget year the receipts of tax and other revenues should for some unforeseen cause become insufficient to pay the board's current expenses, or if any calamity or other public emergency should subject it to the necessity of making extraordinary expenditures, the board may by resolution authorize the issuance, negotiation, and sale, in accordance with subdivision 4 in the form and manner and upon such terms and conditions as it may determine, of its negotiable general obligation certificates of indebtedness in an amount sufficient to pay the deficiency, and the board shall forthwith levy on all taxable property in the district a tax sufficient to pay the certificates and interest on the certificates and shall appropriate all collections of the tax to a special fund created for the payment of the certificates and the interest on them. Certificates issued under this subdivision mature not later than April 1 in the year following the year in which the tax is collectible.

<u>Subd. 3.</u> [GENERAL OBLIGATION BONDS.] <u>The board may by resolution authorize the issuance of general</u> obligation bonds for the acquisition or betterment of any part of the district disposal system, including but without limitation the payment of interest during construction and for a reasonable period thereafter, or for the refunding of outstanding bonds, certificates of indebtedness, or judgments. The board shall pledge its full faith and credit and taxing power for the payment of the bonds and shall provide for the issuance and sale and for the security of the

bonds in the manner provided in Minnesota Statutes, chapter 475. The board has the same powers and duties as a municipality issuing bonds under that law, except that no election is required and the debt limitations of Minnesota Statutes, chapter 475, do not apply to the bonds. The board may also pledge for the payment of the bonds and deduct from the amount of any tax levy required under Minnesota Statutes, section 475.61, subdivision 1, and any revenues receivable under any state and federal grants anticipated by the board and may covenant to refund the bonds if and when and to the extent that for any reason the revenues, together with other funds properly available and appropriated for that purpose, are not sufficient to pay all principal and interest due or about to become due, provided that the revenues have not been anticipated by the issuance of certificates under subdivision 1.

<u>Subd. 4.</u> [MANNER OF SALE AND ISSUANCE OF CERTIFICATES.] <u>Certificates issued under subdivisions 1 and</u> <u>2 may be issued and sold by negotiation, without public sale, and may be sold at a price equal to the percentage of</u> <u>the par value of the certificates, plus accrued interest, and bearing interest at a rate as may be determined by the</u> <u>board. No election is required to authorize the issuance of the certificates. The certificates must bear the same rate</u> <u>of interest after maturity as before and the full faith and credit and taxing power of the board must be pledged to the</u> <u>payment of the certificates.</u>

Sec. 14. [DEPOSITORIES.]

The board shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for money of the board, and then shall require the treasurer to deposit all or a part of the money in those institutions. The designation must be in writing and set forth all the terms and conditions upon which the deposits are made, and must be signed by the chair and treasurer and made a part of the board. A designated bank or trust company shall qualify as a depository by furnishing a corporate surety bond or collateral in the amounts required by Minnesota Statutes, section 118.01. However, no bond or collateral is required to secure any deposit insofar as it is insured under federal law.

Sec. 15. [MONEY, ACCOUNTS, AND INVESTMENTS.]

<u>Subdivision 1.</u> [RECEIPT AND APPLICATION.] <u>Money received by the board must be deposited or invested by</u> the treasurer and disposed of as the board may direct in accordance with its budget; provided that any money that has been pledged or dedicated by the board to the payment of obligations or interest on the obligations or expenses incident thereto, or for any other specific purpose authorized by law, must be paid by the treasurer into the fund to which it has been pledged.

Subd. 2. [FUNDS AND ACCOUNTS.] (a) The board's treasurer shall establish funds and accounts as may be necessary or convenient to handle the receipts and disbursements of the board in an orderly fashion.

(b) The funds and accounts must be audited annually by a certified public accountant at the expense of the district.

<u>Subd. 3.</u> [DEPOSIT AND INVESTMENT.] The money on hand in those funds and accounts may be deposited in the official depositories of the board or invested as hereinafter provided. Any amount not currently needed or required by law to be kept in cash on deposit may be invested in obligations authorized for the investment of municipal sinking funds by Minnesota Statutes, section 475.66. Such money may also be held under certificates of deposit issued by any official depository of the board.

Subd. 4. [BOND PROCEEDS.] The use of proceeds of all bonds issued by the board for the acquisition and betterment of the district disposal system, and the use, other than investment, of all money on hand in any sinking fund or funds of the board, is governed by the provisions of Minnesota Statutes, chapter 475, the provisions of this act, and the provisions of resolutions authorizing the issuance of the bonds. When received, the bond proceeds must be transferred to the treasurer of the board for safekeeping, investment, and payment of the costs for which they were issued.

Subd. 5. [AUDIT.] The board shall provide for and pay the cost of an independent annual audit of its official books and records by the state auditor or a public accountant authorized to perform that function under Minnesota Statutes, chapter 6.

Sec. 16. [SERVICE CONTRACTS WITH GOVERNMENTAL ENTITIES OUTSIDE THE JURISDICTION OF THE BOARD.]

(a) The board may contract with the United States or any agency of the federal government, any state or its agency, or any municipal or public corporation, governmental subdivision or agency or political subdivision in any state, outside the jurisdiction of the board, for furnishing to the above-mentioned entities services, including but not limited

to planning for and the acquisition, betterment, operation, administration, and maintenance of any or all interceptors, treatment works, and local water and sanitary sewer facilities. The board may further include as one of the terms of the contract that the entity also pay to the board an amount as may be agreed upon as a reasonable estimate of the proportionate share properly allocable to the entity of costs of acquisition, betterment, and debt service previously allocated in the district. When payments are made by entities to the board, they must be applied in reduction of the total amount of costs thereafter allocated in the district, on an equitable basis as the board deems to be in the best interests of the district, applying so far as practicable and appropriate the criteria set forth in section 10, subdivision 2. A municipality in the state of Minnesota may enter into a contract and perform all acts and things required as a condition or consideration therefor consistent with the purposes of this act, whether or not included among the powers otherwise granted to the municipality by law or charter.

(b) The board shall contract with the city of Pine City, or other qualified entity to make necessary inspections on the district facilities, and to otherwise process or assist in processing any of the work of the district.

Sec. 17. [CONTRACTS FOR CONSTRUCTION, MATERIALS, SUPPLIES, AND EQUIPMENT.]

<u>Subdivision 1.</u> [PLANS AND SPECIFICATIONS.] <u>When the board orders a project involving the acquisition or</u> betterment of a part of the district disposal system, it shall cause plans and specifications of the project to be made, or if previously made, to be modified, if necessary, and to be approved by the agency if required, and after any required approval by the agency, one or more contracts for work and materials called for by the plans and specification may be awarded as provided in this section.

<u>Subd. 2.</u> [CONTRACTS IN EXCESS OF \$5,000.] No contract for construction work, or for the purchase of materials, supplies, or equipment, estimated to cost more than \$5,000 may be made by the board without publishing once in a newspaper having general circulation in the district and once in a trade paper or legal newspaper published in any city of the first class, not less than 14 days before the last day for submission of bids, notice that bids or proposals will be received. The notice must state the nature of the work or purchase, the terms and conditions upon which the contract is to be awarded, and the time and place where bids will be received, opened, and read publicly. After the bids have been duly received, opened, read publicly, and recorded, the board shall within a reasonable time award the contract to the lowest responsible bidder or it may reject all bids and readvertise. Each contract must 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. If the board by an affirmative vote of not less than two-thirds of its members declares that an emergency exists requiring the immediate purchase of materials or supplies or in making emergency repairs, at a cost estimated to be in excess of \$5,000, it shall not be necessary to advertise for bids.

<u>Subd. 3.</u> [CONTRACTS OR PURCHASES FOR \$5,000 OR LESS.] <u>The board may, without advertising for bids, enter</u> into any contract or purchase any materials, supplies, or equipment of the type referred to in subdivision 2, the cost of which is estimated to be \$5,000 or less, or it may in the alternative authorize the executive director to enter into a contract on behalf of the board for that work or to make those purchases without prior approval of the board and without advertising for bids.

Subd. 4. [UNIFORM MUNICIPAL CONTRACTING LAW.] Except as otherwise provided in this section, Minnesota Statutes, section 471.345, shall apply.

#### Sec. 18. [PROPERTY EXEMPT FROM TAXATION.]

Any properties, real or personal, owned, leased, controlled, used, or occupied by the water and sanitary sewer board for any purpose under this act are declared to be acquired, owned, leased, controlled, used and occupied for public, governmental, and municipal purposes, and are exempt from taxation by the state or any political subdivision of the state, provided that the properties are subject to special assessments levied by a political subdivision for a local improvement in amounts proportionate to and not exceeding the special benefit received by the properties from the improvement. No possible use of any properties in any manner different from their use as part of a disposal system at the time may be considered in determining the special benefit received by the properties. All assessments are subject to final approval by the board, whose determination of the benefits is conclusive upon the political subdivision levying the assessment. All bonds, certificates of indebtedness, or other obligations of the board, and the interest on them, are exempt from taxation by the state or any political subdivision of the state.

# Sec. 19. [RELATION TO EXISTING LAWS.]

The provisions of this act must be given full effect notwithstanding the provisions of any law or charter inconsistent with this act. The powers conferred on the board under this act do not in any way diminish or supersede the powers conferred on the agency by Minnesota Statutes, chapters 115 to 116.

Sec. 20. [EFFECTIVE DATE.]

Subdivision 1. This act is effective as to the city of Pine City when approved by the Pine City council and upon compliance with Minnesota Statutes, section 645.021.

Subd. 2. This act is effective as to the towns of Pokegama, Chengwatana, and Pine City when approved by the town boards of each town and upon compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to local government; providing for creation of water and sewer district and Cross Lake area water and sanitary sewer board to administer the district; providing for collection, treatment, and disposal of sewage in the Cross Lake area."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 3056, A bill for an act relating to education; establishing responsibilities relating to school bus operations, equipment, and safety; marketing technical changes; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 123.39, subdivision 1; 126.15, subdivision 4; 169.01, subdivision 6; 169.21, subdivision 2; 169.442, subdivision 1; 169.443, subdivision 8, and by adding a subdivision; 169.445, subdivisions 1 and 2; 169.446, subdivision 3; 169.447, subdivision 6; 169.64, subdivision 8; 171.01, subdivision 22; 171.321, subdivision 3; 171.3215; 609.72, subdivision 1; and 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 124.225, subdivision 1; and 171.321, subdivision 2; Laws 1993, chapter 224, article 12, section 39; proposing coding for new law in Minnesota Statutes, chapters 127, and 169; repealing Minnesota Statutes 1992, sections 169.441, subdivisions 2 and 3; 169.445, subdivision 3; 169.447, subdivision 3; and 169.45; Minnesota Statutes 1993 Supplement, section 123.80; Minnesota Rules, parts 3520.3600 and 3520.3700.

Reported the same back with the following amendments:

Page 33, delete lines 3 to 18, and insert:

"Sec. 31. [APPROPRIATIONS.]

<u>Subdivision 1.</u> [DEPARTMENT OF PUBLIC SAFETY.] The sums indicated in this section are appropriated from the general fund to the department of public safety for the fiscal years indicated.

Subd. 2. [SAFETY ADVISORY COMMITTEE.] For the school bus safety advisory committee according to section 13, subdivision 2:

<u>\$20,000</u> ..... <u>1995</u>

Subd. 3. [SCHOOL BUS CROSSING SAFETY PILOT GRANTS.] For school bus safety pilot grants according to section 29:

<u>\$480,000</u> ..... <u>1995</u>

Subd. 4. [CROSSING CONTROL ARM.] For school bus crossing control arms according to section 18:

<u>\$1,500,000</u> ..... <u>1995</u>

5947

The commissioner of public safety shall reimburse school districts for the cost of purchasing crossing control arms for buses manufactured before December 31, 1994, that are used to transport students in the district. Any excess in this appropriation must be transferred to provide additional school bus safety pilot grants according to section 29."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1651, A bill for an act relating to local government; requiring publicly owned or leased motor vehicles to be identified; proposing coding for new law in Minnesota Statutes, chapter 471.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Transportation and Transit.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 1712, A bill for an act relating to towns; providing for financial audits in certain circumstances; amending Minnesota Statutes 1992, section 367.36, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 367.36, subdivision 1, is amended to read:

Subdivision 1. [INCUMBENT TREASURER; ANNUAL AUDIT.] In a town in which option D is adopted, the incumbent treasurer shall continue in office until the expiration of the term. Thereafter the duties of the treasurer prescribed by law shall be performed by the clerk who shall be referred to as the clerk-treasurer. If the offices of clerk and treasurer are combined and the town's annual revenue is \$100,000 or more, the town board shall provide for an annual audit of the town's financial affairs by the state auditor or a public accountant in accordance with minimum audit procedures prescribed by the state auditor. Upon completion of an audit by a public accountant, the public accountant shall forward a copy of the audit to the state auditor. For purposes of this subdivision, "public accountant" means a certified public accountant, a certified public accounting firm, or a licensed public accountant, all licensed by the board of accountancy under sections 326.17 to 326.23.

Sec. 2. Minnesota Statutes 1992, section 367.36, is amended by adding a subdivision to read:

Subd. 1a. [AUDITS OF SMALL TOWNS.] On or before June 30 of each year, towns that have combined the offices of clerk and treasurer, have less than \$100,000 in annual revenue based on their financial statement for the preceding calendar year, and have not submitted audited financial statements to the office of the state auditor, shall pay \$100 to the state auditor and the state auditor shall deposit the payment in the general fund. On July 1 of each year, the state auditor shall identify the towns that have contributed \$100 to the general fund. The state auditor shall randomly select up to five percent of the towns that have contributed to the general fund and perform an annual audit of their financial statements and accounts for the preceding calendar year. If the state auditor determines that a town audit cannot be performed by the office of the state auditor, the state auditor shall contract with a certified public accountant for the performance of the annual audit. The town being audited shall be responsible for paying all costs in excess of \$3,000. All amounts billed by the state auditor under this subdivision shall be deposited in the general fund of the state.

Sec. 3. Minnesota Statutes 1992, section 412.591, subdivision 2, is amended to read:

Subd. 2. Cities operating under Optional Plan A may, by an ordinance effective after the expiration of the term of the incumbent treasurer at the date of adoption of Optional Plan A, combine the offices of clerk and treasurer in the office of clerk-treasurer and thereafter the duties of the treasurer as prescribed by this chapter shall be performed by the clerk-treasurer. The offices of clerk and treasurer may be reestablished by ordinance. If the offices of clerk

and treasurer are combined as provided by this section, <u>and the city's annual revenue for all governmental and enterprise funds combined is more than \$100,000</u>, the council shall provide for an annual audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum procedures prescribed by the state auditor.

Sec. 4. Minnesota Statutes 1992, section 412.591, is amended by adding a subdivision to read:

Subd. 2a. [AUDITS OF SMALL CITIES.] On or before June 30 of each year, cities that have combined the offices of clerk and treasurer, have less than \$100,000 in annual revenue based on their financial statement for the preceding calendar year, and have not submitted audited financial statements to the office of the state auditor, shall pay \$100 to the state auditor and the state auditor shall deposit the payment in the general fund. On July 1 of each year, the state auditor shall identify the cities that have contributed \$100 to the general fund. The state auditor shall randomly select up to five percent of the cities that have contributed to the general fund and perform an annual audit of their financial statements and accounts for the preceding calendar year. If the state auditor determines that a city audit cannot be performed by the office of the state auditor, the state auditor shall contract with a certified public accountant for the performance of the annual audit. The city being audited shall be responsible for paying all costs in excess of \$3,000. All amounts billed by the state auditor under this subdivision shall be deposited in the general fund of the state.

## Sec. 5. [REPORT BY STATE AUDITOR.]

By February 1, 1997, the state auditor shall report to the legislature on the implementation of sections 1 to 4. The report shall identify the nature, seriousness, and frequency of audit findings contained in audits conducted under sections 2 and 4. The report shall recommend to the legislature whether towns and cities with combined clerk-treasurers and \$100,000 or less in annual revenues should be: (1) required to have annual audits; (2) subject to random audits; or (3) exempt from all audit requirements.

Sec. 6. [APPROPRIATION.]

\$15,000 is appropriated from the general fund to the state auditor in fiscal year 1995, for purposes of sections 2 and 4.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to local government; providing for financial audits in certain circumstances; appropriating money; amending Minnesota Statutes 1992, sections 367.36, subdivision 1, and by adding a subdivision; and 412.591, subdivision 2, and by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1826, A bill for an act relating to metropolitan government; extending reporting and effective dates for radio systems planning by the metropolitan council; extending the moratorium on applications for 800 megahertz channels.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 2015, A bill for an act relating to metropolitan government; providing for a regional administrator and a management team; imposing organizational requirements; imposing duties; clarifying existing provisions and making conforming changes; amending Minnesota Statutes 1992, sections 6.76; 15.0597, subdivision 1; 15A.081, subdivision 7; 15A.082, subdivision 3; 16B.58, subdivision 7; 116.16, subdivision 2; 116.182, subdivision 1; 161.173; 161.174; 169.781, subdivision 1; 169.791, subdivision 5; 169.792, subdivision 11; 221.022; 221.041, subdivision 4; 221.071, subdivision 1; 221.295; 297B.09, subdivision 1; 352.03, subdivision 1; 352.75; 422A.01, subdivision 9; 422A.101, subdivision 2a; 471A.02, subdivision 8: 473.121, subdivisions 5a and 24: 473.123, subdivisions 1, 2a, and 4: 473.129: 473.13, subdivision 4; 473.146, subdivisions 1 and 4; 473.149, subdivision 3; 473.1623, subdivision 2; 473.164; 473.168, subdivision 2; 473.173, subdivisions 3 and 4; 473.223; 473.303, subdivisions 2, 3a, 4, 4a, 5, and 6; 473.371, subdivision 1; 473.375, subdivisions 11, 12, 13, 14, and 15; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, 7, and 8; 473.385; 473.386, subdivisions 1, 2, 3, 4, 5, and 6; 473.387, subdivisions 2, 3, and 4; 473.388, subdivisions 2, 3, 4, and 5; 473.39, subdivisions 1, 1a, 1b, and by adding a subdivision; 473.391; 473.392; 473.394; 473.399, as amended; 473.405, subdivisions 1, 3, 4, 5, 9, 10, 12, and 15; 473.408, subdivisions 1, 2, 2a, 4, 6, and 7; 473.409; 473.411, subdivisions 3 and 4; 473.415, subdivisions 1, 2, and 3; 473.416; 473.418; 473.42; 473.436, subdivisions 2, 3, and 6; 473.446, subdivisions 1, 1a, 2, 3, and 7; 473.448; 473.449; 473,504, subdivisions 4, 5, 6, 9, 10, 11, and 12; 473,511, subdivisions 1, 2, 3, and 4; 473,512, subdivision 1; 473,513; 473.515, subdivisions 1, 2, and 3; 473.5155, subdivisions 1 and 3; 473.516, subdivisions 2, 3, 4, and 5; 473.517, subdivisions 1, 2, 3, 6, and 9; 473.519; 473.521, subdivisions 1, 2, 3, and 4; 473.523, subdivisions 1 and 2; 473.535; 473.541, subdivision 2; 473.542; 473.543, subdivisions 1, 2, 3, and 4; 473.545; 473.547; 473.549; 473.553, subdivisions 1, 2, 4, 5, and by adding subdivisions; 473.561; 473.595, subdivision 3; 473.605, subdivision 2; 473.823, subdivision 3; and 473.852, subdivisions 8 and 10; Minnesota Statutes 1993 Supplement, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 115.54; 174.32, subdivision 2; 216C.15, subdivision 1; 221.025; 221.031, subdivision 3a; 275.065, subdivisions 3 and 5a; 352.01, subdivisions 2a and 2b; 352D.02, subdivision 1; 353.64, subdivision 7a; 400.08, subdivision 3; 473.13, subdivision 1; 473.1623, subdivision 3; 473.167, subdivision 1; 473.386, subdivision 2a; 473.3994, subdivision 10; 473.3997; 473.4051; 473.407, subdivisions 1, 2, 3, 4, 5, and 6; 473.411, subdivision 5; 473.446, subdivision 8; and 473.516, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 174.22, subdivision 4; 473.121, subdivisions 14a, 15, and 21; 473.122; 473.123, subdivisions 3, 5, and 6; 473.141, as amended; 473.146, subdivisions 2, 2a, 2b, and 2c; 473.153; 473.161; 473.163; 473.181, subdivision 3; 473.325, subdivision 5; 473.373, as amended; 473.375, subdivisions 1, 2, 3, 4, 5, 6, 7, 10, 16, 17, and 18; 473.377; 473.38; 473.384, subdivision 9; 473.388, subdivision 6; 473.404, as amended; 473.405, subdivisions 2, 6, 7, 8, 11, 13, and 14; 473.417; 473.435; 473.436, subdivision 7; 473.445, subdivisions 1 and 3; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; 473.543, subdivision 5; and 473.553, subdivision 4a; Minnesota Statutes 1993 Supplement, section 473.3996, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 2, line 32, before "METROPOLITAN" insert "ELECTED" and delete "ORGANIZATION"

Pages 2 to 9, delete sections 1 to 11, and insert:

"Section 1. Minnesota Statutes 1992, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force, including an advisory task force created under section 15.014 or 15.0593, or other similar multimember agency created by statute and having statewide jurisdiction; and (2) the metropolitan council, regional transit board, metropolitan airports commission, metropolitan parks and open space commission, metropolitan sports facilities commission, metropolitan waste control commission, capitol area architectural and planning board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

(b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position; provided that "vacancy" shall not mean (1) a vacant position on an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.

(c) "Secretary" means the secretary of state.

Sec. 2. Minnesota Statutes 1993 Supplement, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range

Effective

July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Commissioner of public safety;

Executive director, state board of investment;

\$50,000-\$67,500

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of 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. 3. Minnesota Statutes 1992, section 204B.32, subdivision 2, is amended to read:

Subd. 2. [ALLOCATION OF COSTS.] Municipalities or counties may allocate the costs of conducting elections to school districts and the metropolitan council for payment of their proportionate share of such expenses for elections held at the same time as the regular municipal or county primary and general election. Allocated costs include expenses for election equipment and supplies; polling locations; personnel (including election judge compensation and the portion of salaries of election administrative and technical employees attributable to the preparation and conduct of the election; transportation related to the conduct of the election; required election notices and newspaper publication of election information; communications devices; and postage (including mailings to election judges and for absentee voter applications and ballots).

Sec. 4. Minnesota Statutes 1993 Supplement, 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 or metropolitan council 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 <del>chair</del>, 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;

(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. 5. Minnesota Statutes 1992, section 353D.01, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] Except as provided in section 353D.11, eligibility to participate in the defined contribution plan is open to an elected local government official of a governmental subdivision who elects to participate in the plan and who, for the elected service rendered to a governmental subdivision, is not a member of the public employees retirement association within the meaning of section 353.01, subdivision 7, and to basic and advanced life support emergency medical service personnel employed by or providing services for any public ambulance service or privately operated ambulance service that receives an operating subsidy from a governmental entity that elects to participate.

For purposes of this chapter, an elected local government official includes a person appointed to fill a vacancy in an elective office. For the purposes of this chapter, an elected local government official includes a member of the metropolitan council. Service as an elected local government official only includes service for the governmental subdivision for which the official was elected by the public-at-large. Service as an elected local government official ceases and eligibility to participate terminates when the person ceases to be an elected official. An elected local government official does not include an elected county sheriff. Except as provided in section 353D.11, elected local government officials and first response personnel and emergency medical service personnel who are currently covered by a public or private pension plan because of their employment or provision of services are not eligible to participate in the public employees defined contribution plan.

A former participant is a person who has ceased to be an elected local government official or an emergency medical service employee and who has not withdrawn the value of an individual account.

Sec. 6. Minnesota Statutes 1992, section 473.123, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] A metropolitan council with jurisdiction in the metropolitan area is <u>created</u> <u>established as a public corporation and political subdivision of the state</u>. It shall be under the supervision and control of <u>17</u> <u>16</u> members, all of whom shall be residents of the metropolitan area.

Sec. 7. Minnesota Statutes 1992, section 473.123, subdivision 2a, is amended to read:

Subd. 2a. [TERMS.] Following each apportionment of council districts, as provided under subdivision 3a, council members must be appointed elected on a nonpartisan basis from newly drawn districts as provided in subdivision 3a. The terms of members are as follows: members representing even-numbered districts for terms ending the first Monday in January of the year ending in the numeral "7"; members representing odd-numbered districts for terms ending the first Monday in January of the year ending in the numeral "7"; members representing odd-numbered districts for terms ending the first Monday in January of the year ending in the numeral "5." Thereafter the term of each member is four years, with terms ending the first Monday in January, except that all terms expire on the effective date of the next apportionment. A member shall continue to serve the member's district until a successor is appointed elected and qualified; except that, following each apportionment, the member shall continue to serve at large until the governor appoints 16 council members, one from each of the newly drawn council districts as provided under subdivision 3a, to serve terms as provided under this section. The appointment to the council must be made by the first Monday in March of the year in which the term ends. Each council member must reside in the council district represented. Each council district must be represented by one member of the council.

Sec. 8. Minnesota Statutes 1992, section 473.123, is amended by adding a subdivision to read:

<u>Subd. 2b.</u> [VACANCIES; SPECIAL ELECTION.] <u>A vacancy in the office of council member shall be filled by special election not less than 30 nor more than 60 days after the vacancy occurs and may be held on the same day as a regular primary or regular election. If the vacancy occurs less than 60 days before the general election preceding the end of the term, the vacancy shall be filled by the person elected at that election for the ensuing term who takes office immediately after receiving the certificate of election and taking the oath of office.</u>

Sec. 9. Minnesota Statutes 1993 Supplement, section 473.123, subdivision 3a, is amended to read:

Subd. 3a. [REDISTRICTING.] The legislature metropolitan council shall redraw the boundaries of the council districts after each decennial federal census so that each district has substantially equal population. Redistricting is effective in the year ending in the numeral "3." Within 60 days after a redistricting plan takes effect, the governor shall appoint members and shall adopt the redistricting plan no later than 25 weeks before the state primary election in the year ending in the numeral "2." Council members elected from the newly drawn districts to serve terms as provided under subdivision 2a.

Sec. 10. Minnesota Statutes 1992, section 473.123, is amended by adding a subdivision to read:

Subd. 3e. [ELECTIONS; PROCEDURES.] (a) Except as provided in this section, Minnesota election law including but not limited to chapters 211A and 211B applies to council elections, as far as practicable.

(b) Affidavits of candidacy must be filed with the secretary of state as provided under section 204B.06.

(c) The filing fee shall be the same as for county office as provided in section 204B.11, subdivision 1, paragraph (d).

(d) At the time of filing an affidavit of candidacy, a candidate may present a petition in place of the filing fee with the same number of signatures required for a candidate for county office in section 204B.11, subdivision 2.

(e) Council members must be elected at the state and county general election held in the year before the terms of office that they seek expire.

Sec. 11. Minnesota Statutes 1992, section 473.123, subdivision 4, is amended to read:

Subd. 4. [CHAIR; APPOINTMENT, OFFICERS, SELECTION; DUTIES AND COMPENSATION.] (a) The chair of the metropolitan council shall be appointed by the governor as the 17th voting member thereof by and with the advice and consent of the senate to serve at the pleasure of the governor. Senate confirmation shall be as provided by section 15.066. The chair shall be a person experienced in the field of municipal and urban affairs with administrative training and executive ability elected by and from among the members of the council at the first meeting of the council after the first Monday of January each year and serves for a term of one year. (b) The chair of the metropolitan council shall preside at the meetings of the metropolitan council and shall act as principal executive officer, if present, and shall perform all other duties assigned by the council or by law. The chair shall organize the work of the metropolitan council, appoint all officers and employees thereof, subject to the approval of the metropolitan council, and be responsible for carrying out all policy decisions of the metropolitan council. The chair's salary shall be as provided in section 15A.081. The chair shall be eligible for expenses in the same manner and amount as state employees.

(b) The metropolitan council shall elect such officers, in addition to the chair, as it deems necessary for the conduct of its affairs. The additional officers are elected for the same one-year term as the chair. A secretary and treasurer need not be members of the metropolitan council. Meeting times and places shall be fixed by the metropolitan council and special meetings may be called by a majority of the members of the metropolitan council or by the chair. Each metropolitan council member shall be paid as authorized by the metropolitan council and shall be reimbursed for actual and necessary expenses. The annual budget of the council shall provide as a separate account anticipated expenditures for compensation, travel, and associated expenses for members, and compensation or reimbursement shall be made to the members only when budgeted.

(c) In the performance of its duties the metropolitan council may adopt policies and procedures governing its operation, establish committees, and, when specifically authorized by law, make appointments to other governmental agencies and districts.

Sec. 12. [473.124] [METROPOLITAN COUNCIL; CAMPAIGN FINANCING; DISCLOSURE OF ECONOMIC INTERESTS; CONFLICTS OF INTEREST.]

Sections 473.124 to 473.1258 apply to the financing of campaigns for metropolitan council, disclosure of economic interests by candidates and elected members of the metropolitan council, and conflict of interest for members of the metropolitan council. Sections 211A.02 to 211A.07 do not apply to the financing of campaigns for elections to the metropolitan council.

Sec. 13. [473.1241] [DEFINITIONS.]

<u>Subdivision 1.</u> [CAMPAIGN FINANCE, DISCLOSURE LAW.] For the purposes of sections 473.124 to 473.1258, the terms defined in this section have the meanings given them. The terms defined in chapter 200 also apply to sections 473.124 to 473.1258, unless a different meaning is specified in this section.

<u>Subd. 2.</u> [ADVANCE OF CREDIT.] <u>"Advance of credit" means any money owed for goods provided or services</u> rendered. An advance of credit is an expenditure in the year in which the goods or services are used or consumed. Advance of credit does not mean <u>"loan" as defined in subdivision 11.</u>

<u>Subd. 3.</u> [ASSOCIATION.] <u>"Association" means a business, corporation, firm, partnership, committee, labor organization, club, or any other group of two or more persons, which includes more than an immediate family, acting in concert.</u>

Subd. 4. [BOARD.] "Board" means the ethical practices board.

<u>Subd. 5.</u> [BUSINESS WITH WHICH THE INDIVIDUAL IS ASSOCIATED.] <u>"Business with which the individual</u> is associated" means any association in connection with which the individual is compensated in excess of \$50 except for actual and reasonable expenses in any month as a director, officer, owner, member, partner, employer or employee, or is a holder of securities worth \$2,500 or more at fair market value.

<u>Subd. 6.</u> [CANDIDATE.] "Candidate" means an individual, not within the definition of candidate of section 10A.01, subdivision 5, who seeks nomination or election to the metropolitan council.

Subd. 7. [CONTRIBUTION.] "Contribution" means a transfer of funds or a donation in kind.

(a) Contribution includes any loan or advance of credit to a political committee, political fund, or principal campaign committee, if that loan or advance of credit is (1) forgiven, or (2) paid by an entity other than the political committee, political fund, or principal campaign committee to which the loan or advance of credit is made.

(b) Contribution does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, political committee or fund, or the publishing or broadcasting of news items or editorial comments by the news media.

<u>Subd. 8.</u> [DONATION IN KIND.] <u>"Donation in kind" means anything of value other than money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee to influence the outcome of an election.</u>

Subd. 9. [ELECTION.] "Election" means an election held to nominate or elect a candidate to the metropolitan council.

<u>Subd. 10.</u> [EXPENDITURE.] "Expenditure" means a purchase or payment of money or anything of value, or an advance of credit, made or incurred to influence the outcome of any election. Expenditure does not include services provided without compensation by an individual volunteering personal time on behalf of a candidate, political committee or fund, or the publishing or broadcasting of news items or editorial comments by the news media.

<u>Subd. 11.</u> [LOAN.] <u>"Loan" means an advance of money or anything of value made to a political committee, political fund, or principal campaign committee.</u>

Subd. 12. [POLITICAL COMMITTEE.] "Political committee" means any political party, association, or person other than an individual that seeks as its major purpose to influence the outcome of any election.

Subd. 13. [POLITICAL FUND.] "Political fund" means any accumulation of dues or voluntary contributions by an association other than a political committee, which accumulation is collected or expended to influence the outcome of any election.

<u>Subd. 14.</u> [PRINCIPAL CAMPAIGN COMMITTEE.] <u>"Principal campaign committee" means the single political committee designated by a candidate.</u>

Subd. 15. [TRANSFER OF FUNDS OR TRANSFER.] "Transfer of funds" or "transfer" means money or negotiable instruments given by an individual or association to a political committee, political fund, or principal campaign committee to influence the outcome of any election.

Sec. 14. [473.1242] [POLITICAL COMMITTEES; METROPOLITAN COUNCIL ELECTIONS.]

<u>Subdivision 1.</u> [OFFICERS.] <u>Every political committee shall have a chair and a treasurer, who may be the same individual. The treasurer may designate deputy treasurers and is responsible for their accounts. The treasurer shall designate a single depository and account for all contributions received by the political committee.</u>

<u>Subd. 2.</u> [PROHIBITIONS; ACCEPTANCE OF CERTAIN CONTRIBUTIONS; COMMINGLING OF FUNDS.] <u>A</u> contribution must not be accepted and an expenditure must not be made by or on behalf of a political committee while the office of treasurer is vacant. An anonymous contribution in excess of \$20 must not be retained by the political committee but must be forwarded to the state ethical practices board and deposited in the general fund. Funds of the political committee must not be commingled with the personal funds of any officer, member, or associate of the committee. Any individual who violates a provision of this subdivision is guilty of a misdemeanor.

Sec. 15. [473.1243] [POLITICAL FUNDS.]

<u>Subdivision 1.</u> [WHEN REQUIRED.] An association other than a political committee must not transfer more than \$100 in aggregate in any one year to candidates or political committees or make any expenditure unless the transfer or expenditure is made from a political fund.

<u>Subd. 2.</u> [TREASURER; COMMINGLING OF FUNDS; ANONYMOUS CONTRIBUTIONS.] <u>Each association that</u> has a political fund shall elect or appoint a treasurer of the political fund. Contributions to the political fund must not be accepted and expenditures from the fund must not be made while the office of treasurer is vacant. The contents of the political fund must not be commingled with any other funds or with the personal funds of any officer or member of the fund. An anonymous contribution in excess of \$20 must not be retained by the political fund but must be forwarded to the state ethical practices board and deposited in the general fund.

<u>Subd.</u> 3. [USE OF DUES AND MEMBERSHIP FEES.] Notwithstanding subdivision 1, the association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. The treasurer of the fund, in any report required by section 473.1247, shall disclose the name of any member whose dues, membership fees, and contributions deposited in the political fund in any one year exceed \$50 in the aggregate.

Subd. 4. [PENALTY.] Any person who knowingly violates the provisions of this section is guilty of a misdemeanor.

Sec. 16. [473.1244] [PRINCIPAL CAMPAIGN COMMITTEE.]

Every candidate who receives contributions or makes expenditures in excess of \$100 shall designate and cause to be formed a single political committee which shall be known as the candidate's principal campaign committee. The candidate shall make expenditures only through the candidate's principal campaign committee. The candidate may be the chair and treasurer of the principal campaign committee.

Sec. 17. [473.1245] [REGISTRATION OF POLITICAL COMMITTEES AND POLITICAL FUNDS.]

<u>Subdivision 1.</u> [FILING OFFICE; DEADLINE.] Every political committee, political fund, and principal campaign committee shall register with the board within 14 days after the date by which the committee or fund has received contributions or made expenditures in excess of \$100.

Subd. 2. [STATEMENT REQUIRED.] A political committee or fund registers by filing a statement of organization that includes:

(1) the name and address of the political committee or fund;

(2) the name and address of the chair, the treasurer, and any deputy treasurers;

(3) the name and address of the depository used by the committee or fund;

(4) the name and address of any supporting association of a political fund; and

(5) a statement as to whether the committee is a principal campaign committee.

The statement of organization shall be filed by the treasurer of the political committee, political fund, or principal campaign committee.

Sec. 18. [473.1246] [ACCOUNTS WHICH MUST BE KEPT.]

Subdivision 1. [CONTRIBUTIONS; EXPENDITURES; TRANSFERS.] The treasurer of any political committee, political fund, or principal campaign committee shall keep an account of:

(1) the sum of all contributions, except any donation in kind valued at \$20 or less, made to the political committee or fund;

(2) the name and address of each source of a transfer or donation in kind in excess of \$20, together with the date and amount;

(3) each expenditure made by or on behalf of the committee together with the date and amount; and

(4) the name and address of each political committee or fund to which transfers in excess of \$20 have been made, together with the date and amount.

<u>Subd. 2.</u> [AUTHORIZATION OF EXPENDITURES; RECEIPTS.] <u>Each expenditure by a political committee, political fund, or principal campaign committee shall be authorized by the treasurer. The treasurer may authorize not more than \$20 per week as petty cash for miscellaneous expenditures. The treasurer shall obtain a receipted bill stating the particulars for every expenditure of more than \$100 made by or on behalf of the political committee or fund, and for any expenditure of a lesser amount, if the aggregate amount of lesser expenditures to the same individual or association during a year exceeds \$100.</u>

Sec. 19. [473.1247] [CAMPAIGN REPORTS.]

<u>Subdivision 1.</u> [COMMITTEES REQUIRED TO REPORT; DEADLINES.] <u>The treasurer of any political committee</u>, political fund, or principal campaign committee required to register under section 473.1245 also shall file campaign reports with the board. 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 regular primary and a regular election. Political committees and political funds other than principal campaign committees shall file campaign reports ten days before a regular primary or regular election. The treasurer of a principal campaign committee shall file additional reports ten days before a special primary or other special election and 30 days after a special election. The reports shall cover the period from the last day of the previous reporting period to seven days before the filing date. An additional campaign report shall be filed by all treasurers on January 31 of each year covering the period from the last day of the previous reporting calendar year.

Subd. 2. [CONTENT OF REPORTS.] Each campaign report required under this section shall disclose:

(1) the amount of liquid assets on hand at the beginning of the reporting period;

(2) the name, address, and employer, or occupation if self-employed, of each individual, committee or political fund that made transfers or donations in kind to the political committee in an aggregate amount or value in excess of \$100, together with the amount and date;

(3) the sum of all contributions made to the political committee or political fund;

(4) each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, 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. A loan made to a political committee or political fund that is forgiven or is repaid by an entity other than that political committee or fund shall be reported as a contribution;

(5) the sum of all receipts, including all contributions and loans, during the reporting period;

(6) the name and address of each person to whom aggregate expenditures have been made by or on behalf of the political committee or fund within the year in excess of \$100, the amount, date, and purpose of each expenditure and the name and address of the candidate supported or opposed by the expenditure;

(7) the sum of all expenditures made by the political committee or fund;

(8) the amount and nature of any advance of credit incurred by the political committee or fund continuously reported until paid or forgiven. An advance of credit incurred by a political committee or fund that is forgiven or is paid by an entity other than that political committee or fund shall be reported as a donation in kind;

(9) the name and address of each political committee or fund to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(10) the sum of all transfers made to political committees or funds; and

(11) the sum of all disbursements not made to influence the outcome of an election.

<u>Subd. 3.</u> [TERMINATION REPORTS.] <u>A political committee or political fund may dissolve upon filing of a termination report indicating that the committee or fund has settled all of its debts and disposed of all assets in excess of \$100. The termination report shall include all information required in a periodic campaign report.</u>

## Sec. 20. [473.1248] [EXPENDITURES BY INDIVIDUALS; REPORTS.]

(a) Any individual who makes expenditures in an aggregate amount of \$100 or more in any year, which expenditures are not required to be reported by any political committee or fund as contributions to that political committee or fund but which expenditures were made with the cooperation or express or implied consent of any candidate, political committee, or agent of a candidate or political committee, shall file campaign reports in the form required by section 473.1247 with respect to those expenditures.

(b) Paragraph (a) does not apply to an individual's expenditures made expressly to advocate the election or defeat of a clearly identified candidate.

Sec. 21. [473.1249] [ADDITIONAL INFORMATION TO BE DISCLOSED.]

<u>Subdivision 1.</u> [EARMARKED CONTRIBUTIONS PROHIBITED.] <u>An individual, political committee, or political</u> fund 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 other than the initial recipient. An individual, political committee, or political fund who knowingly accepts any earmarked contribution is guilty of a gross misdemeanor.

<u>Subd. 2.</u> [BILLS WHEN RENDERED.] Every person who has a bill, charge, or claim against any political committee or political fund for any expenditure shall render in writing to the treasurer of the committee or fund the bill, charge, or claim within 60 days after the material or service is provided. Failure to present the bill, charge, or claim as required by this subdivision is a petty misdemeanor.

Sec. 22. [473.125] [CIRCUMVENTION PROHIBITED.]

Any person who attempts to circumvent disclosure of the source or amount of contributions or expenditures by redirecting funds through or contributing funds on behalf of another person is guilty of a misdemeanor.

## Sec. 23. [473.1251] [ECONOMIC REPRISALS PROHIBITED.]

(a) An individual or association must not engage in economic reprisals or threaten loss of employment or physical coercion against any individual or association because of the political contributions or political activity of that individual or association.

(b) Paragraph (a) does not apply to compensation for employment or loss of employment when the political affiliation or viewpoint of the employee is a bona fide occupational gualification of the employment.

(c) Any individual or association that violates this subdivision is guilty of a misdemeanor.

Sec. 24. [473.1252] [ECONOMIC INTEREST DISCLOSURE.]

<u>Subdivision 1.</u> [OFFICIALS REQUIRED TO FILE; DEADLINES.] <u>Every candidate for the metropolitan council shall</u> file statements of economic interest as required by this section with the board. A candidate shall file an original statement within 14 days of the filing of an affidavit or petition to appear on the ballot. All elected members shall file an original statement of economic interest 60 days after forms for disclosure are provided to the filing officer. Every individual required to file a statement shall file a supplementary statement on April 15 of each year in which the individual remains a candidate or elected official. An official required to file a statement of economic interest under section 10A.09 is not required to comply with this section.

Subd. 2. [CONTENT OF STATEMENT.] (a) An individual required to file a statement of economic interest shall disclose:

(1) the individual's name, address, occupation, and principal place of business;

(2) the name of each business with which the individual or spouse is associated and the nature of that association,

(3) all income received by the candidate or spouse in excess of \$500 and any source of such income;

(4) all stock in any one company with a market value of \$2,500 or more owned by the individual or spouse;

(5) a listing of all real property within the state, excluding homestead property, in which the individual or spouse holds:

(i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, and which interest has a market value in excess of \$2,500 as shown on the real estate tax statement for the property; or

(ii) an option to buy, which property has a fair market value of \$50,000 or more;

(6) a listing of all real property within the state in which a partnership of which the individual or spouse is a member holds:

(i) a fee simple interest, a mortgage, a contract for deed as buyer or seller, or an option to buy, whether direct or indirect, if the individual's or spouse's share of the partnership interest has a market value in excess of \$2,500 as shown on the real estate tax statement for the property; or

(ii) an option to buy, which property has a fair market value of \$50,000 or more; and

(7) in supplementary statements only, the amount of each honorarium in excess of \$50 received by the individual since last statement, together with the name and address of the source.

(b) Any listing under paragraph (a), clause (5) or (6), shall indicate the street address and the municipality or the section, township range and approximate acreage, whichever applies, and the county in which the property is located.

Sec. 25. [473.1253] [REPORTS AND STATEMENTS; REQUIREMENTS.]

<u>Subdivision 1.</u> [CERTIFICATION.] <u>A report or statement required by section 473.1245 or 473.1247 shall be signed</u> and certified as true by the individual required to file the report or statement. Any individual who signs and certifies to be true a report or statement that the individual knows contains false information or who knowingly omits required information is guilty of a gross misdemeanor.

Subd. 2. [REPORTS RETAINED.] The board shall retain the statements, reports, and copies and make them available for public inspection for a period of five years after the date of receipt by the board.

<u>Subd. 3.</u> [CHANGES AND CORRECTIONS.] <u>Any material changes in information previously submitted and any corrections to a report or statement shall be reported in writing to the board within ten days following the date of the event prompting the change or the date upon which the individual filing became aware of the inaccuracy. The change or correction shall identify the form and the paragraph containing the information to be changed or corrected. Any individual who willfully fails to report a material change or correction is guilty of a misdemeanor.</u>

Subd. 4. [RECORD KEEPING.] Each individual required to file any report or statement or to keep any account under sections 473,1245 to 473.1247 shall maintain and preserve for four years the records, including any vouchers, canceled checks, bills, invoices, worksheets, and receipts, that will provide in sufficient detail the necessary information from which the accounts and the filed reports and statements may be verified, explained, clarified, and checked for accuracy and completeness.

Subd. 5. [PENALTIES.] The board shall notify by certified mail or personal service any individual who fails to file a statement or report required by sections 473.1245 to 473.1247. Except for any campaign report of a principal campaign committee due before an election, if an individual fails to file any statement or report within seven days after receiving a notice, the board may impose a late filing fee of \$5 per day, not to exceed \$100, beginning on the eighth day after receiving notice. If a treasurer of a principal campaign committee fails to file a campaign report due before an election within three days of the date due, regardless of whether the treasurer has received any notice, the board may impose a late filing fee of \$50 per day, not to exceed \$500, beginning on the fourth day after the date the statement was due. The board shall further notify by certified mail or personal service any individual who fails to file any statement or report within 21 days after receiving a first notice that the individual may be subject to a criminal penalty for failure to file the statement or report. An individual who knowingly fails to file the statement or report within seven days after receiving a second notice from the board is guilty of a misdemeanor.

<u>Subd. 6.</u> [RECOVERY OF LATE FILING FEES.] <u>The board may bring an action in Ramsey county district court</u> to recover any late filing fee imposed under subdivision 5. <u>All money recovered shall be deposited in the state</u> general fund.

Subd. 7. [REPORTS OF VIOLATIONS.] If any individual fails to file the required statement or report within seven days after a second notice as provided in subdivision 5, the board shall inform the county attorney of the county where the individual resides that a second notice was sent and that the individual failed to file the required statement or report. If a candidate fails to file a report or statement after a second notice as provided in subdivision 5, the board shall notify the attorney general.

Sec. 26. [473.1254] [CAMPAIGN FINANCING.]

Subdivision 1. [ELIGIBILITY.] A candidate who has:

(1) filed a petition or affidavit of candidacy with the secretary of state as provided in section 473.123;

(2) filed an agreement with the state ethical practices board as provided in subdivision 2; and

(3) raised \$2,500 in campaign funds before the primary election from eligible voters in the state, counting only the first \$50 contributed by each voter, as stated in the agreement filed with the board,

is eligible for \$20,000 public campaign financing.

Subd. 2. [AGREEMENT.] A candidate for council may receive public campaign financing by signing and filing with the state ethical practices board a written agreement that not more than \$47,000 will be spent on the candidate's campaign for expenses incurred from the time of filing through the election day and by stating in the agreement that the candidate has raised \$2,500 as specified in subdivision 1.

<u>Subd. 3.</u> [FUNDING.] The council shall provide sufficient funds for the purposes of this section. The council may levy to provide these funds and the levy authorized by this subdivision shall be in addition to the levy authorized under section 473.249. The levy shall be levied and collected in the manner provided in sections 473.13 and 473.249, subdivision 2.

<u>Subd. 4.</u> [RETURN OF PUBLIC FUNDS.] <u>Each candidate who receives public campaign financing under this</u> section shall return to the council's public campaign financing fund any funds not spent by January 1 of the year following the election, or all public campaign financing funds, if the candidate's campaign expenditures exceed the limits set by this section.

Sec. 27. [473.1255] [CONTRIBUTION LIMITS.]

A candidate must not permit the candidate's principal campaign committee to accept contributions from any individual, political committee, or political fund in aggregate in excess of \$100 per calendar year.

Sec. 28. [473.1256] [METROPOLITAN COUNCIL MEMBERS; INTEREST IN CONTRACT; PENALTY.]

(a) A member of the metropolitan council who may take part in any manner in making any sale, lease, or contract in the member's official capacity shall not voluntarily have a personal financial interest in that sale, lease, or contract or personally benefit financially from it. The exceptions listed in section 471.88 apply to council members.

(b) A member who violates paragraph (a) is guilty of a gross misdemeanor.

Sec. 29. [473.1257] [DUTIES OF ETHICAL PRACTICES BOARD.]

Subdivision 1. [ADVISORY OPINIONS; DISCLOSURE EXEMPTIONS.] The state ethical practices board shall:

(1) issue and publish advisory opinions concerning the requirements of sections 473.124 to 473.1258 upon application in writing by any individual or association who wishes to use the opinion to guide the applicant's own conduct; and

(2) exempt any individual or association required to disclose information under sections 473.124 to 473.1258 from any requirement of those sections in the same manner as it exempts any individual or association from disclosure requirements under chapter 10A. An individual or association exempted from the disclosure provisions of chapter 10A, shall also be exempt from the disclosure provisions of sections 473.124 to 473.1258. 80TH DAY]

Subd. 2. [FORMS.] The board shall develop forms for all statements and reports required to be filed under sections 473.124 to 473.1258.

Sec. 30. [473.1258] [PROSECUTION OF VIOLATIONS.]

<u>A violation of a criminal provision of sections 473.124 to 473.1258 shall be prosecuted by the county attorney of the county in which the defendant resides.</u>

Sec. 31. [473.1259] [VOTER EDUCATION.]

<u>Subdivision 1.</u> [VOTER'S GUIDE.] <u>At least 21 days before every council general election, the council shall mail a</u> <u>voter's guide to every household in the district in which an election is scheduled.</u> The voter's guide must include the following information:

(1) the name, address, telephone number, and occupation of each candidate;

(2) biographical information on each candidate, if provided, not to exceed 50 words;

(3) a statement from each candidate, if provided, not to exceed 150 words;

(4) information on the procedures for voter registration;

(5) information on the procedures for voting by absentee ballot;

(6) information on assistance available to persons with disabilities; and

(7) other election-related information, as determined by the council.

The council shall provide each person filing an affidavit of candidacy with blank forms and instructions to be used by the candidates to submit information for the voter's guide. Candidates must submit information for the voter's guide to the council no later than six weeks before the council primary election. The council may provide the candidates an opportunity to review submitted material before publication.

The council may edit information submitted by candidates to ensure compliance with this subdivision and to delete any information which, in the opinion of the council, contains obscene, profane, scandalous, or defamatory language, or contains any language that may not be legally circulated through the mails. Nothing in this section shall make the author of the material submitted to the council exempt from any civil or criminal action due to defamatory statements made by the author. The person writing, signing, or offering a statement to the council is deemed its author and publisher.

<u>Subd. 2.</u> [PUBLIC ACCESS CABLE TV.] <u>The council shall arrange for candidates to have equal access to public access cable television in the metropolitan area for campaign purposes including debates during the four-week period prior to election day.</u>

<u>Subd. 3.</u> [COUNCIL RECOVERY OF COSTS.] <u>The council shall determine the costs of the voters' guide, including the publication and distribution of the guide, and cable television access provided for each candidate and deduct that cost from the public campaign financing to the candidate. The council shall bill a candidate not receiving public campaign financing and the candidate shall reimburse the council for the candidate's share of the voters' guide and cable television costs.</u>

Sec. 32. [TRANSITIONAL SALARIES OF MEMBERS.]

The members of the metropolitan council elected to serve terms beginning the first Monday in January 1995 shall receive salaries of \$35,000 per year until otherwise set by the council as provided in Minnesota Statutes, section 473.123.

Sec. 33. [CONTINUATION OF TERMS.]

The appointed chair and appointed council members representing council districts 1 through 16 described in Minnesota Statutes 1993 Supplement, section 473.123, subdivision 3c, and holding office on the effective date of this section, and any successor appointed to fill a vacancy, shall continue in office until the first Monday in January 1995.

### Sec. 34. [METROPOLITAN COUNCIL EXECUTIVE DIRECTOR.]

The executive director of the metropolitan council, appointed as provided in Minnesota Statutes 1992, section 473.123, subdivision 6, shall serve as the regional administrator at the pleasure of the council.

Sec. 35. [REPEALER.]

Minnesota Statutes 1992, section 473.123, subdivisions 3, 5, and 6, are repealed.

Sec. 36. [APPLICATION.]

This article applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 37. [EFFECTIVE DATES.]

<u>Sections 1, 2, 4, 5, 6, 8, 9, 11, 32, 34, and 35, are effective the first Monday in January 1995.</u> <u>Sections 3, 7, 10, 12</u> to 31, and 33, are effective June 1, 1994."

Page 10, delete line 14

Page 10, line 15, delete "(6)" and insert "(5)"

Page 10, line 16, delete "(7)" and insert "(6)"

Page 11, line 2, delete "or the office of transit operations"

Page 11, line 11, before "ABOLISHED" insert "METROPOLITAN WASTE CONTROL COMMISSION" and delete 'AGENCIES, SUCCESSORS" and insert "SUCCESSOR"

Page 11, line 12, delete everything after "Subdivision 1."

Page 11, delete lines 13 to 36

Page 12, delete lines 1 to 9

Page 12, line 10, delete "Subd. 3."

Page 12, line 30, delete "4" and insert "2"

Page 12, line 31, delete "agencies" and insert "the agency"

Page 12, after line 34, insert:

"Sec. 4. [METROPOLITAN COUNCIL EMPLOYEES.]

Permanent or regular staff employed by the metropolitan council as of March 1, 1994, may not be terminated by discharge, except for cause, or by layoff before the first Monday in January 1996. This act does not abrogate or change any rights enjoyed by the employees of the metropolitan council under the terms of a collective bargaining agreement that is authorized by Minnesota Statutes, section 179A.20, and that is in effect on March 1, 1994."

Page 12, line 35, delete "4" and insert "5"

Page 13, line 2, delete "5" and insert "6"

Page 13, line 5, after the period, insert "Section 4 is effective the day after final enactment."

Pages 15 and 16, delete section 4

Pages 17 and 18, delete section 6

Pages 20 to 39, delete sections 10 to 25

## 80TH DAY]

5963

Page 40, lines 25 to 28, reinstate the stricken language and delete the new language

Page 40, lines 32 and 33, reinstate "regional transit board, metropolitan transit commission,"

Page 44, lines 32 to 35, reinstate the stricken language and delete the new language

Pages 45 to 49, delete sections 28 and 29

Page 51, line 4, reinstate everything after the first comma

Page 51, lines 5 to 8, reinstate the stricken language

Page 51, line 10, delete "managers" and insert "manager"

Page 51, line 11, delete "27" and insert "21"

Pages 52 and 53, delete sections 31 and 32

Page 54, lines 31 and 32, reinstate "regional transit board, metropolitan transit commission,"

Page 59, delete lines 4 to 12

Page 59, line 13, delete "(c)" and insert "(b)"

Page 60, lines 7 and 8, reinstate the stricken language

Page 60, line 9, reinstate the stricken "473.161" and delete "transportation," and insert "and for"

Page 60, lines 18 and 19, reinstate the stricken language

Page 61, lines 5 to 16, reinstate the stricken language and delete the new language

Page 61, delete section 43

Page 63, line 2, reinstate "transit board, transit commission,"

Page 63, line 3, reinstate the stricken comma

Page 64, line 18, strike "metropolitan"

Page 64, line 19, reinstate the stricken "regional transit board,"

Page 64, line 20, before "sports" insert "metropolitan" and reinstate the stricken comma

Page 64, lines 23, 25, 27, 29, 32, and 33, reinstate the stricken "or board"

Page 64, line 24, reinstate the stricken "or"

Page 64, line 25, reinstate the stricken "board"

Page 65, lines 1, 3, 6, and 9, reinstate the stricken "or board"

Pages 65 to 72, delete sections 48 to 54

Page 72, line 10, reinstate the stricken "other"

Pages 73 to 120, delete sections 58 to 139

Pages 142 to 150, delete sections 185 to 199

Page 152, line 4, reinstate the stricken language

Page 152, delete lines 14 to 20

Page 152, delete lines 22 to 36

Page 153, delete lines 1 to 4 and insert "<u>Minnesota Statutes 1992, sections 115A.03, subdivision 20; 115A.33; 473.121, subdivision 21; 473.122; 473.132; 473.325, subdivision 5; 473.501, subdivision 2; 473.503; 473.504, subdivisions 1, 2, 3, 7, and 8; 473.511, subdivision 5; 473.517, subdivision 8; and 473.543, subdivision 5, are repealed."</u>

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on General Legislation, Veterans Affairs and Elections.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

S. F. No. 2197, A bill for an act relating to elections; codifying and recodifying the legislative district boundaries used for the 1992 election, with adjustments to avoid dividing the cities of Willernie and New Hope and simplify the division of Ham Lake; providing for distribution and correction of redistricting plans; amending Minnesota Statutes 1992, sections 2.031, subdivision 2; 2.043; 2.053; 2.063; 2.073; 2.083; 2.093, subdivision 2; 2.103; 2.113; 2.123; 2.133; 2.143; 2.153, subdivision 2; 2.163; 2.173; 2.183; 2.193; 2.203, subdivision 1; 2.213; 2.223; 2.233; 2.243; 2.253; 2.263; 2.273; 2.283; 2.293; 2.313; 2.323; 2.333; 2.343; 2.353; 2.363; 2.373; 2.383; 2.393; 2.403; 2.413; 2.433; 2.443; 2.453, subdivision 1; 2.463; 2.473, subdivision 2; 2.483, subdivision 2; 2.493; 2.503; 2.513, subdivision 1; 2.523; 2.533; 2.543, subdivision 1; 2.553; 2.563; 2.573; 2.583; 2.593, subdivision 2; 2.603; 2.613, subdivision 2; 2.623; 2.633, subdivision 2; 2.643; 2.653, subdivision 1; 2.663; 2.673; 2.683, subdivision 1; 2.693; and 2.703, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

S. F. No. 2199, A bill for an act relating to elections; codifying the congressional district plan adopted by the Minnesota special redistricting panel; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1992, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1921, 2405, 2512, 2617, 2658, 2672, 2953 and 3004 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1826, 2197 and 2199 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Pelowski and Morrison, for the Higher Education Finance Division, introduced:

H. F. No. 3178, A bill for an act relating to education; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, and board of regents of the University of Minnesota, with certain conditions; changing the designation of Fond du Lac center; prescribing changes to certain financial aid programs; reinstating rules pertaining to private business, trade, and correspondence schools and technical colleges personnel licensing; limiting curricular authority of the POST board; abolishing the higher education coordinating board; adopting a post-secondary funding formula; providing for appointments; defining higher education board authority for bargaining with certain employees; designating certain higher education board employees as unclassified; clarifying transfer provisions for the merger of community colleges, state universities, and technical colleges; transferring bonding authority for the state universities to the higher education board; establishing the higher education board as the sole state agency for federal funding for vocational education; providing for appointments of additional student members on the higher education board; establishing the student board member selection process; authorizing the higher education board to supervise and control construction, improvement, and repair of its facilities; preserving distinct post-secondary missions; recognizing separate student associations; transferring excess debt service funds; amending Minnesota Statutes 1992, sections 43A.06, subdivision 1; 43A.08, subdivision 1; 43A.18, by adding a subdivision; 135A.01; 135A.02; 135A.03, as amended; 136.31; 136.32; 136.33; 136.34; 136.35; 136.36; 136.37; 136.38; 136.41, by adding a subdivision; 136.60; 136A.121, subdivision 17; 136A.125, subdivisions 2, 3, and 4; 136A.15, subdivision 6; 136C.06; and 136E.01, subdivisions 1 and 2; 179A.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 43A.18, subdivision 4; 136.41, subdivision 8; 136A.233, subdivisions 1 and 2; 136E.03; Laws 1991, chapter 356, article 9, sections 8, subdivision 1; 9; 12; and 13; Laws 1993, chapter 224, article 12, section 39; proposing coding for new law in Minnesota Statutes, chapters 135A; 136; and 136E; repealing Minnesota Statutes 1992, sections 135A.06, subdivisions 2, 3, 4, 5, and 6; 136.31, subdivision 6; 136.40; 136.41, subdivisions 1, 2, 3, 4, 5, 6, and 7; and 136.42; 136C.36; Minnesota Statutes 1993 Supplement, section 135A.061; Laws 1993, First Special Session chapter 2, article 1, section 9, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Munger; Tunheim; Johnson, V.; Peterson and Anderson, I., introduced:

H. F. No. 3179, A bill for an act relating to waters; preservation of wetlands; drainage and filling for public roads; defining terms; board action on local government plans; action on approval of replacement plans; computation of value; appropriating money; amending Minnesota Statutes 1992, sections 103G.2242, subdivisions 1, 5, 6, 7, and 8; and 103G.237, subdivision 4; Minnesota Statutes 1993 Supplement, sections 103G.222; and 103G.2241.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Hausman introduced:

H. F. No. 3180, A bill for an act relating to contaminated sites; providing conditions for grants; providing for the property tax treatment of sites; amending Minnesota Statutes 1993 Supplement, sections 116J.556; 273.1399, subdivision 1; and 469.174, subdivision 19; repealing Minnesota Statutes 1993 Supplement, section 469.175, subdivision 7a.

The bill was read for the first time and referred to the Committee on Taxes.

## Gruenes and Opatz introduced:

H. F. No. 3181, A bill for an act relating to capital improvements; St. Cloud; appropriating money for historic renovation of the Paramount Theater; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

Olson, E., introduced:

H. F. No. 3182, A bill for an act relating to capital improvements; appropriating money to the commissioner of education to construct a community service center at Nay-Tah-Waush in Mahnomen county; authorizing the sale of state bonds.

The bill was read for the first time and referred to the Committee on Education.

Cooper; Garcia; Huntley; Brown, K., and Olson, K., introduced:

H. F. No. 3183, A bill for an act relating to health; requiring health program consolidation; expanding the MinnesotaCare program; establishing a standard benefit set; implementing insurance reforms; requiring other initiatives to assure health care access; increasing individual income tax liabilities; appropriating the proceeds of the increased tax to the health care access fund; amending Minnesota Statutes 1992, sections 62D.181, subdivision 8; 62J.03, by adding a subdivision; 256.9358, subdivision 3; 290.06, subdivision 2c; and 290.62; Minnesota Statutes 1993 Supplement, sections 62A.021, subdivision 1; 62E.11, subdivision 12; 256.9352, subdivision 3; 256.9353, by adding a subdivision; and 256.9357, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 1992, section 62E.11, subdivisions 5 and 6; Minnesota Statutes 1993 Supplement, section 256.9357, subdivision 2

The bill was read for the first time and referred to the Committee on Health and Human Services.

#### Dawkins introduced:

H. F. No. 3184, A bill for an act relating to taxation; providing for the application of certain taxation and exemption provisions; amending Minnesota Statutes 1992, sections 60A.02, by adding a subdivision; and 290.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

#### Weaver and Lynch introduced:

H. F. No. 3185, A bill for an act relating to education; reviving rules related to school nurse licensure; amending Laws 1993, chapter 224, article 12, section 39.

The bill was read for the first time and referred to the Committee on Education.

Bishop, Simoneau, Greenfield and Orenstein introduced:

H. F. No. 3186, A bill for an act relating to health; prohibiting provision of health care to an infant diagnosed with an encephaly; amending Minnesota Statutes 1993 Supplement, section 260.015, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bishop, Simoneau, Greenfield and Orenstein introduced:

H. F. No. 3187, A bill for an act relating to health; modifying provisions relating to a durable power of attorney; amending Minnesota Statutes 1993 Supplement, section 145C.11, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 145C; repealing Minnesota Statutes 1993 Supplement, section 145C.15.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau introduced:

H. F. No. 3188, A bill for an act relating to health; requiring health program consolidation; expanding the MinnesotaCare program; establishing a standard benefit set; implementing insurance reforms; requiring other initiatives to assure health care access; increasing individual income tax liabilities; appropriating the proceeds of the increased tax to the health care access fund; amending Minnesota Statutes 1992, sections 62D.181, subdivision 8; 62J.03, by adding a subdivision; 256.9358, subdivision 3; 290.06, subdivision 2c; and 290.62; Minnesota Statutes 1993 Supplement, sections 62A.021, subdivision 1; 62E.11, subdivision 12; 256.9352, subdivision 3; 256.9353, by adding a subdivision; and 256.9357, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62J; repealing Minnesota Statutes 1992, section 62E.11, subdivisions 5 and 6; Minnesota Statutes 1993 Supplement, section 256.9357, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

# **MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce 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. 2074, A bill for an act relating to crime prevention; juvenile justice; providing for adult court jurisdiction over juveniles alleged to have committed first degree murder or first degree criminal sexual conduct after age 16; providing for presumptive certification to adult court for juveniles alleged to have committed other prison-level felonies; authorizing the court or the prosecutor to designate a juvenile a serious youthful offender; authorizing adult felony sentences for serious youthful offenders; extending juvenile court jurisdiction to age 23; limiting certification to adult court to felony offenses; extending a right to jury trial to serious youthful offenders; requiring that a juvenile have an in-person consultation with counsel before waiving right to counsel; requiring appointment of counsel or standby counsel for juveniles charged with gross misdemeanors or felonies or when out-of-home delinquency placement is proposed; providing for adult court jurisdiction over juveniles alleged to have committed nonfelony-level traffic offenses after age 16, authorizing the juvenile court to require parents to attend delinquency hearings; providing for the sharing of certain data collected or maintained on juveniles; requiring county attorneys to establish juvenile diversion programs; providing mandatory minimum sentences for drive-by shooting crimes; expanding the crime relating to the possession of dangerous weapons on school property; increasing penalties for certain firearms offenses involving youth; establishing a task force on juvenile justice programming evaluation and planning; requiring that the department of corrections provide programming for serious and repeat juvenile offenders; appropriating money; amending Minnesota Statutes 1992, sections 13.99, subdivision 79; 242.31, subdivision 1; 242.32; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.125; 260.131, by adding a subdivision; 260.132; 260.155, subdivision 2, and by adding a subdivision; 260.161, subdivisions 1a, 2, and by adding a subdivision; 260.181, subdivision 4; 260.185, subdivision 3; 260.193, subdivisions 1, 3, 4, 6, and by adding a subdivision; 260.211, subdivision 1; 260.215, subdivision 1; 260.291; 268.31; 609.055, subdivision 2; 611.15; 611.19; 611.25, subdivision 1; 611A.02, by adding a subdivision; and 611A.77, subdivision 1; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 2; 144.651, subdivisions 2, 21, and 26; 253B.03, subdivisions 3 and 4; 260.155, subdivision 1; 260.161, subdivisions 1 and 3; 299A.35, subdivisions 1 and 2; 299C.65, subdivision 1; 401.065, subdivision 1, and by adding a subdivision; 609.11, subdivision 9; 609.66, subdivision 1d; 624.713, subdivision 1; 624.7132, subdivision 15; and 624.7181, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 260; 299A; 388; and 609; repealing Minnesota Statutes 1992, section 260.125, subdivision 3.

The Senate has appointed as such committee:

Ms. Ranum; Messrs. Spear; Beckman; McGowan and Laidig.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

### Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 2016, A bill for an act relating to commerce; regulating mortgage payment services; requiring a bond or other security; amending Minnesota Statutes 1992, section 332.13, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 332.

### PATRICK E. FLAHAVEN, Secretary of the Senate

Asch moved that the House refuse to concur in the Senate amendments to H. F. No. 2016, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 1512, A bill for an act relating to elections; providing uniform local election procedures; requiring regular city elections to be held in the fall; permitting town elections to be held in November; making uniform certain local government procedures; providing for the identification of judicial offices; authorizing special elections to be conducted by mail ballot; amending Minnesota Statutes 1992, sections 103C.305, subdivision 2; 123.33, subdivision 1; 204B.14, subdivision 8; 204B.36, subdivision 4; 205.02, subdivision 2; 205.065, subdivisions 1 and 2; 205.07, subdivision 1; 205.10, by adding a subdivision; 205.13, subdivision 1, and by adding a subdivision; 205.16, subdivisions 1 and 2; 205.17, subdivision 4; 205.175; 206.90, subdivision 6; 365.51, subdivisions 1 and 3; and 367.03; proposing coding for new law in Minnesota Statutes, chapter 204D; repealing Minnesota Statutes 1992, sections 205.065, subdivision 3; 205.18; 205.20; and 410.21.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Luther, Marty and Laidig.

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

Osthoff 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. 1512. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

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 Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Price, Morse and Merriam.

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

Wolf 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. 760. The motion prevailed.

# CONSENT CALENDAR

S. F. No. 2522, A bill for an act relating to Wadena county; permitting the consolidation of the offices of auditor and treasurer.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Leppik	Neary	Rest	Tunheim
Anderson, R.	Dehler	Hugoson	Lieder	Nelson	Rhodes	Van Dellen
Asch	Delmont	Huntley	Limmer	Ness	Rice	Van Engen
Battaglia	Dempsey 👘 🗹	Jacobs	Lindner	Olson, E.	Rodosovich	Vellenga
Bauerly	Dom	Jefferson	Long	Olson, K.	Rukavina	Vickerman
Beard	Erhardt	Jennings	Lourey	Olson, M.	Sama	Wagenius
Bergson	Evans	Johnson, A.	Luther	Opatz	Seagren	Waltman
Bertram	Farrell	Johnson, R.	Lynch	Orenstein	Sekhon	Weaver
Bettermann	Finseth	Johnson, V.	Macklin	Orfield	Simoneau	Wejcman
Bishop	Frerichs	Kahn	Mahon	Osthoff	Skoglund	Wenzel
Brown, C.	Garcia	Kelley	Mariani	Ostrom	Smith	Winter
Brown, K.	Girard	Kelso	McCollum	Ozment	Solberg	Wolf
Carlson	Goodno	Klinzing	McGuire	Pauly	Stanius	Worke
Carruthers	Greenfield	Knickerbocker	Milbert	Pawlenty	Steensma	Workman
Clark	Greiling	Knight	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Commers	Gruenes	Koppendrayer	Morrison	Perlt	Swenson	•
Cooper	Gutknecht	Krinkie	Mosel	Peterson	Tomassoni	
Dauner	Hasskamp	Krueger	Munger	Pugh	Tompkins	
Davids	Hausman	Lasley	Murphy	Reding	Trimble	

Those who voted in the negative were:

Kalis

## Kinkel

The bill was passed and its title agreed to.

H. F. No. 942, A bill for an act relating to traffic regulations; requiring every driver to use due care in operating a motor vehicle; amending Minnesota Statutes 1992, section 169.14, 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 2 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch	Bergson Bertram Bettermann	Carlson Carruthers Clark	Davids Dawkins Dehler	Erhardt Evans Farrell	Girard Goodno Greenfield	Hasskamp Hausman Holsten
Battaglia Bauerly	Bishop Brown, C.	Commers Cooper	Demont Dempsey	Farren Finseth Frerichs	Greiling Gruenes	Hugoson Hugoson Huntley
Beard	Brown, K.	Dauner	Dorn	Garcia	Gutknecht	Jacobs

### JOURNAL OF THE HOUSE

### [80TH DAY

Jefferson	Krinkie	Mariani	Olson, K.	Peterson	Smith	Vickerman
Jennings	Krueger	McCollum	Olson, M.	Pugh	Solberg	Wagenius
Johnson, A.	Lasley	McGuire	Onnen	Reding	Stanius	Waltman
Johnson, R.	Leppik	Milbert	Opatz	Rest	Steensma	Wejcman
Johnson, V.	Lieder	Molnau	Orenstein	Rhodes	Sviggum	Wenzel
Kalis	Limmer	Morrison	Orfield	Rice	Swenson	Winter
Kelley	Lindner	Mosel	Osthoff	Rodosovich	Tomassoni	Wolf
Kelso	Long	Munger	Ostrom	Rukavina	Tompkins	Worke
Kinkel	Lourey	Murphy	Ozment	Sama	Trimble	Workman
Klinzing	Luther	Neary	Pauly	Seagren	Tunheim	Spk. Anderson, I
Knickerbocker	Lynch	Nelson	Pawlenty	Sekhon	Van Dellen	1 ,
Knight	Macklin	Ness	Pelowski	Simoneau	Van Engen	
Koppendrayer	Mahon	Olson, E.	Perlt	Skoglund	Vellenga	

## Those who voted in the negative were:

Kahn

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n Weaver

The bill was passed and its title agreed to.

H. F. No. 1844, A bill for an act relating to highways; designating trunk highway marked No. 212 as the Minnesota Veterans Memorial Highway; amending Minnesota Statutes 1992, section 161.14, 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	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	Jefferson	Limmer	Olson, E.	Rice	Van Engen
Beard	Erhardt	Jennings	Lindner	Olson, K.	Rodosovich	Vellenga
Bergson	Evans	Johnson, A.	Long	Olson, M.	Rukavina	Vickerman
Bertram	Farrell	Johnson, R.	Lourey	Onnen	Sama	Wagenius
Bettermann	Finseth	Johnson, V.	Luther	Opatz	Seagren	Waltman
Bishop	Frerichs	Kahn	Lynch	Orenstein	Sekhon	Weaver
Brown, C.	Garcia	Kalis	Macklin	Orfield	Simoneau	Wejcman
Brown, K.	Girard	Kelley	Mahon	Osthoff	Skoglund	Wenzel
Carlson	Goodno	Kelso	Mariani	Ostrom	Smith	Winter
Carruthers	Greenfield	Kinkel	McCollum	Ozment	Solberg	Wolf
Clark	Greiling	Klinzing	McGuire	Pauly	Stanius	Worke
Commers	Gruenes	Knickerbocker	Milbert	Pawlenty	Steensma	Workman
Cooper	Gutknecht	Knight	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Dauner	Hasskamp	Koppendrayer	Morrison	Perlt	Swenson	•
Davids	Hausman	Krinkie	Mosel	Peterson	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 1909, A bill for an act relating to retirement; local police and salaried firefighters relief associations and consolidation accounts; requiring continuation of surviving spouse benefits upon remarriage; amending Minnesota Statutes 1992, section 423A.17; Minnesota Statutes 1993 Supplement, section 353B.11, subdivision 6.

The bill was read for the third time and placed upon its final passage.

## WEDNESDAY, MARCH 30, 1994

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. Asch	Dawkins Dehler Delmont	Hugoson Huntley Jacobs	Lasley Leppik Lieder	Murphy Neary Nelson	Pugh Reding Rest	Trimble Tunheim Van Dellen
Battaglia	Dom	Jefferson	Limmer	Ness	Rhodes	Van Engen
Bauerly	Erhardt	Jennings	Lindner	Olson, E.	Rice	Vellenga
Beard	Evans	Johnson, A.	Long	Olson, K.	Rodosovich	Vickerman
Bergson	Farrell	Johnson, R.	Lourey	Olson, M.	Rukavina	Wagenius
Bertram	Finseth	Johnson, V.	Luther	Onnen	Sama	Waltman
Bettermann	Frerichs	Kahn	Lynch	Opatz	Seagren	Weaver
Bishop	Garcia	Kalis	Macklin	Orenstein	Sekhon	Wejcman
Brown, C.	Girard	Kelley	Mahon	Orfield	Simoneau	Wenzel
Brown, K.	Goodno	Kelso	Mariani	Osthoff	Skoglund	Winter
Carlson	Greenfield	Kinkel	McCollum	Ostrom	Smith	Wolf
Carruthers	Greiling	Klinzing	McGuire	Ozment	Solberg	Worke
Clark	Gruenes	Knickerbocker	Milbert	Pauly	Stanius	Workman
Commers	Gutknecht	Knight	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Cooper	Hasskamp	Koppendrayer	Morrison	Pelowski	Sviggum	
Dauner	Hausman	Krinkie	Mosel .	Perlt	Swenson	
Davids	Holsten	Krueger	Munger	Peterson	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 1927, A bill for an act relating to public employment; authorizing a Medicare coverage referendum for certain city of Karlstad hospital employees.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hugoson	Lasley	Murphy	Pugh	Tompkins
Anderson, R.	Dehler	Huntley	Leppik	Neary	Reding	Trimble
Asch	Delmont	Jacobs	Lieder	Nelson	Rest	Tunheim
Battaglia	Dempsey	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Bauerly	Dom	Jennings	Lindner	Olson, E.	Rice	Van Engen
Beard	Erhardt	Johnson, A.	Long	Olson, K	Rodosovich	Vellenga
Bergson	Evans	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Farrell	Johnson, V.	Luther	Onnen	Sama	Wagenius
Bettermann	Finseth	Kahn	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Kalis	Macklin	Orenstein	Sekhon	Weaver
Brown, C.	Garcia	Kelley	Mahon	Orfield	Simoneau	Wejcman
Brown, K.	Girard	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Carlson	Goodno	Kinkel	McCollum	Ostrom	Smith	Winter
Carruthers	Greenfield	Klinzing	McGuire	Ozment	Solberg	Wolf
Clark	Greiling	Knickerbocker	Milbert	Pauly	Stanius	Worke
Commers	Gruenes	Knight	Molnau	Pawlenty	Steensma	Workman
Cooper	Hasskamp	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Dauner	Hausman	Krinkie	Mosel	Perlt	Swenson	
Davids	Holsten	Krueger	Munger	Peterson	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 1928, A bill for an act relating to motor vehicles; authorizing special license plates for vehicles owned by volunteer ambulance drivers; amending Minnesota Statutes 1992, section 168.12, by adding a subdivision.

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The bill was read for the third time and placed upon its final passage.

## JOURNAL OF THE HOUSE

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Murphy	Pugh	Tompkins
Anderson, R.	Delmont	Huntley	Leppik	Neary	Reding	Trimble
Asch	Dempsey	Jacobs	Lieder	Nelson	Rest	Tunheim
Battaglia	Dom	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Bauerly	Erhardt	Jennings	Lindner	Olson, E.	Rice	Van Engen
Beard	Evans	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bergson	Farrell	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Finseth	Johnson, V.	Luther	Onnen	Sarna	Wagenius
Bettermann	Frerichs	Kahn	Lynch	Opatz	Seagren	Waltman
Bishop	Garcia	Kalis	Mačklin	Orenstein	Sekhon	Weaver
Brown, K.	Girard	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carlson	Goodno	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Carruthers	Greenfield	Kinkel	McCollum	Ostrom	Smith	Winter
Clark	Greiling	Klinzing	McGuire	Ozment	Solberg	Wolf
Commers	Gruenes	Knickerbocker	Milbert	Pauly	Stanius	Worke
Cooper	Gutknecht	Knight	Molnau	Pawlenty	Steensma	Workman
Dauner	Hasskamp	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Hausman	Krinkie	Mosel	Perlt	Swenson	-
Dawkins	Holsten	Krueger	Munger	Peterson	Tomassoni	

The bill was passed and its title agreed to.

S. F. No. 1752, A bill for an act relating to highways; designating the Laura Ingalls Wilder historic highway; amending Minnesota Statutes 1992, section 161.14, 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	Dempsey	Jacobs	Lieder	Nelson	Rest	Tunheim
Anderson, R.	Dorn	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Asch	Erhardt	Jennings	Lindner	Olson, E.	Rice	Van Engen
Battaglia	Evans	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bauerly	Farrell	Johnson, R.	Lourey	Olson, M	Rukavina	Vickerman
Beard	Finseth	Johnson, V.	Luther	Onnen	Sarna	Wagenius
Bergson	Frerichs	Kahn	Lynch	Opatz	Seagren	Waltman
Bertram	Garcia	Kalis	Macklin	Orenstein	Sekhon	Weaver
Bettermann	Girard	Kelley	Mahon	Orfield	Simoneau	Wejcman
Bishop	Goodno	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Brown, K.	Greenfield	Kinkel	McCollum	Ostrom	Smith	Winter
Carlson	Greiling	Klinzing	McGuire	Ozment	Solberg	Wolf
Carruthers	Gruenes	Knickerbocker	Milbert	Pauly	Stanius	Worke
Clark	Gutknecht	Knight	Molnau	Pawlenty	Steensma	Workman
Cooper	Hasskamp	Koppendraver	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Davids	Hausman	Krinkie	Mosel	Perlt	Swenson	1
Dawkins	Holsten	Krueger	Munger	Peterson	Tomassoni	
Dehler	Hugoson	Lasley	Murphy	Pugh	Tompkins	
Delmont	Huntley	Leppik	Neary	Reding	Trimble	

Those who voted in the negative were:

Commers

The bill was passed and its title agreed to.

H. F. No. 2094 was reported to the House.

Bauerly moved that H. F. No. 2094 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 1968, A bill for an act relating to veterans; extending eligibility for special veterans' license plates to allied veterans; amending Minnesota Statutes 1992, section 168.123, 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 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Murphy	Pugh	Trimble
Anderson, R.	Dehler	Hugoson	Lasley	Neary	Reding	Tunheim
Asch	Delmont	Huntley	Leppik	Nelson	Rest	Van Dellen
Battaglia	Dempsey	Jacobs	Lieder	Ness	Rhodes	Van Engen
Bauerly	Dom	Jefferson	Limmer	Olson, E.	Rice	Vellenga
Beard	Erhardt	Jennings	Long	Olson, K.	Rodosovich	Vickerman
Bergson	Evans	Johnson, A.	Lourey	Olson, M.	Rukavina	Wagenius
Bertram	Farrell	Johnson, R.	Luther	Onnen	Sama	Waltman
Bettermann	Finseth	Johnson, V.	Lynch	Opatz	Seagren	Weaver
Bishop	Frerichs	Kahn	Macklin	Orenstein	Sekhon	Wejcman
Brown, C.	Garcia	Kalis	Mahon	Orfield	Simoneau	Wenzel
Brown, K.	Girard	Kelley	Mariani	Osthoff	Skoglund	Winter
Carlson	Goodno	Kelso	McCollum	Ostrom	Smith	Wölf
Carruthers	Greenfield	Kinkel	McGuire	Ozment	Solberg	Worke
Clark	Greiling	Klinzing	Milbert	Pauly	Steensma	Workman
Commers	Gruenes	Knickerbocker	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Cooper	Gutknecht	Knight	Morrison	Pelowski	Swenson	
Dauner	Hasskamp	Koppendrayer	Mosel	Perlt	Tomassoni	· · · · · ·
Davids	Hausman	Krinkie	Munger	Peterson	Tompkins	

Those who voted in the negative were:

Lindner

The bill was passed and its title agreed to.

H. F. No. 2159, A bill for an act relating to limited liability companies; providing for the application of unemployment compensation laws; amending Minnesota Statutes 1993 Supplement, section 268.04, subdivision 12.

The bill was read for the third 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:

Batterity     Carruthers     Dempsey     Goono     Functery     Reliey     Lastery       Beard     Clark     Dorn     Greenfield     Jacobs     Kelley     Lastery       Bergson     Commers     Erhardt     Greiling     Jefferson     Kinkel     Lieder       Bertram     Cooper     Evans     Gruenes     Jennings     Klinzing     Limmer       Bettermann     Dauner     Farrell     Gutknecht     Johnson, A.     Knickerbocker     Lindner	Bergson	Commers	Erhardt	Greiling	Jefferson	Kinkel	Lieder
	Bertram	Cooper	Evans	Gruenes	Jennings	Klinzing	Limmer

## JOURNAL OF THE HOUSE

## [80TH DAY

Long	Molnau	Olson, M.	Pelowski	Sarna	Greenman	Waltman
Long					Swenson	
Lourey	Morrison	Onnen	Perlt	Seagren	Tomassoni	Weaver
Luther	Mosel	Opatz	Peterson	Sekhon	Tompkins	Wejcman
Lynch	Munger	Orenstein	Pugh	Simoneau	Trimble	Wenzel
Macklin	Murphy	Orfield	Reding	Skoglund	Tunheim	Winter
Mahon	Neary	Osthoff	Rest	Smith	Van Dellen	Wolf
Mariani	Nelson	Ostrom	Rhodes	Solberg	Van Engen	Worke
McCollum	Ness	Ozment	Rice	Stanius	Vellenga	Workman
McGuire	Olson, E.	Pauly	Rodosovich	Steensma	Vickerman	Spk. Anderson, I.
Milbert	Olson, K.	Pawlenty	Rukavina	Sviggum	Wagenius	
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The bill was passed and its title agreed to.

The Speaker called Carruthers to the Chair.

H. F. No. 2269 was reported to the House.

Tunheim moved to amend H. F. No. 2269, the first engrossment, as follows:

Delete everything after the enacting clause and insert:

"Section 1. [TEACHERS RETIREMENT ASSOCIATION; EFFECTIVE DATE FOR RETIREMENT ANNUITY ACCRUAL.]

(a) An annuitant from the teachers retirement association who terminated employment with the Roseau school district on June 30, 1982, and whose application for retirement was postmarked July 1, 1982, must have the retirement effective date revised under paragraph (b), must have the retirement annuity recomputed under paragraph (c), is entitled to a back payment of omitted postretirement adjustment amounts under paragraph (d), and must have additional retirement reserves appropriated under paragraph (e).

(b) Notwithstanding any provision of law to the contrary, the individual described in paragraph (a) must be considered to have retired effective July 1, 1982, and to have accrued a retirement annuity from that date.

(c) Notwithstanding any provision of law to the contrary, the individual described in paragraph (a) must have the future retirement annuity amount increased to account for the adjustment paid to other eligible annuitants from the Minnesota postretirement investment fund on January 1, 1984, and the compounding effect of subsequent postretirement adjustments through the date of enactment to function as the new base retirement annuity for postretirement adjustments after the date of enactment.

(d) The individual described in paragraph (a) is entitled to a lump sum payment of postretirement adjustment amounts omitted by virtue of the failure to receive the January 1, 1984, postretirement adjustment under Minnesota Statutes, section 11A.18, including the compounding effect of subsequent postretirement adjustments for the period January 1, 1984, through the date of enactment.

(e) The amount of the required reserves for the recomputed retirement annuity for transfer to the Minnesota postretirement investment fund under paragraph (c) and the amount of the lump sum back payment under paragraph (d) are appropriated from the teachers retirement fund.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective on the day following final enactment."

Delete the title and insert:

"A bill for an act relating to retirement; teachers retirement association; authorizing annuity adjustment for a certain annuitant."

The motion prevailed and the amendment was adopted.

H. F. No. 2269, A bill for an act relating to retirement; teachers retirement association; authorizing annuity adjustment for a certain annuitant.

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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes	Holsten Hugoson Huntley Jacobs Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker	Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Milhert	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly	Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius	Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke
					+	
Cooper Dauner Davids	Gruenes Gutknecht Hasskamp Hausman	Knickerbocker Knight Koppendrayer Krinkie	Milbert Molnau Morrison Mosel	Pauly Pawlenty Pelowski Perlt	Stanius Steensma Sviggum Swenson	Worke Workman Spk. Anderson, I.

The bill was passed, as amended, and its title agreed to.

H. F. No. 2277, A bill for an act relating to the environment; providing for the continuation of certain environmental advisory boards; amending Minnesota Statutes 1992, sections 115A.072, subdivision 1; and 115A.12.

The bill was read for the third 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 16 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hugoson	Leppik	Nelson	Reding	Trimble
Anderson, R.	Delmont	Huntley	Lieder	Ness	Rest	Tunheim
Asch	Dempsey	Jacobs	Long	Olson, E.	Rhodes	Van Dellen
Battaglia	Dorn	Jefferson	Lourey	Olson, K	Rice	Vellenga
Bauerly	Erhardt	Jennings	Luther	Onnen	Rodosovich	Vickerman
Beard	Evans	Johnson, A.	Lynch	Opatz	Rukavina	Wagenius
Bergson	Farrell	Johnson, R.	Macklin	Orenstein	Sama	Weaver
Bertram	Finseth	Johnson, V.	Mahon	Orfield	Seagren	Wejcman
Bishop	Frerichs	Kahn	Mariani	Osthoff	Sekhon	Wenzel
Brown, C.	Garcia	Kalis	McCollum	Ostrom	Simoneau	Winter
Brown, K.	Girard	Kelley	McGuire	Ozment	Skoglund	Wolf
Carlson	Goodno	Kelso	Milbert	Pauly	Smith	Spk. Anderson, I.
Carruthers	Greenfield	Klinzing	Morrison	Pawlenty	Solberg	-
Clark	Greiling	Knickerbocker	Mosel	Pelowski	Steensma	
Commers	Gruenes	Koppendrayer	Munger	Perlt	Swenson	
Cooper	Hasskamp	Krueger	Murphy	Peterson	Tomassoni	
Dauner	Hausman	Lasley	Neary	Pugh	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 2309, A bill for an act relating to highways; changing highway description; amending Minnesota Statutes 1992, section 161.115, subdivision 224.

The bill was read for the third 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	Dawkins	Holsten	Krueger	Munger	Peterson	Tomassoni
Anderson, R.	Dehler	Hugoson	Lasley	Murphy	Pugh	Tompkins
Asch	Delmont	Huntley	Leppik	Neary	Reding	Trimble
Battaglia	Dempsey	Jacobs	Lieder	Nelson	Rest	Tunheim
Bauerly	Dom	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Beard	Erhardt	Jennings	Lindner	Olson, E.	Rice	Van Engen
Bergson	Evans	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bertram	Farrell	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bettermann	Finseth	Johnson, V.	Luther	Onnen	Sarna	Wagenius
Bishop	Frerichs	Kahn	Lynch	Opatz	Seagren	Waltman
Brown, C.	Garcia	Kalis	Macklin	Orenstein	Sekhon	Weaver
Brown, K.	Girard	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carlson	Goodno	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Carruthers	Greenfield	Kinkel	McCollum	Ostrom	Smith	Winter
Clark	Greiling	Klinzing	McGuire	Ozment	Solberg	Wolf
Commers	Gruenes	Knickerbocker	Milbert	Pauly	Stanius	Worke
Cooper	Gutknecht	Knight	Molnau	Pawlenty	Steensma	Workman
Dauner	Hasskamp	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.

Perlt

Swenson

The bill was passed and its title agreed to.

Hausman

S. F. No. 2260 was reported to the House.

McCollum moved to amend S. F. No. 2260 as follows:

Krinkie

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 168.012, is amended by adding a subdivision to read:

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Subd. 1d. [STATE LOTTERY VEHICLES.] Unmarked passenger vehicles used by the state lottery for the purpose of conducting security or criminal investigations or ensuring that lottery retailers are in compliance with law and with their contracts are not required to display tax-exempt number plates, but must be registered and must display passenger vehicle license plates. The registrar shall furnish the license plates to the director of the state lottery at cost. On applying for initial registration or renewal of a registrarion under this subdivision, the director of the state lottery must certify, on a form prescribed by the registrar and signed by the director, that the vehicles will be used exclusively for the purposes of this subdivision.

Sec. 2. Minnesota Statutes 1992, section 168.042, subdivision 12, is amended to read:

Subd. 12. [ISSUANCE OF SPECIAL REGISTRATION PLATES.] A violator or registered owner may apply to the commissioner for new registration plates, which must bear a special series of numbers or letters so as to be readily identified by traffic law enforcement officers. The commissioner may authorize the issuance of special plates if:

(1) a member of the violator's household violator has a valid driver's license gualified licensed driver whom the violator must identify;

(2) the violator or registered owner has a limited license issued under section 171.30;

(3) the registered owner is not the violator and the registered owner has a valid or limited driver's license; or

5976

Davids

(4) a member of the registered owner's household has a valid driver's license.

The commissioner may issue the special plates on payment of a \$25 fee for each vehicle for which special plates are requested.

Sec. 3. Minnesota Statutes 1993 Supplement, section 171.06, subdivision 4, is amended to read:

Subd. 4. [APPLICATION, FILING; FEE RETAINED FOR EXPENSES.] Any applicant for an instruction permit, a driver's license, restricted license, or duplicate license may file an application with a court administrator of the district court or at a state office. The administrator or state office shall receive and accept the application. To cover all expenses involved in receiving, accepting, or forwarding to the department applications and fees, the court administrator of the district court may retain a county fee of \$3.50 for each application for a Minnesota identification card, instruction permit, duplicate license, driver license, or restricted license. The amount allowed to be retained by the court administrator of the district court shall be paid into the county treasury and credited to the general revenue fund of the county. Before the end of the first working day following the final day of an established reporting period, the court administrator shall forward to the department all applications and fees collected during the reporting period, less the amount herein allowed to be retained for expenses. The court administrators of the district courts may appoint agents to assist in accepting applications, but the administrators shall require every agent to forward to the administrators by whom the agent is appointed all applications accepted and fees collected by the agent, except that an agent may shall retain the county fee to cover the agent's expenses involved in receiving, accepting or forwarding the applications and fees. The court administrators shall be responsible for the acts of agents appointed by them and for the forwarding to the department of all applications accepted and those fees collected by agents and by themselves as are required to be forwarded to the department.

Sec. 4. Minnesota Statutes 1992, section 171.12, subdivision 1, is amended to read:

Subdivision 1. [LICENSES FILED IN ALPHABETICAL ORDER.] The department shall file every application for a <u>driver's</u> license received by it and shall maintain suitable indices containing, in alphabetical order:

(1) all applications denied, and on each thereof the reason for such denial;

(2) all applications granted; and

(3) the name of every person whose license has been suspended or, revoked, or <u>canceled</u> or <u>who has been</u> <u>disqualified</u> from operating a <u>commercial</u> motor vehicle by the department, and after each such name the reasons for such the action.

Sec. 5. Minnesota Statutes 1992, section 171.12, subdivision 3, is amended to read:

Subd. 3. [APPLICATIONS AND RECORDS, WHEN DESTROYED.] The department may cause the application applications for drivers' licenses and instruction permits, and <u>related</u> records in connection therewith, to be destroyed immediately after the period for which issued, except that the driver's record pertaining to revocations, suspensions, <u>cancellations</u>, <u>disqualifications</u>, convictions, and accidents shall be cumulative and kept for a period of at least five years.

Sec. 6. Minnesota Statutes 1992, section 171.12, subdivision 3a, is amended to read:

Subd. 3a. [RECORD DESTROYED WHEN <u>REVOCATION OR SUSPENSION ORDER</u> RESCINDED.] Notwithstanding subdivision 3 or section 138.163, when an order for revocation or, suspension, or cancellation of a driver's license or disqualification of a driver from operating a commercial motor vehicle is rescinded and all rights of appeal have been exhausted or have expired, the commissioner shall remove the record of that revocation or, suspension, cancellation, or disqualification from the computer records that are disclosed to persons or agencies outside the driver and vehicle services division, department of public safety.

Sec. 7. Minnesota Statutes 1992, section 171.165, subdivision 4, is amended to read:

Subd. 4. [SERIOUS TRAFFIC VIOLATIONS.] On receiving a record of conviction and subject to section 171.166, the commissioner shall disqualify a person from operating commercial motor vehicles for 60 days if the person is convicted of two serious traffic violations, or 120 days if convicted of three serious traffic violations. The violations

must involve separate incidents and must have been committed in a commercial motor vehicle within a three-year period. For purposes of this subdivision, a serious traffic offense includes the following:

(1) following too closely under section 169.18, subdivision 8;

(2) erratic lane change under sections 169.18, subdivisions 3 and 7; and 169.19, subdivision 4;

(3) operating the commercial vehicle at a speed 15 miles per hour or more above the posted speed limit;

(2) (4) reckless or careless driving under section 169.13;

(3) (5) fleeing a peace officer under section 609.487; and

(4) (6) a violation of a moving traffic statute of Minnesota or any state, or an ordinance in conformity with a Minnesota statute, that arose in connection with a fatal accident.

Sec. 8. Minnesota Statutes 1993 Supplement, section 171.22, subdivision 1, is amended to read:

Subdivision 1. [VIOLATIONS.] With regard to any driver's license, including a commercial driver's license, it shall be unlawful for any person:

(1) to display, cause or permit to be displayed, or have in possession, any:

### (i) canceled, revoked, or suspended driver's license;

(ii) driver's license for which the person has been disqualified; or

(iii) fictitious or fraudulently altered driver's license or Minnesota identification card;

(2) to lend the person's driver's license or Minnesota identification card to any other person or knowingly permit the use thereof by another;

(3) to display or represent as one's own any driver's license or Minnesota identification card not issued to that person;

(4) to use a fictitious name or date of birth to any police officer or in any application for a driver's license or Minnesota identification card, or to knowingly make a false statement, or to knowingly conceal a material fact, or otherwise commit a fraud in any such application;

(5) to alter any driver's license or Minnesota identification card;

(6) to take any part of the driver's license examination for another or to permit another to take the examination for that person;

(7) to make a counterfeit driver's license or Minnesota identification card; or

(8) to use the name and date of birth of another person to any police officer for the purpose of falsely identifying oneself to the police officer.

Sec. 9. Minnesota Statutes 1993 Supplement, section 171.29, subdivision 2, is amended to read:

Subd. 2. [FEES, ALLOCATION.] (a) A person whose <u>drivers</u> <u>driver's</u> license has been revoked as provided in subdivision 1, except under section 169.121 or 169.123, shall pay a \$30 fee before the <u>person's driver's</u> license is reinstated.

(b) A person whose <u>drivers</u> <u>driver's</u> 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 driver's <u>driver's</u> license is reinstated, to be credited as follows:

(1) 20 <u>Twenty</u> percent shall be credited to the trunk highway fund:

(2) 55 Fifty-five 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 <u>the appropriated amount</u> shall be divided as follows: eight apportioned 80 percent for laboratory costs; two and 20 percent for carrying out the provisions of section 299C.065;

(4) 12 <u>Twelve</u> 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 programs in elementary and secondary schools<del>; and</del>.

(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. 10. Minnesota Statutes 1993 Supplement, section 171.30, subdivision 2a, is amended to read:

Subd. 2a. [OTHER WAITING PERIODS.] Notwithstanding subdivision 2, a limited license shall not be issued for a period of:

(1) 15 days, to a person whose license or privilege has been revoked or suspended for a violation of section 169.121 er, 169.123, or a statute or ordinance from another state in conformity with either of those sections;

(2) 90 days, to a person who submitted to testing under section 169.123 if the person's license or privilege has been revoked or suspended for a second or subsequent violation of section 169.121 or, 169.123, or a statute or ordinance from another state in conformity with either of those sections;

(3) 180 days, to a person who refused testing under section 169.123 if the person's license or privilege has been revoked or suspended for a second or subsequent violation of section 169.121 or, 169.123, or a statute or ordinance from another state in conformity with either of those sections; or

(4) one year, to a person whose license or privilege has been revoked or suspended for commission of the offense of <u>committing</u> manslaughter resulting from the operation of a motor vehicle or <u>committing</u> criminal vehicular homicide or injury under section 609.21, or violating a statute or ordinance from another state in <u>conformity</u> with <u>either of those offenses</u>.

Sec. 11. Minnesota Statutes 1992, section 260.151, subdivision 1, is amended to read:

Subdivision 1. Upon request of the court the county welfare board or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260.111 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court.

The court shall have a chemical use assessment conducted when a child is (1) found to be delinquent for violating a provision of chapter 152, or for committing a felony-level violation of a provision of chapter 609 if the probation officer determines that alcohol or drug use was a contributing factor in the commission of the offense, or (2) alleged to be delinquent for violating a provision of chapter 152, if the child is being held in custody under a detention order. The assessor's qualifications and the assessment criteria shall comply with Minnesota Rules, parts 9530.6600 to 9530.6655. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with all provisions of Minnesota Rules, parts 9530.6600 to 9530.6655 and 9530.7000 to 9530.7030. The commissioner of public safety human services shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100.

With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent, in order that the condition of the minor be given due consideration in the disposition of the case. Adoption investigations shall be conducted in accordance with the laws relating to adoptions. Any funds received under the provisions of this subdivision 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 of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts."

## Delete the title and insert:

"A bill for an act relating to public safety; making technical corrections; exempting state lottery from registration tax for license plates on vehicles used for conducting security or criminal investigations; requiring district court agents to retain filing fee for receiving and forwarding drivers' license applications and fees; allowing special, coded license plates to be issued, following impoundment of former plates, to licensed driver identified by vehicle's registered owner; requiring department of public safety to keep records for five years of cancellations and disqualifications of drivers' licenses, unless rescinded; classifying offenses of following too closely and erratic lane change as serious traffic offenses for purposes of disqualifying driver from operating commercial motor vehicle; requiring same waiting period for Minnesota limited driver's license whether offense was committed in Minnesota or in another state; amending Minnesota Statutes 1992, sections 168.012, by adding a subdivision; 168.042, subdivision 12; 171.12, subdivisions 1, 3, and 3a; 171.165, subdivision 4; and 260.151, subdivision 1; Minnesota Statutes 1993 Supplement, sections 171.06, subdivision 4; 171.22, subdivision 1; 171.30, subdivision 2a."

The motion prevailed and the amendment was adopted.

S. F. No. 2260, A bill for an act relating to public safety; making technical corrections; allowing special, coded license plates to be issued, following impoundment of former plates, to licensed driver identified by vehicle's registered owner; requiring department of public safety to keep records for five years of cancellations and disqualifications of drivers' licenses, unless rescinded; classifying offenses of following too closely and erratic lane change as serious traffic offenses for purposes of disqualifying driver from operating commercial motor vehicle; imposing a penalty for displaying invalid driver's license as being valid; requiring same waiting period for Minnesota limited driver's license whether offense was committed in Minnesota or in another state; amending Minnesota Statutes 1992, sections 168.042, subdivision 12; 171.12, subdivisions 1, 3, and 3a; 171.165, subdivision 4; and 260.151, subdivision 1; Minnesota Statutes 1993 Supplement, sections 171.22, subdivision 1; 171.29, subdivision 2; and 171.30, subdivision 2a.

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 3 nays as follows:

Those who voted in the affirmative were:

						,
Abrams	Dorn	Jaros	Limmer	Ness	Rice	Vellenga
Anderson, R.	Erhardt	Jefferson	Lindner	Olson, E.	Rodosovich	Vickerman
Asch	Evans	Jennings	Long	Olson, K.	Rukavina	Wagenius
Battaglia	Farrell	Johnson, A.	Lourey	Olson, M.	Seagren	Waltman
Bauerly	Finseth	Johnson, V.	Luther	Onnen	Sekhon	Weaver
Bergson	Frerichs	Kahn	Lynch	Opatz	Simoneau	Wenzel
Bertram	Garcia	Kalis	Macklin	Orenstein	Skoglund	Winter
Bettermann	Girard	Kelley	Mahon	Orfield	Smith	Wolf
Bishop	Goodno	Kelso	Mariani	Osthoff	Solberg	Worke
Brown, K.	Greenfield	Kinkel	McCollum	Ostrom 4	Stanius	Workman
Carlson	Greiling	Klinzing	McGuire	Ozment	Steensma	Spk. Anderson, I.
Carruthers	Gruenes	Knickerbocker	Milbert	Pauly	Sviggum	
Clark	Gutknecht	Knight	Molnau	. Pawlenty	Swenson	
Commers	Hasskamp	Koppendrayer	Morrison	Pelowski	Tomassoni	
Cooper	Hausman	Krinkie	Mosel	Perlt	Tompkins	
Dauner	Holsten	Krueger	Munger	Peterson	Trimble	
Dawkins	Hugoson	Lasley	Murphy	Pugh	Tunheim	
Dehler	Huntley	Leppik	Neary	Rest	Van Dellen	· · · ·
Delmont	Jacobs	Lieder	Nelson	Rhodes	Van Engen	
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Those who voted in the negative were:

Davids Dempsey Wejcman

The bill was passed, as amended, and its title agreed to.

H. F. No. 2362 was reported to the House.

Lasley moved to amend H. F. No. 2362, the second engrossment, as follows:

Page 1, line 16, after "the" insert "dog"

The motion prevailed and the amendment was adopted.

The Speaker resumed the Chair.

H. F. No. 2362, A bill for an act relating to animals; changing the definition of a potentially dangerous dog; changing the identification tag requirements for a dangerous dog; amending Minnesota Statutes 1992, sections 347.50, subdivision 3; and 347.51, subdivision 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. There were 114 yeas and 17 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Davor	Dawkins Delmont Dorn Erhardt Evans Farrell Frerichs Garcia Girard Greenfield Greenfield Greeiling Gutknecht Hasskamp Hausman Holsten Hugoson	Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Kelley Kelso Kinkel Klinzing Knickerbocker Koppendrayer Krueger Lasley Leppik Lieder	Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McCollum McCollum McGuire Milbert Molnau Morrison Mosel Munger Murphy Neary	Ness Olson, E. Olson, K. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh Pauling	Rest Rhodes Rice Rodosovich Rukavina Sama Seagren Sekhon Simoneau Skoglund Smith Solberg Steensma Sviggum Swenson Tomassoni Tomassoni	Trimble Tunheim Van Dellen Vellenga Vickerman Wagenius Weaver Wejcman Wenzel Winter Worke Spk. Anderson, I.
Dauner	Huntley	Limmer	Nelson	Reding	Tompkins	

Those who voted in the negative were:

Davids	Finseth	Johnson, V.	Krinkie	Stanius	Wolf
Dehler Dempsey	Goodno Gruenes	Kalis Knight	Lindner Olson, M.	Van Engen Waltman	Workman
1 2		0			

The bill was passed, as amended, and its title agreed to.

H. F. No. 2365 was reported to the House.

Morrison moved to amend H. F. No. 2365, the first engrossment, as follows:

Amend the title as follows:

Page 1, line 8, delete "three" and insert "ten"

The motion prevailed and the amendment was adopted.

H. F. No. 2365, A bill for an act relating to traffic regulations; making technical changes; removing requirement for auxiliary low beam lights to be removed or covered when snowplow blade removed; requiring seat belts for commercial motor vehicles; allowing transportation within state of raw farm and forest products exceeding maximum weight limitation by not more than ten percent; amending Minnesota Statutes 1992, sections 169.743; and 169.851, subdivision 5; Minnesota Statutes 1993 Supplement, sections 169.122, subdivision 5; 169.47, subdivision 1; 169.522, subdivision 1; 169.56, subdivision 5; and 169.686, 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 130 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Goodno Greenfield Greeiling Gruenes Gutknecht Hasskamp	Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight	Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McCollum McGuire Milbert Molnau	Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty	Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma	Tomassoni Trimble Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.
						Spk. Anderson, I.
Davids	Holsten	Krinkie	Mosel	Perlt	Swenson	

Those who voted in the negative were:

Girard Tunheim

The bill was passed, as amended, and its title agreed to.

S. F. No. 1983, A bill for an act relating to economic development; clarifying applications and criteria for Minnesota companies to participate in the international business partnership program; amending Minnesota Statutes 1992, section 1161.974.

The bill was read for the third 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	Dawkins	Holsten	Krinkie	Mosel	Perlt	Swenson
Anderson, R.	Dehler	Hugoson	Krueger	Munger	Peterson	Tomassoni
Asch	Delmont	Huntley	Lasley	Murphy	Pugh	Trimble
Battaglia	Dempsey	Jacobs	Leppik	Neary	Reding	Tunheim
Bauerly	Dorn	Jaros	Lieder	Nelson	Rest	Van Dellen
Beard	Erhardt	Jefferson	Limmer	Ness	Rhodes	Van Engen
Bergson	Evans	Jennings	Lindner	Olson, E.	Rice	Vickerman
Bertram	Farrell	Johnson, A.	Long	Olson, K.	Rodosovich	Wagenius
Bettermann	Finseth	Johnson, R.	Lourey	Olson, M.	Rukavina	Waltman
Bishop	Frerichs	Johnson, V.	Luther	Onnen	Sarna	Weaver
Brown, C.	Garcia	Kahn	Lynch	Opatz	Seagren	Wejcman
Brown, K.	Girard	Kalis	Macklin	Orenstein	Sekhon	Wenzel
Carlson	Goodno	Kelley	Mahon	Orfield	Simoneau	Winter
Carruthers	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Wolf
Clark	Greiling	Kinkel	McCollum	Ostrom	Smith	Worke
Commers	Gruenes	Klinzing	McGuire	Ozment	Solberg	Workman
Cooper	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Spk. Anderson, I.
Dauner	Hasskamp	Knight	Molnau	Pawlenty	Steensma	-
Davids	Hausman	Koppendrayer	Morrison	Pelowski	Sviggum	· .

The bill was passed and its title agreed to.

S. F. No. 1967, A bill for an act relating to drivers' licenses; allowing commissioner of public safety to determine driver's test taken for license reinstatement; amending Minnesota Statutes 1992, section 171.29, 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 132 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Krueger	Munger	Peterson	Tomassoni
Asch	Delmont	Huntley	Lasley	Murphy	Pugh	Tompkins
Battaglia	Dempsey	Jacobs	Leppik	Neary	Reding	Trimble
Bauerly	Dorn	Jaros	Lieder	Nelson	Rest	Tunheim
Beard	Erhardt	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Bergson	Evans	Jennings	Lindner	Olson, E.	Rice	Van Engen
Bertram	Farrell	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bettermann	Finseth	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bishop	Frerichs	Johnson, V.	Luther	Onnen	Sama	Wagenius
Brown, C.	Garcia	Kahn	Lynch	Opatz	Seagren	Waltman
Brown, K.	Girard	Kalis	Macklin	Orenstein	Sekhon	Weaver
Carlson	Goodno	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carruthers	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Clark	Greiling	Kinkel	McCollum	Ostrom	Smith	Winter
Commers	Gruenes	Klinzing	McGuire	Ozment	Solberg	Wolf
Cooper	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Worke
Dauner	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Workman
Davids	Hausman	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Dawkins	Holsten	Krinkie	Mosel	Perlt	Swenson	• •

Those who voted in the negative were:

Anderson, R.

The bill was passed and its title agreed to.

H. F. No. 2508 was reported to the House.

Steensma moved that H. F. No. 2508 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 2511 was reported to the House.

Steensma moved to amend H. F. No. 2511, the first engrossment, as follows:

Page 1, line 26, after "to" insert "(1) either"

Page 2, line 2, delete "<u>a</u> <u>rail</u>"

Page 2, line 3, delete the new language

Page 2, line 5, before the period, insert ", or (2) a rail carrier for rehabilitation of locomotives"

The motion prevailed and the amendment was adopted.

H. F. No. 2511, A bill for an act relating to railroads; authorizing rail carriers to participate in loan guarantee program; defining terms; amending eligibility requirements; amending Minnesota Statutes 1992, sections 222.55; 222.56, subdivisions 5, 6, and by adding subdivisions; 222.57; and 222.58, 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 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Helsten	Knimlein	Magal	Doult	Success
		Holsten	Krinkie	Mosel	Perlt	Swenson
Anderson, R.	Dehler	Hugoson	Krueger	Munger	Peterson	Tomassoni
Asch	Delmont	Huntley	Lasley	Murphy	Pugh	Tompkins
Battaglia	Dempsey	Jacobs	Leppik	Neary	Reding	Trimble
Bauerly	Dorn	Jaros	Lieder	Nelson	Rest	Tunheim
Beard	Erhardt	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Bergson	Evans	Jennings	Lindner	Olson, E.	Rice	Van Engen
Bertram	Farrell	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bettermann	Finseth	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bishop	Frerichs	Johnson, V.	Luther	Onnen	Sarna	Wagenius
Brown, C.	Garcia	Kahn	Lynch	Opatz	Seagren	Waltman
Brown, K.	Girard	Kalis	Macklin	Orenstein	Sekhon	Weaver
Carlson	Goodno	Kelley	Mahon	Orfield	Simoneau	Wejcman
Carruthers	Greenfield	Kelso	Mariani	Osthoff	Skoglund	Wenzel
Clark	Greiling	Kinkel	McCollum	Ostrom	Smith	Winter
Commers	Gruenes	Klinzing	McGuire	Ozment	Solberg	Wolf
Cooper	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Worke
Dauner	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Workman
Davids	Hausman	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.

The bill was passed, as amended, and its title agreed to.

H. F. No. 2625 was reported to the House.

Mahon moved that H. F. No. 2625 be stricken from the Consent Calendar and be placed on General Orders. The motion prevailed.

80TH DAY]

#### WEDNESDAY, MARCH 30, 1994

S. F. No. 2415, A bill for an act relating to traffic regulations; increasing from \$500 to \$1,000 the threshold level of reportable motor vehicle accidents; amending Minnesota Statutes 1993 Supplement, section 169.09, 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	Dawkins	Hugoson	Lasley	Murphy	Pugh	Tompkins
Anderson, R.	Dehler	Huntley	Leppik	Neary	Reding	Trimble
Asch	Delmont	Jacobs	Lieder	Nelson	Rest	Tunheim
Battaglia	Dempsey	Jaros	Limmer	Ness	Rhodes	Van Dellen
Bauerly	Dom	Jefferson	Lindner	Olson, E.	Rice	Van Engen
Beard	Erhardt	Jennings	Long	Olson, K.	Rodosovich	Vellenga
Bergson	Evans	Johnson, A.	Lourey	Olson, M.	Rukavina	Vickerman
Bertram	Farrell	Johnson, R.	Luther	Onnen	Sama	Wagenius
Bettermann	Finseth ·	Johnson, V.	Lynch	Opatz	Seagren	Waltman
Bishop	Frerichs	Kahn	Macklin	Orenstein	Sekhon	Weaver
Brown, C.	Garcia	Kalis	Mahon	Orfield	Simoneau	Wejcman
Brown, K.	Girard	Kelley	Mariani	Osthoff	Skoglund	Wenzel
Carlson	Goodno	Kinkel	McCollum	Ostrom	Smith	Winter
Carruthers	Greiling	Klinzing	McGuire	Ozment	Solberg	Wolf ·
Clark	Gruenes	Knickerbocker	Milbert	Pauly	Stanius	Worke
Commers	Gutknecht	Knight	Molnau	Pawlenty	Steensma	Workman
Cooper	Hasskamp	Koppendrayer	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Dauner	Hausman	Krinkie	Mosel	Perlt	Swenson	1
Davids	Holsten	Krueger	Munger	Peterson	Tomassoni	

The bill was passed and its title agreed to.

H. F. No. 2634, A bill for an act relating to transportation; requiring understandable notice of requirements for appealing town road damage awards; amending Minnesota Statutes 1992, section 164.07, subdivision 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hugoson	Krueger	Munger	Peterson	Tomassoni
Anderson, R.	Dehler	Huntley	Lasley	Murphy	Pugh	Tompkins
Asch	Delmont	lacobs	Leppik	Nearv	Reding	Trimble
Battaglia	Dempsey	laros	Lieder	Nelson	Rest	Tunheim
Bauerly	Dorn	Jefferson	Limmer	Ness	Rhodes	Van Dellen
Beard	Erhardt	Jennings	Lindner	Olson, E.	Rice	Van Engen
Bergson	Evans	Johnson, A.	Long	Olson, K.	Rodosovich	Vellenga
Bertram	Farrell	Johnson, R.	Lourey	Olson, M.	Rukavina	Vickerman
Bettermann	Finseth	Johnson, V.	Luther	Onnen	Sarna	Waltman
Bishop	Frerichs	Kahn	Lynch	Opatz	Seagren	Weaver
Brown, C.	Garcia	Kalis	Macklin	Orenstein	Sekhon	Wejcman
Brown, K.	Girard	Kelley	Mahon	Orfield	Simoneau	Wenzel
Carlson	Goodno	Kelso	Mariani	Osthoff	Skoglund	Winter
Carruthers	Greiling	Kinkel	McCollum	· ). Ostrom	Smith	Wolf
Clark	Gruenes	Klinzing	McGuire	Ozment	Solberg	Worke
Commers	Gutknecht	Knickerbocker	Milbert	Pauly	Stanius	Workman
Cooper	Hasskamp	Knight	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Dauner	Hausman	Koppendrayer	Morrison	Pelowski	Sviggum	
Davids	Holsten	Krinkie	Mosel	Perlt	Swenson	

The bill was passed and its title agreed to.

H. F. No. 2762, A bill for an act relating to traffic regulations; regulating use and operation of Head Start school buses; amending Minnesota Statutes 1992, sections 169.01, by adding a subdivision; 169.28, subdivision 1; 169.441, subdivisions 2 and 4; 169.442, subdivision 5; 169.443, subdivisions 5 and 6; 169.447; 169.448, subdivisions 1 and 3; 169.451; 169.64, subdivision 8; 169.781, subdivision 1; 169.87, subdivision 3; 171.01, by adding a subdivision; 171.3215; 221.011, subdivision 21; and 631.40, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 171.321, subdivision 2; 221.025; and 221.031, subdivision 3b.

The bill was read for the third 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 Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Dauner	Dawkins Dehler Delmont Dempsey Dorn Erhardt Evans Farrell Finseth Frerichs Garcia Girard Goodno Greenfield Greiling Gruenes Gutknecht Hasskamp	Holsten Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Kinkel Klinzing Knickerbocker Knight	Krinkie Krueger Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani McCollum McGuire Milbert Molnau	Mosel Munger Murphy Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Osthoff Ostrom Ozment Pauly Pawlenty	Perlt Peterson Pugh Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum	Tomassoni Tompkins Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, I.
Dauner	Hasskamp	Knight	Molnau	Pawlenty	Sviggum	Spk. Anderson, I.
Davids	Hausman	Koppendrayer	Morrison	Pelowski	Swenson	

The bill was passed and its title agreed to.

Carruthers moved that the remaining bills on the Consent Calendar for today be continued. The motion prevailed.

## REPORT FROM THE COMMITTEE ON RULES AND LEGISLATIVE ADMINISTRATION

Carruthers, from the Committee on Rules and Legislative Administration, pursuant to rule 1.09, designated the following bills as Special Orders to be acted upon immediately preceding General Orders for today:

H. F. Nos. 2139, 2513, 2784, 664, 2034, 2244, 2882, 3057 and 2572; and S. F. No. 1692.

# SPECIAL ORDERS

Carruthers moved that the bills on Special Orders for today be continued. The motion prevailed.

# GENERAL ORDERS

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

80TH DAY]

## MOTIONS AND RESOLUTIONS

Wejcman moved that the name of Orenstein be added as an author on H. F. No. 2434. The motion prevailed.

Kahn moved that the name of Kinkel be shown as chief author on H. F. No. 3120. The motion prevailed.

Lieder moved that the name of Johnson, V., be added as an author on H. F. No. 3172. The motion prevailed.

Dehler moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Tuesday, March 29, 1994, when the vote was taken on the final passage of H. F. No. 1778." The motion prevailed.

Krueger moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, March 29, 1994, when the vote was taken on the final passage of H. F. No. 1778." The motion prevailed.

Leppik moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the affirmative on Tuesday, March 29, 1994, when the vote was taken on the final passage of H. F. No. 1778." The motion prevailed.

Tomassoni moved that the following statement be printed in the Journal of the House: "It was my intention to vote in the negative on Tuesday, March 29, 1994, when the vote was taken on the final passage of H. F. No. 1778." The motion prevailed.

Rice moved that H. F. No. 1918, now on General Orders, be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance. The motion prevailed.

Clark moved that H. F. No. 2349 be recalled from the Committee on Environment and Natural Resources Finance and be re-referred to the Committee on Governmental Operations and Gambling. 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. 2016:

Asch; Johnson, R., and Davids.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 1512:

Osthoff, Solberg and Abrams.

#### ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, April 4, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, April 4, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

# STATE OF MINNESOTA

# SEVENTY-EIGHTH SESSION - 1994

# EIGHTY-FIRST DAY

# SAINT PAUL, MINNESOTA, THURSDAY, MARCH 31, 1994

The Senate met on Thursday, March 31, 1994, which was the Eighty-first Legislative Day of the Seventy-eighth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.

## STATE OF MINNESOTA

## SEVENTY-EIGHTH SESSION — 1994

## EIGHTY-SECOND DAY

## SAINT PAUL, MINNESOTA, MONDAY, APRIL 4, 1994

The House of Representatives convened at 2:30 p.m. and was called to order by Irv Anderson, Speaker of the House. Prayer was offered by Pastor Patrice Nordstrand, Bethel-Trinity Lutheran Church, Bovey, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams Anderson, R. Asch Battaglia Bauerly Beard Bergson Bertram Bettermann Bishop Brown, C. Brown, K. Carlson Carruthers Clark Commers Cooper Davids Dawkins

Hugoson Huntley Jacobs Jaros Jefferson Jennings Johnson, A. Johnson, R. Johnson, V. Kahn Kalis Kelley Kelso Klinzing Knickerbocker Knight Koppendrayer Krinkie Krueger

Lasley Leppik Lieder Limmer Lindner Long Lourey Luther Lynch Macklin Mahon Mariani McCollum Milbert Molnau Morrison Mosel Munger Murphy

Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson · Pugh

Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins

Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

A quorum was present.

Dehler

Dom

Evans

Finseth

Frerichs

Garcia

Girard

Goodno

Greiling

Gruenes

Greenfield

Gutknecht

Hasskamp

Haukoos

Hausman

Holsten

Erhardt

Delmont

Dempsey

Dauner, Farrell, Kinkel and McGuire were excused.

The Chief Clerk proceeded to read the Journals of the preceding days. Winter moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communications were received:

#### JOURNAL OF THE HOUSE

#### STATE OF MINNESOTA OFFICE OF THE GOVERNOR SAINT PAUL 55155

March 31, 1994

The Honorable Irv Anderson Speaker of the House of Representatives The State of Minnesota

Dear Speaker Anderson:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 2130, relating to counties; St. Louis; assigned the former town of Payne to the 7th commissioner district.

Warmest regards,

ARNE H. CARLSON Governor

#### STATE OF MINNESOTA OFFICE OF THE SECRETARY OF STATE ST. PAUL 55155

The Honorable Irv Anderson Speaker of the House of Representatives

The Honorable Allan H. Spear President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1994 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F.	H.F.	Session Laws	Date Approved	Date Filed
No.	No.	Chapter No.	1994	1994
1709		383	9:14 a.m. March 31	March 31
	2130	384	9:12 a.m. March 31	March 31
1750		385	9:17 a.m. March 31	March 31

Sincerely,

JOAN ANDERSON GROWE Secretary of State

## 5993

# **REPORTS OF STANDING COMMITTEES**

Battaglia from the Committee on Environment and Natural Resources Finance to which was referred:

H. F. No. 1682, A bill for an act relating to the environment; regulating packaging; requiring a packaging study; setting mandatory recycled content for certain products and packaging; listing preferences for use of packaging; regulating transport packaging; regulating discardable packaging; prohibiting the refusal to stock reusable containers; prohibiting deceptive environmental marketing claims; requiring a wood waste and wood products residue marketing plan; providing penalties; appropriating money; amending Minnesota Statutes 1992, sections 115A.03, subdivision 24b; 115A.072, subdivision 4; and 115A.5501, subdivision 2, and by adding a subdivision; Minnesota Statutes 1993 Supplement, section 16B.122, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B; 115A; 116F; and 325E.

Reported the same back with the following amendments:

Page 14, delete section 20

Amend the title as follows:

Page 1, lines 10 and 11, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1792, A bill for an act relating to family; adopting the uniform interstate family support act; repealing the revised uniform reciprocal enforcement of support act; proposing coding for new law in Minnesota Statutes, chapter 518C; repealing Minnesota Statutes 1992, sections 518C.01 to 518C.36.

Reported the same back with the following amendments:

Page 4, after line 6, insert:

"(w) "Petition" means a petition or comparable pleading used pursuant to section 518.551, subdivision 10."

Page 4, delete line 8, and insert:

"A court, administrative agency, or quasi-judicial entity authorized to establish, enforce, or modify support orders or to determine parentage are tribunals of this state."

Page 4, line 22, after "state" insert ", or comparable document"

Page 4, line 36, delete "257.74" and insert "257.75"

Page 26, after line 25, insert:

"Sec. 51. [518C.9011] [EXISTING REVISED UNIFORM RECIPROCAL ENFORCEMENT OF SUPPORT ACT ACTIONS.]

Any action or proceeding under the Revised Uniform Reciprocal Enforcement of Support Act (RURESA) pending on the effective date of this section shall continue under the provisions of RURESA until the court makes a decision on the action or proceeding." Page 26, after line 36, insert:

"Sec. 54. [EFFECTIVE DATE.]

This act is effective January 1, 1995."

Renumber the sections in sequence and correct internal references

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1834, A bill for an act relating to solid waste management; postponing the prohibition on disposing of unprocessed mixed municipal solid waste at substandard landfills under specific circumstances; amending Minnesota Statutes 1993 Supplement, section 115A.415.

Reported the same back with the following amendments:

Page 1, strike lines 22 to 25

Page 2, line 8, delete "and"

Page 2, line 12, delete the period and insert a semicolon

Page 2, after line 12, insert:

"(6) serves one or more counties, each of which is implementing aggressive waste reduction efforts, aggressive household hazardous waste management programs, and has met and exceeded its recycling goals under section 115A.551; and

(7) receives an annual volume of waste disposal that does not exceed 1993 levels by more than five percent or serves only the host county.

<u>Subd. 3.</u> [DEFINITION; UNPROCESSED.] (a) For the purpose of this section, waste is "unprocessed" if it has not, after collection and before disposal, undergone separation of materials for resource recovery through recycling, incineration for energy production, production and use of refuse-derived fuel, composting, or any combination of these processes so that the percentage, by weight, of the collected waste that must be disposed of in a mixed municipal solid waste disposal facility, on an annual average, is not more than:

(1) 35 percent for waste collected from generators for whom a waste collector or local government unit provides collection and management of recyclables separately from collection and management of mixed municipal solid waste; or

(2) 20 percent for waste collected from generators for whom a waste collector or local government unit provides collection of recyclables combined with mixed municipal solid waste.

(b) For the purposes of paragraph (a), a mixed municipal solid waste generator is provided separate collection and management of recyclables if the generator has the opportunity to separately recycle as described in section 115A.552 and the waste collector that serves the generator does not override the opportunity to separately recycle by collecting recyclables combined with mixed municipal solid waste for separate or combined management of the recyclables after collection.

(c) Nothing in this section affects the responsibility of counties for recycling activities under chapter 115A."

With the recommendation that when so amended the bill pass.

The report was adopted.

82ND DAY]

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1861, A bill for an act relating to manufactured homes; restricting the venue for repossession actions to the county in which the manufactured home is located; making technical changes; amending Minnesota Statutes 1992, sections 327.63, subdivision 1; 327.64, subdivision 2; and 327.65.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Rice from the Committee on Economic Development, Infrastructure and Regulation Finance to which was referred:

H. F. No. 1985, A bill for an act relating to partnerships; providing for the registration and operation of limited liability partnerships; appropriating money; amending Minnesota Statutes 1992, sections 319A.02, subdivision 5; 319A.05; 319A.06, subdivision 2; 319A.07; 319A.12, subdivisions 1, 1a, and 2; 323.02, subdivision 8, and by adding a subdivision; 323.06; 323.14; 323.17; 323.35; and 323.39; Minnesota Statutes 1993 Supplement, section 319A.02, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 323.

Reported the same back with the following amendments:

Page 16, line 21, delete "<u>\$.....</u>" and insert "<u>\$19,000</u>"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 1999, A bill for an act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

Reported the same back with the following amendments:

Page 3, line 6, after "person" insert "stating that the authorized person has reason to believe that a crime or civil fraud have been committed in connection with an insurance claim, payment, or application"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2005, A bill for an act relating to traffic regulations; authorizing peace officers to stop drivers and issue citations for seat belt violations without first observing a moving violation; amending Minnesota Statutes 1993 Supplement, section 169.686, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2023, A bill for an act relating to family law; adding a relevant factor in determination of a child's best interests; amending Minnesota Statutes 1992, section 518.17, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 15, after "(13)" insert "except in cases in which a finding of domestic abuse as defined in section 518B.01 has been made," and after "permit" insert "frequent and continuing"

Page 2, line 16, delete ", and the capacity and"

Page 2, lines 17 to 20, delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2088, A bill for an act relating to civil commitment; modifying procedures relating to administering intrusive mental health treatment to persons committed as mentally ill and dangerous under the civil commitment act; amending Minnesota Statutes 1992, sections 13.42, subdivision 3; 253B.02, by adding a subdivision; 253B.03, subdivision 6c; and 253B.12, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 13.42, subdivision 3, is amended to read:

Subd. 3. [CLASSIFICATION OF MEDICAL DATA.] Unless the data is summary data or a statute specifically provides a different classification, medical data are private but are available only to the subject of the data as provided in section 144.335, and shall not be disclosed to others except:

(a) pursuant to section 13.05;

(b) pursuant to a valid court order;

(c) to administer federal funds or programs;

(d) to the surviving spouse, parents, children, and siblings of a deceased patient or client or, if there are no surviving spouse, parents, children, or siblings, to the surviving heirs of the nearest degree of kindred;

(e) to communicate a patient's or client's condition to a family member or other appropriate person in accordance with acceptable medical practice, unless the patient or client directs otherwise; <del>or</del>

(f) data on past administration of neuroleptic medication may be released to a treating physician who must make medical decisions with respect to prescribing and administering neuroleptic medication under section 253B.03, subdivision 6c; or

(g) as otherwise required by law.

Sec. 2. Minnesota Statutes 1992, section 253B.03, subdivision 6b, is amended to read:

Subd. 6b. [CONSENT FOR MENTAL HEALTH TREATMENT.] A competent person admitted or committed without commitment to a treatment facility may be subjected to intrusive mental health treatment only with the person's written informed consent. For purposes of this section, "intrusive mental health treatment" means electroshock therapy and neuroleptic medication and does not include treatment for mental retardation. An incompetent person who has prepared a directive under subdivision 6d regarding treatment with intrusive therapies must be treated in accordance with this section, except in cases of emergencies.

Sec. 3. Minnesota Statutes 1992, section 253B.03, subdivision 6c, is amended to read:

Subd. 6c. [ADMINISTRATION OF NEUROLEPTIC MEDICATIONS.] (a) Neuroleptic medications may be administered to persons committed as mentally ill or mentally ill and dangerous only as described in this subdivision.

(b) <u>A treating physician required to make medical judgments under this subdivision regarding the administration</u> of neuroleptic medication has access to a patient's records on past administration of neuroleptic medication at any treatment facility. Upon request of a treating physician under this subdivision, a treatment facility shall supply complete information relating to the past records on administration of neuroleptic medication of a patient subject to this subdivision.

(c) A neuroleptic medication may be administered treatment provider may prescribe and administer neuroleptic medication without judicial review to a patient or a proposed patient who:

(1) is competent to consent to <del>neuroleptic medications</del> if the patient has given written, informed consent to administration of the neuroleptic medication. the treatment and has signed a written, informed consent;

(c) A neuroleptic medication may be administered to a patient who (2) is not competent to consent to neuroleptic medications if the patient, when competent, prepared a declaration under subdivision 6d requesting the treatment or authorizing a proxy to request the treatment or if a court approves the administration of the neuroleptic medication, and the proxy has requested the neuroleptic medication;

(d) A neuroleptic medication may be administered without court review to a patient who (3) has not prepared a declaration under subdivision 6d and who is not competent to consent to neuroleptic medications if:

(1) (i) the patient does not object to or refuse the medication;

(2) (ii) a guardian ad litem appointed by the court with authority to consent to neuroleptic medications gives written, informed consent to the administration of the neuroleptic medication; and

(3) (iii) a multidisciplinary treatment review panel composed of persons who are not engaged in providing direct care to the patient gives written approval to administration of the neuroleptic medication; or

(c) A neuroleptic medication may be administered without judicial review and without consent (4) refuses prescribed neuroleptic medication and is in an emergency situation. Medication may be administered for so long as the emergency continues to exist, up to 14 days, if the treating physician determines that the medication is necessary to prevent serious, immediate physical harm to the patient or to others. If a petition for authorization to administer medication is filed within the 14 days, the treating physician may continue the medication through the date of the court hearing if the emergency continues to exist. The treatment facility shall document the emergency in the patient's medical record in specific behavioral terms.

<u>A treatment provider may prescribe and administer neuroleptic medications to a patient who does not object or refuse and who is under a guardianship or conservatorship, if the guardian or conservator is acting within the scope of the authority granted under section 525.5515 and has given written permission to the treatment provider or facility to administer neuroleptic medications.</u>

(f) A person who consents to treatment pursuant to this subdivision is not civilly or criminally liable for the performance of or the manner of performing the treatment. A person is not liable for performing treatment without consent if written, informed consent was given pursuant to this subdivision. This provision does not affect any other liability that may result from the manner in which the treatment is performed.

(g) (d) The court may allow and order paid to a guardian ad litem a reasonable fee for services provided under paragraph (c), or the court may appoint a volunteer guardian ad litem.

(h) A medical director or patient may petition the committing court, or the court to which venue has been transferred, for a hearing concerning the administration of neuroleptic medication. A hearing may also be held pursuant to section 253B.08, 253B.09, 253B.12, or 253B.18. The hearing concerning the administration of neuroleptic medication must be held within 14 days from the date of the filing of the petition. The court may extend the time for hearing up to an additional 15 days for good cause shown.

(e) A treatment facility must obtain judicial review to administer neuroleptic medication to a patient who refuses to take the medication, or when an independent medical review does not support the prescribed treatment.

(f) A physician on behalf of a treatment facility may file a petition requesting authorization to administer neuroleptic medication to a patient or a proposed patient who is not competent to consent to the prescribed medication, as certified by a physician, and who refuses to take the prescribed medication. A patient may also file a petition for a review of neuroleptic medication.

(g) A petition may be filed with the district court in the county of commitment or the county in which the patient is being held or treated. The petition may be heard as part of any other district court proceeding under this chapter. The hearing must be held within 14 days from the date of the filing of the petition. By agreement of the parties, or for good cause shown, the court may extend the time of hearing an additional 30 days.

(h) If the petitioning facility has a treatment review panel, the panel shall review the appropriateness of the proposed medication and submit its recommendations to the court and to the patient's coursel at least two days prior to the hearing.

(i) The patient must be examined by a court examiner prior to the hearing. The patient is entitled to counsel, a second examiner, if requested by the patient or patient's counsel, and, if requested by any party, a guardian ad litem.

(j) The court shall determine by clear and convincing evidence whether the patient is incompetent to consent to the neuroleptic medication and whether the involuntary administration of medication is necessary to treat the patient's mental illness. The court may base its decision on the opinion of its examiner, a member of the patient's treatment team, the patient's medical records, and any evidence which the court determines to be relevant and admissible.

(k) If the patient is found to be competent to decide whether to take neuroleptic medication, the treating facility may not administer medication without the patient's informed written consent or without the declaration of an emergency, or until further review by the court.

(1) If the patient is found incompetent to decide whether to take neuroleptic medication, the court may authorize the treating facility, and any other community facility to which the patient may be transferred or discharged, to involuntarily administer the medication to the patient. A finding of incompetence under this section must not be construed to determine the patient's competence for any other purpose.

(m) The court may, but is not required to, limit the maximum dosage of neuroleptic medication which may be administered.

(n) The court may authorize the administration of neuroleptic medication for the duration of a determinate commitment. If the patient is committed for an indeterminate period, the court may authorize treatment of neuroleptic medication for not more than two years, subject to the patient's right to petition the court for review of the order. The treatment facility must submit annual reports to be reviewed by the court, the patient, and the respective attorneys.

(o) If the patient is transferred to a facility that has a treatment review panel, the facility shall review the appropriateness of the patient's medication within 30 days after the patient begins treatment at the facility.

Sec. 4. Minnesota Statutes 1992, section 253B.05, subdivision 2, is amended to read:

Subd. 2. [PEACE OR HEALTH OFFICER HOLD.] (a) A peace or health officer may take a person into custody and transport the person to a licensed physician or treatment facility if the officer has reason to believe, or there is probable cause to believe based on the person's recent behavior and public knowledge of past psychiatric hospitalization, that the person is mentally ill or mentally retarded and in imminent danger of injuring self or others if not immediately restrained. A peace or health officer or a person working under such officer's supervision, may take a person who is believed to be chemically dependent or is intoxicated in public into custody and transport the

#### MONDAY, APRIL 4, 1994

person to a treatment facility. If the person is intoxicated in public or is believed to be chemically dependent and is not in danger of causing self-harm or harm to any person or property, the peace or health officer may transport the person home. Written application for admission of the person to a treatment facility shall be made by the peace or health officer. The application shall contain a statement given by the peace or health officer specifying the reasons for and circumstances under which the person was taken into custody. If imminent danger to specific individuals is a basis for the emergency hold, the statement must include identifying information on those individuals, to the extent practicable. A copy of the statement shall be made available to the person taken into custody.

(b) A person may be admitted to a treatment facility for emergency care and treatment under this subdivision with the consent of the head of the facility under the following circumstances: a written statement is made by the medical officer on duty at the facility that after preliminary examination the person has symptoms of mental illness or mental retardation and appears to be in imminent danger of harming self or others; or, a written statement is made by the institution program director or the director's designee on duty at the facility that after preliminary examination the person has symptoms of chemical dependency and appears to be in imminent danger of harming self or others or is intoxicated in public.

Sec. 5. Minnesota Statutes 1992, section 253B.05, subdivision 3, is amended to read:

Subd. 3. [DURATION OF HOLD.] (a) Any person held pursuant to this section may be held up to 72 hours, exclusive of Saturdays, Sundays, and legal holidays, after admission unless a petition for the commitment of the person has been filed in the probate court of the county of the person's residence or of the county in which the treatment facility is located and the court issues an order pursuant to section 253B.07, subdivision 6. If the head of the treatment facility believes that commitment is required and no petition has been filed, the head of the treatment facility shall file a petition for the commitment of the person. The hospitalized person may move to have the venue of the petition changed to the probate court of the county of the person's residence, if the person is a resident of Minnesota.

(b) The head of the treatment facility shall immediately notify the agency which employs the peace or health officer who transported the person to the treatment facility under this section, if the head of the treatment facility releases the person during the 72-hour hold period.

(c) During the 72-hour hold period, a court may not release a person held under this section unless the court has received a written petition for release and held a summary hearing regarding the release. The petition must include the name of the person being held, the basis for and location of the hold, and a statement as to why the hold is improper. The petition also must include copies of any written documentation under subdivision 1 or 2 in support of the hold, unless the person holding the petitioner refuses to supply the documentation. The hearing must be held as soon as practicable and may be conducted by means of a telephone conference call or similar method by which the participants are able to simultaneously hear each other. If the court decides to release the person, the court shall issue written findings supporting the decision, but may not delay the release. Before deciding to release the person, the court shall make every reasonable effort to provide notice of the proposed release to: (1) any specific individuals identified in a statement under subdivision 1 or 2 or in the record as individuals who might be endangered if the person was not held; and (2) the examiner whose written statement was a basis for a hold under subdivision 1 or the peace or health officer who applied for a hold under subdivision 2.

Sec. 6. Minnesota Statutes 1992, section 253B.07, subdivision 1, is amended to read:

Subdivision 1. [PREPETITION SCREENING.] (a) Prior to filing a petition for commitment of a proposed patient, an interested person shall apply to the designated agency in the county of the proposed patient's residence or presence for conduct of a preliminary investigation, except when the proposed patient has been acquitted of a crime under section 611.026 and the county attorney is required to file a petition for commitment pursuant to subdivision 2. In any case coming within this exception, the county attorney shall apply to the designated county agency in the county in which the acquittal took place for a preliminary investigation unless substantially the same information relevant to the proposed patient's current mental condition as could be obtained by a preliminary investigation is part of the court record in the criminal proceeding or is contained in the report of a mental examination conducted in connection with the criminal proceeding. The designated agency shall appoint a screening team to conduct an investigation which shall include:

(i) a personal interview with the proposed patient and other individuals who appear to have knowledge of the condition of the proposed patient. If the proposed patient is not interviewed, reasons must be documented;

(ii) identification and investigation of specific alleged conduct which is the basis for application; and

(iii) identification, exploration, and listing of the reasons for rejecting or recommending alternatives to involuntary placement; and

(iv) if involuntary placement is recommended, a determination of whether the proposed patient is competent to consent to any administration of neuroleptic medication, and if not, whether the proposed patient would object to or refuse administration of neuroleptic medication.

(b) In conducting the investigation required by this subdivision, the screening team shall have access to all relevant medical records of proposed patients currently in treatment facilities. Data collected pursuant to this clause shall be considered private data on individuals.

(c) When the prepetition screening team recommends commitment, a written report shall be sent to the county attorney for the county in which the petition is to be filed.

(d) The prepetition screening team shall refuse to support a petition if the investigation does not disclose evidence sufficient to support commitment. Notice of the prepetition screening team's decision shall be provided to the prospective petitioner.

(e) If the interested person wishes to proceed with a petition contrary to the recommendation of the prepetition screening team, application may be made directly to the county attorney, who may determine whether or not to proceed with the petition. Notice of the county attorney's determination shall be provided to the interested party.

(f) If a court petitions for commitment pursuant to the rules of criminal procedure or a county attorney petitions pursuant to acquittal of a criminal charge under section 611.026, the prepetition investigation, if required by this section, shall be completed within seven days after the filing of the petition.

Sec. 7. Minnesota Statutes 1992, section 253B.09, subdivision 2, is amended to read:

Subd. 2. [FINDINGS.] (a) The court shall find the facts specifically, separately state its conclusions of law, and direct the entry of an appropriate judgment. Where commitment is ordered, the findings of fact and conclusions of law shall specifically state the proposed patient's conduct which is a basis for determining that each of the requisites for commitment is met.

(b) If commitment is ordered, the findings shall also include a listing of less restrictive alternatives considered and rejected by the court and the reasons for rejecting each alternative.

(c) If the prepetition screening team has determined that a patient is not competent to consent to the administration of neuroleptic medication but would not object to or refuse the administration of neuroleptic medication, the court may, at the time of commitment, appoint a guardian ad litem for purposes of section 253B.03, subdivision 6c, paragraph (c), clause (3).

Sec. 8. Minnesota Statutes 1992, section 253B.12, subdivision 1, is amended to read:

Subdivision 1. [REPORT.] Prior to the termination of the initial commitment order or final discharge of the patient, the head of the facility shall file a written report with the committing court with a copy to the patient and patient's counsel, setting forth in detailed narrative form at least the following:

(1) the diagnosis of the patient with the supporting data;

(2) the anticipated discharge date;

(3) an individualized treatment plan;

(4) a detailed description of the discharge planning process with suggested after care plan;

(5) whether the patient is in need of further care and treatment with evidence to support the response;

(6) whether any further care and treatment must be provided in a treatment facility with evidence to support the response;

(7) whether in the opinion of the head of the facility the patient must continue to be committed to a treatment facility; and

(8) whether in the opinion of the head of the facility the patient satisfies the statutory requirement for continued commitment, with documentation to support the opinion; and

(9) whether the administration of neuroleptic medication is clinically indicated, whether the patient is able to give informed consent to that medication, and the basis for these opinions.

Sec. 9. Minnesota Statutes 1992, section 253B.17, subdivision 1, is amended to read:

Subdivision 1. [PETITION.] Any patient, except one committed as mentally ill and dangerous to the public, or any interested person may petition the committing court or the court to which venue has been transferred for an order that the patient is not in need of continued institutionalization or for an order that an individual is no longer mentally ill, mentally retarded, or chemically dependent, or for any other relief as the court deems just and equitable. A patient committed as mentally ill or mentally ill and dangerous may petition the committing court or the court to which venue has been transferred for a hearing concerning the administration of neuroleptic medication. A hearing may also be held pursuant to sections 253B.08, 253B.09, 253B.12, and 253B.18.

Sec. 10. Minnesota Statutes 1992, section 525.56, subdivision 3, is amended to read:

Subd. 3. The court may appoint a guardian of the person if it determines that all the powers and duties listed in this subdivision are needed to provide for the needs of the incapacitated person. The court may appoint a conservator of the person if it determines that a conservator is needed to provide for the needs of the incapacitated person through the exercise of some, but not all, of the powers and duties listed in this subdivision. The duties and powers of a guardian or those which the court may grant to a conservator of the person include, but are not limited to:

(1) The power to have custody of the ward or conservatee and the power to establish a place of abode within or without the state, except as otherwise provided in this clause. The ward or conservatee or any person interested in the ward's or conservatee's welfare may petition the court to prevent or to initiate a change in abode. A ward or conservatee may not be admitted to a regional treatment center by the guardian or conservator except (1) after a hearing pursuant to chapter 253B; (2) for outpatient services; or (3) for the purpose of receiving temporary care for a specific period of time not to exceed 90 days in any calendar year.

(2) The duty to provide for the ward's or conservatee's care, comfort and maintenance needs, including food, clothing, shelter, health care, social and recreational requirements, and, whenever appropriate, training, education, and habilitation or rehabilitation. The guardian or conservator has no duty to pay for these requirements out of personal funds. Whenever possible and appropriate, the guardian or conservator should meet these requirements through governmental benefits or services to which the ward or conservatee is entitled, rather than from the ward's or conservatee's estate. Failure to satisfy the needs and requirements of this clause shall be grounds for removal of a private guardian or conservator, but the guardian or conservator shall have no personal or monetary liability.

(3) The duty to take reasonable care of the ward's or conservatee's clothing, furniture, vehicles, and other personal effects, and, if other property requires protection, the power to seek appointment of a guardian or conservator of the estate. The guardian or conservator must give notice in the manner required and to those persons specified in section 525.55 prior to the disposition of the ward's or conservatee's clothing, furniture, vehicles, or other personal effects. The notice must inform the person of the right to object to the disposition of the property within ten days and to petition the court for a review of the guardian's or conservator's proposed actions. Notice of the objection must be served by mail or personal service on the guardian or conservator and the ward or conservatee unless the ward or conservatee be the objector. The guardian or conservator served with notice of an objection to the disposition of the property unless the court approves the disposition after a hearing.

(4)(a) The power to give any necessary consent to enable the ward or conservatee to receive necessary medical or other professional care, counsel, treatment or service, except that including neuroleptic medication. No guardian or conservator may give consent for psychosurgery, electroshock, sterilization, or experimental treatment of any kind unless the procedure is first approved by order of the court as provided in this clause. The guardian or conservator shall not consent to any medical care for the ward or conservatee which violates the known conscientious, religious, or moral belief of the ward or conservatee.

(b) A guardian or conservator who believes a procedure described in clause (4)(a) requiring prior court approval to be necessary for the proper care of the ward or conservatee shall petition the court for an order and, in the case of a public guardianship or conservatorship under chapter 252A, obtain the written recommendation of the commissioner of human services. The court shall fix the time and place for the hearing and shall give notice to the ward or conservatee and to the other persons specified in section 525.55, subdivision 1. The notice shall comply with the requirements of, and be served in the manner provided in section 525.55, subdivision 2. The court shall appoint an attorney to represent the ward or conservatee who is not represented by counsel. In every case the court shall determine if the procedure is in the best interests of the ward or conservatee. In making its determination, the court shall consider a written medical report which specifically considers the medical risks of the procedure, whether alternative, less restrictive methods of treatment could be used to protect the best interests of the ward or conservatee, and any recommendation of the commissioner of human services for a public ward or conservatee. The standard of proof is that of clear and convincing evidence.

(c) In the case of a petition for sterilization of a mentally retarded ward or conservatee, the court shall appoint a licensed physician, a psychologist who is qualified in the diagnosis and treatment of mental retardation, and a social worker who is familiar with the ward's or conservatee's social history and adjustment or the case manager for the ward or conservatee to examine or evaluate the ward or conservatee and to provide written reports to the court. The reports shall indicate why sterilization is being proposed, whether sterilization is necessary and is the least intrusive method for alleviating the problem presented, and whether it is in the best interests of the ward or conservatee. The medical report shall specifically consider the medical risks of sterilization, the consequences of not performing the sterilization, and whether alternative methods of contraception could be used to protect the best interests of the ward or conservatee.

(d) Any conservatee whose right to consent to a sterilization has not been restricted under this section or section 252A.101, may be sterilized only if the conservatee consents in writing or there is a sworn acknowledgment by an interested person of a nonwritten consent by the conservatee. The consent must certify that the conservatee has received a full explanation from a physician or registered nurse of the nature and irreversible consequences of the sterilization operation.

(e) A guardian or conservator or the public guardian's designee who acts within the scope of authority conferred by letters of guardianship under section 252A.101, subdivision 7, and according to the standards established in this chapter or in chapter 252A shall not be civilly or criminally liable for the provision of any necessary medical care, including but not limited to, the administration of psychotropic medication or the implementation of aversive and deprivation procedures to which the guardian or conservator or the public guardian's designee has consented.

(5) The power to approve or withhold approval of any contract, except for necessities, which the ward or conservatee may make or wish to make

(6) The duty and power to exercise supervisory authority over the ward or conservatee in a manner which limits civil rights and restricts personal freedom only to the extent necessary to provide needed care and services."

#### Delete the title and insert:

"A bill for an act relating to civil commitment; modifying procedures relating to administering intrusive mental health treatment to persons committed as mentally ill and dangerous under the civil commitment act; amending Minnesota Statutes 1992, sections 13.42, subdivision 3; 253B.03, subdivisions 6b and 6c; 253B.05, subdivisions 2 and 3; 253B.07, subdivision 1; 253B.09, subdivision 2; 253B.12, subdivision 1; 253B.17, subdivision 1; and 525.56, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2124, A bill for an act relating to retirement; state university and state community college individual retirement account plans; clarifying various plan provisions; providing for plan coverage for technical college teachers; providing for an optional election of plan coverage for certain state university and community college teachers;

mandating the preparation of plan recodification legislation; amending Minnesota Statutes 1992, sections 354.05, subdivision 2a; 354A.011, subdivision 15, and by adding a subdivision; 354B.01, by adding a subdivision; 354B.015; and 354B.02, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 352.04, subdivision 9; and 354B.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 354B.

Reported the same back with the following amendments:

Page 1, after line 17, insert:

#### "ARTICLE 1"

Page 2, after line 9, insert:

"Sec. 2. Minnesota Statutes 1992, section 353.27, subdivision 7a, is amended to read:

Subd. 7a. [DEDUCTIONS OR CONTRIBUTIONS TRANSMITTED BY ERROR.] (a) If employee deductions and employer contributions were erroneously transmitted to the association, but should have been transmitted to another <u>Minnesota</u> public pension fund listed in section 356.30, subdivision 3 plan, the association shall transfer the erroneous employee deductions and employer contributions to the appropriate retirement fund without interest. The time limitations in subdivisions 7 and 12 do not apply.

(b) For purposes of this subdivision, a Minnesota public pension plan means a plan specified in section 356.30, subdivision 3, or the plan governed by chapter 354B."

Page 2, line 16, after "unless" insert "(1)" and reinstate the stricken language

Page 2, line 17, reinstate the stricken language

Page 2, line 18, after "purposes" insert "or, (2) the person is covered by section 354B.02, subdivision 1 or 5, or 354B.035, and elects coverage by the teachers retirement association"

Pages 2 and 3, delete sections 3 and 4 and insert:

"Sec. 4. Minnesota Statutes 1992, section 354.42, subdivision 7, is amended to read:

Subd. 7. [ERRONEOUS SALARY DEDUCTIONS OR DIRECT PAYMENTS.] (a) Any deductions taken from the salary of an employee for the retirement fund in error shall be refunded to the employee upon discovery and verification by the employing unit making the deduction, and the corresponding employer contribution and additional employer contribution amounts attributable to the erroneous salary deduction must be refunded to the employing unit.

(b) If salary deductions and employer contributions were erroneously transmitted to the retirement fund and should have been transmitted to another <u>Minnesota</u> public pension fund enumerated in section 356.30, subdivision 3 plan, the retirement fund must transfer these salary deductions and employer contributions to the appropriate public pension fund without interest. For purposes of this paragraph, a Minnesota public pension plan means a plan specified in section 356.30, subdivision 3, or the plan governed by chapter 354B.

(c) If a salary warrant or check from which a deduction for the retirement fund was taken has been canceled or the amount of the warrant or check has been returned to the funds of the employing unit making the payment, a refund of the amount deducted, or any portion of it that is required to adjust the salary deductions, shall be made to the employing unit.

(d) Any erroneous direct payments of member paid contributions or erroneous salary deductions that were not refunded in the regular processing of an employing unit's annual summary report shall be refunded to the member with interest computed using the rate and method specified in section 354.49, subdivision 2.

Sec. 5. Minnesota Statutes 1993 Supplement, section 354A.011, subdivision 27, is amended to read:

Subd. 27. [TEACHER.] "Teacher" means any person who renders service in a public school district located in the corporate limits of one of the cities of the first class which was so classified on January 1, 1979, as any of the following:

(a) a full-time employee in a position for which a valid license from the state department of education is required;

(b) an employee of the teachers retirement fund association located in the city of the first class unless the employee has exercised the option pursuant to Laws 1955, chapter 10, section 1, to retain membership in the Minneapolis employees retirement fund established pursuant to chapter 422A;

(c) a part-time employee in a position for which a valid license from the state department of education is required; or

(d) a part-time employee in a position for which a valid license from the state department of education is required who also renders other nonteaching services for the school district unless the board of trustees of the teachers retirement fund association determines that the combined employment is on the whole so substantially dissimilar to teaching service that the service shall not be covered by the association.

The term shall not mean any person who renders service in the school district as any of the following:

(1) an independent contractor or the employee of an independent contractor;

(2) an employee who is a full-time teacher covered by another teachers retirement fund association established pursuant to this chapter or chapter 354;

(3) <del>an employee holding a part time adult supplementary technical college license who renders part time teaching service in a technical college if (1) the service is incidental to the regular nonteaching occupation of the person; and (2) the applicable technical college stipulates annually in advance that the part time teaching service will not exceed 300 hours in a fiscal year; and (3) the part time teaching service actually does not exceed 300 hours in a fiscal year; or</del>

(4) an employee exempt from licensure pursuant to section 125.031; or

(4) an employee who is a teacher in a technical college located in a city of the first class unless the person elects coverage by the applicable first class city teacher retirement fund association under section 354B.02, subdivision 1, or 354B.035."

Page 3, line 26, delete everything after the period

Page 3, delete lines 27 to 29

Page 3, line 35, after "5," insert "or 354B.035,"

Page 4, line 14, delete the new language

Page 4, line 15, delete "section 354B.01, subdivision 4a," and insert "A person" and delete "are" and insert "was"

Page 4, line 16, after "employment" insert "or first included in coverage under section 354B.01, subdivision 4a,"

Page 4, line 20, after "employment" insert "and must be made"

Page 4, line 22, delete "this" and after "chapter" insert "354 or 354A"

Page 5, line 14, after "transfer" insert "election"

Page 5, line 21, after "credit" insert "must"

Page 5, line 23, after "deferred" insert "retirement"

Page 5, line 24, delete "An" and insert "A transfer"

Page 5, line 28, after "prospectively" insert "only" and after "association" insert a comma and after "effective" insert "on"

Page 5, line 29, after "transfer" insert "election"

Page 5, line 31, delete "must" and insert "are" and after "not" insert "eligible to"

Page 6, line 2, delete "Transfers" and insert "Transfer election"

Page 6, line 4, delete "receives" and insert "provides"

Page 6, line 14, delete "members" and insert "teaching personnel either" and after the first "may" insert "elect to"

Page 6, line 15, after "association" insert ", the Duluth teachers retirement fund association, the Minneapolis teachers retirement fund association, or the St. Paul teachers retirement fund association, as appropriate,"

Page 6, line 23, after "association" insert "or of a first class city teachers retirement fund association"

Page 6, line 24, before "plan" insert "appropriate"

Page 6, line 27, after "<u>354.05</u>" insert ", <u>subdivision 13</u>, <u>or 354A.011</u>, <u>subdivision 4</u>, <u>whichever applies</u>," and after the first "<u>the</u>" insert "<u>appropriate</u>"

Page 6, line 28, after "deferred" insert "retirement"

Page 6, line 30, after "<u>11</u>" insert ", or the appropriate first class city teacher retirement fund association under section 354A.37, subdivision <u>2</u>"

Page 6, delete lines 31 to 36 and insert:

"Subd. 3. [EMPLOYER CONTRIBUTION AMOUNT FOR CERTAIN COVERAGE ELECTIONS.] <u>Employer</u> contributions for technical college teaching personnel who elect coverage by the teachers retirement association must be governed by section 354.42, subdivisions 3 and 5, and employer contributions for technical college teaching personnel who elect coverage by a first class city teacher retirement fund association must be governed by the applicable employer contribution provisions of section 354A.12, subdivision 2a."

Page 7, delete lines 1 to 14 and insert:

"Sec. 11. Minnesota Statutes 1993 Supplement, section 354B.05, subdivision 3, is amended to read:

Subd. 3. [SELECTION OF FINANCIAL INSTITUTIONS.] The supplemental investment fund administered by the state board of investment is one of the investment options for the plan. The state board of investment may select two up to five other financial institutions to provide annuity products. In making their selections, the board shall consider at least these criteria:

(1) the experience and ability of the financial institution to provide retirement and death benefits suited to the needs of the covered employees;

(2) the relationship of the benefits to their cost; and

(3) the financial strength and stability of the institution.

The state board of investment must periodically review at least every three years each financial institution selected by the state board of investment. The state board of investment may retain consulting services to assist in the periodic review, may establish a budget for its costs in the periodic review process, and may charge a proportional share of those costs to each financial institution selected by the state board of investment. All contracts must be approved by the state board of investment before execution by the state university board and the community college board. The state board of investment shall also establish policies and procedures under section 11A.04, clause (2), to carry out this subdivision.

The chancellor of the state university system and the chancellor of the state community college system shall redeem all shares in the accounts of the Minnesota supplemental investment fund held on behalf of personnel in the supplemental plan who elect an investment option other than the supplemental investment fund, except that shares in the fixed interest account must not be redeemed until the expiration dates for the guaranteed investment contracts. The chancellors shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under section 354B.05.

## Sec. 12. [354B.15] [TRANSFER OF CERTAIN MEMBER CONTRIBUTION REFUNDS TO PLAN.]

(a) Notwithstanding any provision of law to the contrary, a former member of the teachers retirement association who has less than three years of allowable service and who is a member of the plan governed by this chapter may elect to transfer to the plan an amount equal to the refund under section 354.49, subdivision 2, that the member could otherwise receive. The transfer must be made from the teachers retirement fund directly to the plan and credited by the plan appropriately. No amount under this section is payable directly to any individual.

(b) The election must be made on a form prescribed by the executive director of the teachers retirement association, after consultation with the administrators of the plan."

Page 7, line 19, after "board," insert "one representative from each employee bargaining unit covered by chapter 354B,"

Page 8, after line 6, insert:

"Sec. 14. Minnesota Statutes 1992, section 354B.02, subdivision 2, is amended to read:

Subd. 2. [PERSONS WITH CERTAIN PRIOR ALLOWABLE SERVICE.] A person with less than three years of prior allowable service as a member of the teachers retirement association other than in covered employment under section 354B.01, subdivision 2 or 3, and who is first employed in covered employment after June 30, 1989, remains a member of the teacher's retirement association for all purposes, but a coordinated member may elect to participate in the plan. This election to participate in the plan must be made by January 1, 1995, or within 60 days of the start of covered employment, whichever is later."

Page 8, line 8, delete "8, 10, and 11" and insert "2, 4, 9, 11, and 12"

Page 8, line 9, delete "2 to 7 and 9" and insert "3, 5, 6, 7, 8, and 10"

Renumber the sections in article 1 in sequence

Page 8, after line 9, insert:

#### "ARTICLE 2

#### INDIVIDUAL RETIREMENT ACCOUNT PLAN

Section 1. [354C.01] [DEFINITIONS.]

Subdivision 1. [TERMS.] Unless the language or context clearly indicates that a different meaning is intended, the following terms have the meanings given.

<u>Subd. 2.</u> [INDIVIDUAL RETIREMENT ACCOUNT PLAN OR PLAN.] <u>"Individual retirement account plan" or</u> <u>"plan" means the individual retirement account plan established by sections 354B.01 to 354B.05.</u>

<u>Subd. 3.</u> [COVERED EMPLOYMENT.] "Covered employment" means employment as an eligible employee as defined under section 354C.02, subdivision 2.

Subd. 4. [PROFESSIONAL EMPLOYEE.] "Professional employee" means an employee who is engaged in work that:

(1) is predominantly intellectual and varied in character as opposed to routine mental, manual, mechanical, or physical;

(2) involves discretion and judgment in its performance;

(3) cannot be standardized in relation to a given period of time; and

(4) requires advance knowledge in a field of science or learning usually acquired by long study in an institution of higher learning or hospital.

<u>Subd. 5.</u> [SUPERVISORY EMPLOYEE.] "Supervisory employee" means an employee having the authority to hire, transfer, suspend, promote, discharge, assign, reward, or discipline employees, direct the work of employees, or adjust employees' grievances on behalf of the employer. To be included as a supervisory function, the exercise of the authority by the employee may not be merely routine or clerical in nature but must require the use of independent judgment.

Sec. 2. [354C.02] [PARTICIPANTS.]

<u>Subdivision 1.</u> [ELECTION.] <u>An eligible employee as enumerated in subdivision 2 who is eligible for membership</u> in the Minnesota state retirement system under chapter 352, the public employees retirement association under chapter 353, or the teachers retirement association under chapter 354 may elect to participate in the individual retirement account plan rather than in the general state retirement plan. Election to participate in the plan must be made pursuant to section 354C.04.

Subd. 2. [ELIGIBILITY.] Eligible employees are:

(1) any supervisory or professional employee of the state arts board; and

(2) any supervisory or professional employee of the Minnesota humanities commission.

Sec. 3. [354C.03] [SOCIAL SECURITY COVERAGE.]

Plan participants remain members of the general state retirement plan for purposes of social security coverage only, and remain covered by the applicable agreement entered into under section 355.02, but are not members of the general state retirement plan for any other purpose while employed in covered employment.

Sec. 4. [354C.04] [PLAN COVERAGE.]

Eligible employees shall elect to participate in either the individual retirement account plan or their respective retirement plan as follows:

(1) An eligible employee first employed after the effective date of this act in covered employment may elect retirement coverage under either their respective state retirement plan or the individual retirement account plan within 60 days of the start of covered employment. This election is irrevocable.

(2) An eligible employee with prior allowable service as a member of the Minnesota state retirement system, the public employees retirement association, or the teachers retirement association may elect coverage by the plan. If plan coverage is elected, accumulated employer and employee contributions and allowable service credit shall remain with the applicable retirement association or system. Notwithstanding any provision of law to the contrary, an individual who has transferred coverage for the same employment to the plan is entitled to an augmented deferred retirement annuity based on the amount representing the employer and employee contributions made on the individual's behalf in the retirement association or system in which the individual was formerly enrolled without regard to whether or not the individual meets the service credit vesting requirements of the applicable retirement association or system. This election must be made within 120 days and is irrevocable.

Sec. 5. [354C.05] [CONTRIBUTIONS.]

<u>Subdivision 1.</u> [MEMBER CONTRIBUTIONS.] <u>Eligible employees who would otherwise be eligible to participate</u> in the Minnesota state retirement system, the public employees retirement association, or the teachers retirement association, but who participate in the individual retirement account plan, shall make a member contribution in an amount equal to the member contribution amount required by the plan for which the individual was originally eligible for membership. The contribution must be made by payroll deduction each pay period and must be in accordance with either section 403(b) or 414(h) of the Internal Revenue Code.

<u>Subd. 2.</u> [EMPLOYER CONTRIBUTIONS.] The employer of eligible employees described in subdivision 1 who are eligible to participate in either the Minnesota state retirement system or the public employees retirement association shall make an employer contribution to the plan in an amount equal to the employer contribution amount required by the plan for which the individual was originally eligible for membership. The employer of eligible employees described in subdivision 1 who are eligible to participate in the teachers retirement association shall make an employer contribution to the plan in an amount equal to the employer of eligible employees described in subdivision 1 who are eligible to participate in the teachers retirement association shall make an employer contribution to the plan in an amount equal to the employer contribution 354.42, subdivision 3, and shall make an employer contribution to the teachers retirement association in an amount equal to the employer contribution required by section 354.42, subdivision 5.

## Sec. 6. [354C.06] [ADMINISTRATION.]

The Minnesota state university system or its successor shall administer the individual retirement account plan for eligible employees in accordance with sections 354B.01 to 354B.05.

## Sec. 7. [354C.10] [TRANSFER OF CERTAIN MEMBER CONTRIBUTION REFUND AMOUNTS TO PLAN.]

(a) Notwithstanding any provision of law to the contrary, a former member of the general state employees retirement plan of the Minnesota state retirement system who is a member of the individual retirement account plan under this chapter may elect to transfer to the individual retirement account plan an amount equal to the refund under section 352.22, subdivision 2, that the member could otherwise receive. The transfer must be made from the general state employees retirement fund directly to the individual retirement account plan and credited by the plan appropriately. No amount under this section is payable directly to any individual.

(b) The election must be made on a form prescribed by the executive director of the Minnesota state retirement system, after consultation with the administrators of the plan.

Sec. 8. [EFFECTIVE DATE.]

This article is effective July 1, 1994."

Amend the title as follows:

Page 1, line 10, after "sections" insert "353.27, subdivision 7a;" and delete everything after "2a;" and insert "354.42, subdivision 7;"

Page 1, line 11, delete "15, and by adding a subdivision;"

Page 1, line 14, delete "and" and insert "354A.011, subdivision 27;"

Page 1, line 15, after the semicolon, insert "and 354B.05, subdivision 3;"

Page 1, line 16, before the period, insert "; proposing coding for new law as Minnesota Statutes, chapter 354C"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2132, A bill for an act relating to commerce; agriculture; adding labeling requirements for salvaged food; adding licensing and permit requirements for salvaged food distributors; adding record keeping requirements; requiring salvaged food served for compensation to be identified; providing for labeling of Canadian wild rice; amending Minnesota Statutes 1992, sections 30.49, subdivision 2; and 31.495, subdivisions 1, 2, 5, and by adding subdivisions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2176, A bill for an act relating to children; modifying certain provisions concerning foster care and adoption; amending Minnesota Statutes 1993 Supplement, sections 257.072, subdivision 7; and 259.255.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related <u>unless the</u> residential program is a foster care placement made by a county welfare board or agency, or a licensed child placing agency, except as provided in subdivision 2a;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of education;

(6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1990;

(9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) programs whose primary purpose is to provide, for adults or school-age children, including children who will be eligible to enter kindergarten within not more than four months, social and recreational activities, such as scouting, boys clubs, girls clubs, sports, or the arts; except that a program operating in a school building is not excluded unless it is approved by the district's school board;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(19) mental health outpatient services for adults with mental illness or children with emotional disturbance;

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;

(22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence; or

(23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17.

For purposes of clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

Sec. 2. Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2a, is amended to read:

Subd. 2a. [LICENSING OF AN INDIVIDUAL RELATED TO A QUALIFYING CHILD.] Notwithstanding subdivision 2, clause (1), the commissioner may must license an individual who is related to a qualifying child, as defined in title IV-E of the Social Security Act, to provide foster care for that qualifying child. The commissioner may issue such a license retroactive to the date the qualifying child was placed in the applicant's home, so long as no more than 90 days have elapsed since the placement. If more than 90 days have elapsed since the placement. If more than 90 days have elapsed since the placement, the commissioner may issue the license retroactive 90 days. The granting of a license to an individual who is related to a child shall be according to standards set forth by foster care rule. The commissioner shall consider the importance of maintaining the child's relationship to family as an additional significant factor in determining whether to set aside a licensing disqualifier under subdivision 3b, or to grant a variance of licensing requirements under subdivision 9.

Sec. 3. Minnesota Statutes 1993 Supplement, section 257.071, subdivision 3, is amended to read:

Subd. 3. [REVIEW OF VOLUNTARY PLACEMENTS.] Except as provided in subdivision 4, if the child has been placed in a residential facility pursuant to a voluntary release by the parent or parents, and is not returned home within six months after initial placement in the residential facility, the social service agency responsible for the placement shall:

(1) return the child to the home of the parent or parents; or

(2) file an appropriate petition pursuant to section 260.131, subdivision 1, or 260.231.

The case plan must be updated when a petition is filed and must include a specific plan for permanency.

Sec. 4. Minnesota Statutes 1993 Supplement, section 257.072, subdivision 9, is amended to read:

Subd. 9. [RULES.] The commissioner of human services shall adopt rules to establish standards for relative foster eare placement, conducting relative searches, and recruiting foster and adoptive families of the same racial or ethnic heritage as the child, and evaluating the role of relative status in the reconsideration of disqualifications under section 245A.04, subdivision 3b, and granting variances of licensing requirements under section 245A.04, subdivision 9.

Sec. 5. Minnesota Statutes 1993 Supplement, section 259.255, is amended to read:

259.255 [PROTECTION OF HERITAGE OR BACKGROUND.]

The policy of the state of Minnesota is to ensure that the best interests of the child are met by requiring due, not sole, consideration of the child's race or ethnic heritage in adoption placements. For purposes of intercountry adoptions, due consideration is deemed to have occurred if the appropriate authority in the child's country of birth has approved the placement of the child.

#### MONDAY, APRIL 4, 1994

The authorized child placing agency shall give preference, in the absence of good cause to the contrary, to placing the child with (a) a relative or relatives of the child, or, if that would be detrimental to the child or a relative is not available, (b) a family with the same racial or ethnic heritage as the child, or, if that is not feasible, (c) a family of different racial or ethnic heritage from the child which is knowledgeable and appreciative of the child's racial or ethnic heritage. In implementing the order of preference, an authorized child placing agency may disclose private or confidential data, as defined in section 13.02, to relatives of the child for the purpose of locating a suitable adoptive home. The agency shall disclose only data that is necessary to facilitate implementing the preference.

If the child's genetic parent or parents explicitly request that the preference described in clause (a) or clauses (a) and (b) not be followed, the authorized child placing agency shall honor that request consistent with the best interests of the child.

If the child's genetic parent or parents express a preference for placing the child in an adoptive home of the same or a similar religious background to that of the genetic parent or parents, in following the preferences in clause (a) or (b), the agency shall place the child with a family that also meets the genetic parent's religious preference. Only if no family is available that is described in clause (a) or (b) may the agency give preference to a family described in clause (c) that meets the parent's religious preference.

Sec. 6. Minnesota Statutes 1992, section 260.141, subdivision 1, is amended to read:

Subdivision 1. (a) Service of summons or notice required by section 260.135 or 260.191, subdivision 3b, shall be made upon the following persons in the same manner in which personal service of summons in civil actions is made:

(1) in all delinquency matters, upon the person having custody or control of the child and upon the child; and

(2) in all other matters, upon the person having custody or control of the child, and upon the child if more than 12 years of age.

Personal service shall be effected at least 24 hours before the time of the hearing; however, it shall be sufficient to confer jurisdiction if service is made at any time before the day fixed in the summons or notice for the hearing, except that the court, if so requested, shall not proceed with the hearing earlier than the second day after the service. If personal service cannot well be made within the state, a copy of the summons or notice may be served on the person to whom it is directed by delivering a copy thereof to such person personally outside the state. Such service if made personally outside the state shall be sufficient to confer jurisdiction; providing however it be made at least five days before the date fixed for hearing in such summons or notice.

(b) If the court is satisfied that personal service of the summons or notice cannot well be made, it shall make an order providing for the service of summons or notice by certified mail addressed to the last known addresses of such persons, and by one weeks published notice as provided in section 645.11. A copy of the notice shall be sent by certified mail at least five days before the time of the hearing or 14 days if mailed to addresses outside the state.

(c) Notification to the county welfare board required by section 260.135, subdivision 3, shall be in such manner as the court may direct.

Sec. 7. Minnesota Statutes 1993 Supplement, section 260.191, subdivision 3b, is amended to read:

Subd. 3b. [REVIEW OF COURT ORDERED PLACEMENTS; PERMANENT PLACEMENT DETERMINATION.] (a) If the court places a child in a residential facility, as defined in section 257.071, subdivision 1, the court shall conduct a hearing to determine the permanent status of the child not later than 12 months after the child was placed out of the home of the parent. Not later than 30 ten days prior to this hearing, the responsible social service agency shall file pleadings to establish the basis for the permanent placement determination. Notice of the hearing and copies of the pleadings must be provided pursuant to sections 260.135 and section 260.141. If a termination of parental rights petition is filed before the date required for the permanency planning determination, no hearing need be conducted under this section. The court shall determine whether the child is to be returned home or, if not, what permanent placement is consistent with the child's best interests. The "best interests of the child" means all relevant factors to be considered and evaluated.

If the child is not returned to the home, the dispositions available for permanent placement determination are:

(1) permanent legal and physical custody to a relative, <u>pursuant to the standards and procedures applicable under chapter 257 or 518</u>. The social service agency may petition on behalf of the proposed custodian;

(2) termination of parental rights and adoption, or permanent, the social service agency shall file a petition for termination of parental rights under section 260.231 and all the requirements of sections 260.221 to 260.245 remain applicable; or

(3) long-term foster care; transfer of legal custody and adoption are preferred permanency options for a child who cannot return home. The court may order a child into permanent long-term foster care only if it finds that neither an award of legal and physical custody to a relative, nor termination of parental rights, nor adoption is in the child's best interests. Further, the court may only order long-term foster care for the child under this section if it finds the following:

(i) the child has reached age 12 and is not adoptable; or

(ii) the child is a sibling of a child who has reached age 12 determined not adoptable and the siblings have a significant positive relationship and are ordered into the same long-term foster care home.

(b) The court may extend the time period for determination of permanent placement to 18 months after the child was placed in a residential facility if:

(1) there is a substantial probability that the child will be returned home within the next six months;

(2) the agency has not made reasonable, or, in the case of an Indian child, active efforts, to correct the conditions that form the basis of the out-of-home placement; or

(3) extraordinary circumstances exist precluding a permanent placement determination, in which case the court shall make written findings documenting the extraordinary circumstances and order <del>one subsequent review after six months</del> <u>continuing periodic reviews</u> to determine permanent placement. <u>A court finding that extraordinary circumstances</u> <u>exist precluding a permanent placement determination must be supported by detailed factual findings regarding those circumstances</u>.

(c) If the court determines that an adoptive placement is in the best interests of the child, the social service agency shall file a petition for termination of parental rights under section 260.231. Nothing in this subdivision waives the requirements of sections 260.221 to 260.245 with respect to termination of parental rights.

(d) (c) In ordering a permanent placement of a child, the court must be governed by the best interests of the child, including a review of the relationship between the child and relatives and the child and other important persons with whom the child has resided or had significant contact.

(e) (d) Once a permanent placement determination has been made and permanent placement has been established, further reviews are only necessary if otherwise required by federal law, an adoption has not yet been finalized, or there is a disruption of the permanent or long-term placement. These If required, reviews must take place no less frequently than every six months.

(f) (e) An order under this subdivision must include the following detailed findings:

(1) how the child's best interests are served by the order;

(2) the nature and extent of the responsible social service agency's reasonable efforts, or, in the case of an Indian child, active efforts, to reunify the child with the parent or parents;

(3) the parent's or parents' efforts and ability to use services to correct the conditions which led to the out-of-home placement;

(4) whether the conditions which led to the out-of-home placement have been corrected so that the child can return home; and

(5) if the child cannot be returned home, whether there is a substantial probability of the child being able to return home in the next six months.

If the court orders the child placed in permanent foster care, the court shall make findings that neither an award of legal and physical custody to a relative, termination of parental rights, nor adoption is in the child's best interests. (f) An order for permanent legal and physical custody of a child may be modified under sections 518.18 and 518.185. The social service agency is a party to the proceeding and must receive notice. An order for long-term foster care is reviewable upon motion and a showing by the parent of a substantial change in the parent's circumstances such that the parent could provide appropriate care for the child and that removal of the child from the child's permanent placement and the return to the parent's care would be in the best interest of the child.

A court finding that extraordinary circumstances exist precluding a permanent placement determination must be supported by detailed factual findings regarding those circumstances."

Delete the title and insert:

, "A bill for an act relating to children; modifying certain provisions concerning foster care and adoption; amending Minnesota Statutes 1992, section 260.141, subdivision 1; Minnesota Statutes 1993 Supplement, sections 245A.03, subdivisions 2 and 2a; 257.071, subdivision 3; 257.072, subdivision 9; 259.255; and 260.191, subdivision 3b."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2227, A bill for an act relating to utilities; mandating studies of effects of earth as conductor of electricity, stray voltage, and electromagnetic fields; providing complaint procedure and remedies; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2260, A bill for an act relating to community social services; modifying certain provisions regarding county community social service plans; amending Minnesota Statutes 1992, section 256E.09, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 11, reinstate the stricken "proposed" and before "community" insert "and final"

Page 1, lines 12 to 14, delete the new language

Page 1, line 19, delete "unless a"

Page 1, line 20, delete the new language and after the period, insert "The <u>summarized form of the proposed plan</u> <u>must include a prominent notice that the detailed proposed plan to be considered by the county board is available</u> to county residents upon request. The final plan shall be submitted to the commissioner within 30 days after final adoption of the county budget by the county board. If the commissioner's certification of the final plan is delayed beyond January 1 of the first year of the plan, the previous community social services plan shall remain in effect until the final plan is certified. This does not affect the plan approval process in section 256E.05, subdivision 2."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2296, A bill for an act relating to health; Ramsey Health Care, Inc.; authorizing the public corporation to incorporate as a nonprofit corporation; terminating its status as a public corporation; providing for the care of the indigent of Ramsey county and other counties; providing for certain of its powers and duties; repealing Minnesota Statutes 1992, sections 246A.01; 246A.02; 246A.03; 246A.04; 246A.05; 246A.06; 246A.07; 246A.08; 246A.09; 246A.09; 246A.10; 246A.11; 246A.12; 246A.13; 246A.14; 246A.15; 246A.16; 246A.17; 246A.18; 246A.19; 246A.20; 246A.21; 246A.22; 246A.23; 246A.24; 246A.25; 246A.25; 246A.26; and 246A.27.

Reported the same back with the following amendments:

Page 3, line 13, delete "for a five-year period, and thereafter shall use its"

Page 3, delete lines 14 to 16 and insert "<u>until such time as no employee of the nonprofit organization is contributing</u> to the public employees retirement association under subdivision 2;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2337, A bill for an act relating to adoption; regulating certain advertising and payments in connection with adoption; regulating agencies; providing for nonagency adoption; providing for the enforceability of postadoption contact agreements; providing penalties; amending Minnesota Statutes 1992, sections 144.227, subdivision 1, and by adding a subdivision; 245A.03, subdivisions 1 and 2; 245A.04, by adding a subdivision; 245A.07, by adding a subdivision; 259.21, by adding subdivisions; 259.22, subdivisions 1, 2, and by adding a subdivision; 259.27, by adding a subdivision; 259.31; and 317A.907, subdivision 6; Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 259.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 144.227, subdivision 1, is amended to read:

Subdivision 1. [FALSE STATEMENTS.] Whoever intentionally makes any false statement in a certificate, record, or report required to be filed under sections 144.211 to <u>144.214 or 144.216 to</u> 144.227, or in an application for an amendment thereof, or in an application for a certified copy of a vital record, or who supplies false information intending that the information be used in the preparation of any report, record, certificate, or amendment thereof, is guilty of a misdemeanor.

Sec. 2. Minnesota Statutes 1992, section 144.227, is amended by adding a subdivision to read:

Subd. 3. [BIRTH REGISTRATION.] Whoever intentionally makes a false statement in a registration required under section 144.215 or in an application for an amendment to such a registration, or intentionally supplies false information intending that the information be used in the preparation of a registration under section 144.215 is guilty of a felony.

Sec. 3. Minnesota Statutes 1992, section 245A.03, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] Unless licensed by the commissioner, an individual, corporation, partnership, voluntary association, other organization, or controlling individual must not:

(1) operate a residential or a nonresidential program;

(2) receive a child or adult for care, supervision, or placement in foster care or adoption;

## MONDAY, APRIL 4, 1994

(3) help plan the placement of a child or adult in foster care or adoption or engage in placement activities as defined in section 259.21, subdivision 9, in this state, whether or not the adoption occurs in this state; or

(4) advertise a residential or nonresidential program.

Sec. 4. Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

(1) residential or nonresidential programs that are provided to a person by an individual who is related, except as provided in subdivision 2a;

(2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;

(3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;

(4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education in a school as defined in section 120.101, subdivision 4, and programs serving children in combined special education and regular prekindergarten programs that are operated or assisted by the commissioner of education;

(6) nonresidential programs primarily for children that provide care or supervision, without charge for ten or fewer days a year, and for periods of less than three hours a day while the child's parent or legal guardian is in the same building as the nonresidential program or present within another building that is directly contiguous to the building in which the nonresidential program is located;

(7) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1990;

(9) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) programs licensed by the commissioner of corrections;

(11) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) programs whose primary purpose is to provide, for adults or school-age children, including children who will be eligible to enter kindergarten within not more than four months, social and recreational activities, such as scouting, boys clubs, girls clubs, sports, or the arts; except that a program operating in a school building is not excluded unless it is approved by the district's school board;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

(15) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period;

(16) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(17) the religious instruction of school-age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship; (18) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(19) mental health outpatient services for adults with mental illness or children with emotional disturbance;

(20) residential programs serving school-age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules;

(21) unrelated individuals who provide out-of-home respite care services to persons with mental retardation or related conditions from a single related family for no more than 90 days in a 12-month period and the respite care services are for the temporary relief of the person's family or legal representative;

(22) respite care services provided as a home and community-based service to a person with mental retardation or a related condition, in the person's primary residence; or

(23) community support services programs as defined in section 245.462, subdivision 6, and family community support services as defined in section 245.4871, subdivision 17, or

(24) the placement of a child by a birth parent or legal guardian in a preadoptive home for purposes of adoption as authorized by section 259.2591.

For purposes of clause (6), a building is directly contiguous to a building in which a nonresidential program is located if it shares a common wall with the building in which the nonresidential program is located or is attached to that building by skyway, tunnel, atrium, or common roof.

Sec. 5. Minnesota Statutes 1992, section 245A.04, is amended by adding a subdivision to read:

Subd. 10. [ADOPTION AGENCY; ADDITIONAL REQUIREMENTS.] In addition to the other requirements of this section, an individual, corporation, partnership, voluntary association, other organization, or controlling individual applying for a license to place children for adoption must:

(1) incorporate as a nonprofit corporation under chapter 317A;

(2) file with the application for licensure a copy of the disclosure form required under section 259.258, subdivision 2;

(3) provide evidence that a bond has been obtained and will be continuously maintained in favor of the commissioner throughout the entire operating period of the agency, to cover the cost of transfer and storage of records if the agency voluntarily or involuntarily ceases operation and fails to provide for proper transfer of the records in order to comply with the requirements of section 259.46, and

(4) submit a certified audit to the commissioner each year the license is renewed as required under section 245A.03, subdivision 1.

Sec. 6. Minnesota Statutes 1992, section 245A.07, is amended by adding a subdivision to read:

<u>Subd. 4.</u> [ADOPTION AGENCY VIOLATIONS.] If a license holder licensed to place children for adoption fails to provide services as described in the disclosure form required by section 259.258, subdivision 2, the sanctions under this section may be imposed.

Sec. 7. [259.20] [POLICY.]

Subdivision 1. The policy of the state of Minnesota and the purpose of sections 259.20 to 259.406 is to ensure:

(1) that the best interests of children are met in the planning and granting of adoptions; and

(2) that laws and practices governing adoption recognize the diversity of Minnesota's population and the diverse needs of persons affected by adoption.

Subd. 2. Portions of chapters 245A, 257, 260, and 317A may also affect the adoption of a particular child.

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Sec. 8. Minnesota Statutes 1992, section 259.21, is amended by adding a subdivision to read:

<u>Subd. 8.</u> [PLACEMENT.] <u>"Placement" means the transfer of physical custody of a child from a birth parent or legal</u> guardian to a prospective adoptive home.

Sec. 9. Minnesota Statutes 1992, section 259.21, is amended by adding a subdivision to read:

Subd. 9. [PLACEMENT ACTIVITIES.] "Placement activities" means any of the following:

(1) placement;

(2) arranging or providing short-term foster care pending an adoptive placement;

(3) facilitating placement by maintaining a list in any form of birth parents or prospective adoptive parents;

(4) collecting health and social histories of a birth family;

(5) conducting an adoption study;

(6) witnessing consents to an adoption; or

(7) engaging in any activity listed in clauses (1) to (6) for purposes of fulfilling any requirements of the interstate compact on the placement of children.

Sec. 10. Minnesota Statutes 1992, section 259.21, is amended by adding a subdivision to read:

<u>Subd. 10.</u> [DIRECT ADOPTIVE PLACEMENT.] <u>"Direct adoptive placement" means the placement of a child by</u> <u>a birth parent or legal guardian other than an agency under the procedure for adoption authorized by</u> <u>section 259.2591.</u>

Sec. 11. Minnesota Statutes 1992, section 259.22, subdivision 1, is amended to read:

Subdivision 1. Any person who has resided in the state for one year or more may petition to adopt a child or an adult, and the same petitioner may petition for the adoption of two or more persons in one petition. The provisions as to length of residence in the state may be waived reduced to 30 days by the court whenever it appears to be for the best interest of the child.

The court may waive any residence requirement of this section if the petitioner is an individual who is related, as defined in section 245A.02, subdivision 13, or a member of a child's extended family or important friends with whom the child has resided or had significant contact.

Sec. 12. Minnesota Statutes 1992, section 259.22, subdivision 2, is amended to read:

Subd. 2. No petition for adoption shall be filed unless the child sought to be adopted has been placed by the commissioner of human services, the commissioner's agent, or a licensed child-placing agency. The provisions of this subdivision shall not apply if

(a) the child is over 14 years of age;

(b) the child is sought to be adopted by a stepparent;

(c) the child is sought to be adopted by a relative related by blood or marriage within the third degree;

(d) the child has been lawfully placed under the laws of another state while the child and petitioner resided in that other state; or

(e) the court waives the requirement of placement in the best interests of the child or petitioners the child has been lawfully placed under section 259.2591.

Sec. 13. Minnesota Statutes 1992, section 259.22, is amended by adding a subdivision to read:

Subd. 4. [TIME FOR FILING PETITION.] A petition shall be filed not later than 24 months after a child is placed in a prospective adoptive home. If a petition is not filed by that time, the agency that placed the child, or, in a direct adoptive placement, the agency that prepared the postplacement adoptive study shall file with the district court in the county where the prospective adoptive parent resides a motion for an order and a report recommending one of the following:

(1) that the time for filing a petition be extended because of the special needs as defined under title IV-E of the Social Security Act, United States Code, title 42, section 673, of the child; or

(2) that the child be removed from the prospective adoptive home.

The prospective adoptive parent must reimburse an agency for the cost of preparing and filing a report under this section, unless the costs are reimbursed by the commissioner under section 259.40 or 259.44.

Sec. 14. [259.256] [AGENCY PLACEMENT FACTORS.]

<u>A child-placing agency shall document, in the records required to be kept under section 259.46, the reasons for each child placement</u> decision.

Sec. 15. [259.258] [AGENCY; FEE SCHEDULE; DISCLOSURE; CIVIL ACTION.]

<u>Subdivision 1.</u> [PAYMENT SCHEDULE.] <u>An agency may only require payment of fees in stages as services are performed.</u> <u>An agency engaged in placement activities must provide a prospective adoptive parent with a schedule of fees and a timeline indicating when each fee or portion of the total fees for the agency services must be paid. The agency must also provide a fee schedule for prefinalization postplacement services.</u>

<u>Subd. 2.</u> [DISCLOSURE TO BIRTH PARENTS AND ADOPTIVE PARENTS.] <u>An agency shall provide a disclosure</u> statement written in clear, plain language to be signed by the prospective adoptive parents and birth parents, except that in inter-country adoptions, the signatures of birth parents are not required. The disclosure statement must contain the following information:

(1) fees charged to the adoptive parent, including any policy on sliding scale fees or fee waivers and an itemization of the amount that will be charged for the adoption study, counseling, postplacement services, family of origin searches, birth parent expenses authorized under section 259.271, or any other services;

(2) timeline for the adoptive parent to make fee payments;

(3) likelihood, given the circumstances of the prospective adoptive parent and any specific program to which the prospective adoptive parent is applying, that an adoptive placement may be made and the estimated length of time for making an adoptive placement. These estimates must be based on adoptive placements made with prospective parents in similar circumstances applying to a similar program with the agency during the immediately preceding three to five years. If an agency has not been in operation for at least three years, it must provide summary data based on whatever adoptive placements it has made and may include a statement about the kind of efforts it will make to achieve an adoptive placement, including a timetable it will follow in seeking a child. The estimates must include a statement that the agency cannot guarantee placement of a child or a time by which a child will be placed;

(4) a statement of the services the agency will provide the birth and adoptive parents;

(5) a statement prepared by the commissioner under section 259.2585 that explains the child placement and adoption process and the respective legal rights and responsibilities of the birth parent and prospective adoptive parent during the process including a statement that the prospective adoptive parent is responsible for filing an adoption petition not later than 24 months after the child is placed in the prospective adoptive home;

(6) a statement regarding any information the agency may have about attorney referral services, or about obtaining assistance with completing legal requirements for an adoption; and

(7) an acknowledgment to be signed by the birth parent and prospective adoptive parent that they have received, read, and had the opportunity to ask questions of the agency about the contents of the disclosure statement.

<u>Subd. 3.</u> [CIVIL ACTION.] <u>An action for damages, including punitive damages, may be brought by a birth parent</u> or prospective adoptive parent aggrieved by:

(1) a violation of subdivision 1;

(2) the failure of an agency to provide services listed in the disclosure form under subdivision 2, clause (4); or

(3) deceptive practices or misrepresentations made by an agency about its services or ability to place children for adoption.

Sec. 16. [259.2585] [COMMISSIONER'S STATEMENT.]

The commissioner shall prepare and make available to all agencies, prospective adoptive parents, and birth parents a short, plain description of the legal adoption process and the rights and responsibilities of agencies, birth parents, and prospective adoptive parents in the process.

Sec. 17. [259.2586] [ADOPTION STUDY.]

A written adoption study must be completed before the child is placed in a prospective adoptive home under this chapter and the study must be completed and filed with the court at the time the adoption petition is filed. In a direct adoptive placement, the study must be filed with the court in support of a motion for temporary preadoptive custody under section 259.2591, subdivision 3. The study shall be completed by a licensed child-placing agency and must be thorough and comprehensive. The study shall be paid for by the prospective adoptive parent, except as otherwise required under section 259.40 or 259.44.

<u>A step-parent adoption is not subject to this section.</u>

At a minimum, the study must include the following about the prospective adoptive parent:

(1) a check of criminal conviction data, data on substantiated maltreatment of a child under section 626.556, and domestic violence data of each person over the age of 13 living in the home. The prospective adoptive parents, the bureau of criminal apprehension, and other state, county, and local agencies, after written notice to the subject of the study, shall give the agency completing the adoption study substantiated criminal conviction data and reports about maltreatment of minors and vulnerable adults and domestic violence. The adoption study must also include a check of the juvenile court records of each person over the age of 13 living in the home. Notwithstanding provisions of section 260.161 to the contrary, the juvenile court shall release the requested information to the agency completing the adoption of the effect of a conviction or finding of substantiated maltreatment on the ability to care for a child;

(2) medical and social history and current health;

(3) assessment of potential parenting skills;

(4) ability to provide adequate financial support for a child; and

(5) the level of knowledge and awareness of adoption issues including where appropriate matters relating to interracial, cross-cultural, and special needs adoptions.

The adoption study must include at least one in-home visit with the prospective adoptive parent. The adoption study is the basis for completion of a written adoption study report. The adoption study report must be in a format specified by the commissioner and must contain recommendations regarding the suitability of the subject of the study to be an adoptive parent. An adoption study report is valid for 12 months following its date of completion.

<u>A prospective adoptive parent seeking a study under this section must authorize access by the agency to any private data needed to complete the study and must disclose any names used previously other than the name used at the time of adoption; and must provide a set of fingerprints.</u>

Sec. 18. [259.2587] [BIRTH PARENT HISTORY; COMMISSIONER'S FORM.]

In any adoption under this chapter, except a stepparent adoption, a birth parent or an agency shall provide a prospective adoptive parent with a detailed social and medical history of the birth families, if known after reasonable inquiry. Each birth family history must be provided on a form prepared by the commissioner in a manner so that the

completed form protects the identities of all individuals described in it. The commissioner shall make the form available to agencies and court administrators for public distribution. The birth family history must be filed with the court when the adoption petition is filed, or, in a direct adoptive placement, with the motion for temporary preadoptive custody.

Sec. 19. [259.259] [STATE AUDIT OF ADOPTION AGENCY; CIVIL ACTION.]

Subdivision 1. [AUDIT.] If the commissioner or attorney general has good cause to believe that a child-placing agency has violated section 259.258, subdivision 1, 259.271, 317A.907, or any other applicable law dealing with fees, payments, accounts, or financial disclosure by a child-placing agency, the commissioner or the attorney general may seek a court order requiring a financial audit of the agency, at the agency's expense, by an auditor chosen by the commissioner or attorney general.

<u>Subd. 2.</u> [CIVIL ACTION.] <u>A court may grant equitable or monetary relief that is just and reasonable in the circumstances or may dissolve an adoption agency and liquidate its assets if the assets of the agency are being misapplied or wasted. The attorney general or the commissioner may bring an action in district court if the directors or those in control of the agency have misapplied or wasted assets of the agency or have acted fraudulently, illegally, or in a manner unfairly prejudicial toward a client of the agency in the capacity of a director or one in control of the agency.</u>

Sec. 20. [259.2591] [DIRECT ADOPTIVE PLACEMENT.]

<u>Subdivision 1.</u> [INTENT.] The intent of the provisions governing direct adoptive placement is to safeguard the best interests of the child by providing services and protections to the child, birth parents, and adoptive parents which are consistent with those available through an agency placement.

Subd. 2. [PREPLACEMENT STUDY.] In a direct adoptive placement, a preplacement study under section 259.2586 must be completed and filed with the court as required by subdivision 3.

Subd. 3. [PREADOPTIVE CUSTODY ORDER.] (a) Within 30 days after a child is placed in a prospective adoptive home by a birth parent or legal guardian, other than an agency, the placement must be approved by the district court in the county where the prospective adoptive parent resides. Court approval must be obtained prior to placement if the prospective adoptive parent does not have health care coverage for the child. Any order under this subdivision or subdivision 6 shall state that the prospective adoptive parent's right to custody of the child is subject to the birth parents' right to custody until the consents to the child's adoption become irrevocable. The prospective adoptive parent must meet the residence requirements of section 259.22, subdivision 1, and must file with the court an affidavit of intent to remain a resident of the state for at least 90 days after the child is placed in the prospective adoptive home. The prospective adoptive parent shall file with the court a notice of intent to file an adoption petition and submit a written motion seeking an order granting temporary preadoptive custody. The notice and motion required under this subdivision may be considered by the court ex parte, without a hearing. The prospective adoptive parent shall serve a copy of the notice and motion upon any parent whose consent is required under section 259.24 or who is named in the affidavit required under paragraph (b) of this subdivision if that person's mailing address is known. The motion may be filed up to 60 days before the placement is to be made and must include:

(1) the adoption study required under section 259.2586;

(2) affidavits from the birth parents indicating their support of the motion, or, if there is no affidavit from the birth father, an affidavit from the birth mother under paragraph (b);

(3) an itemized statement of expenses that have been paid and an estimate of expenses that will be paid by the prospective adoptive parents to the birth parents, any agency, attorney, or other party in connection with the prospective adoption;

(4) the name of counsel for each party, if any;

(5) a statement that the birth parents:

(i) have provided the social and medical history required under section 259.2587 to the prospective adoptive parent;

(ii) have received the written statement of their legal rights and responsibilities under section 259.2585; and

(iii) have been notified of their right to receive counseling under subdivision 4; and

(6) the name of the agency chosen by the adoptive parent to supervise the adoptive placement and complete the postplacement adoption study required by subdivision 9.

The court shall review the expense statement submitted under this subdivision to determine whether payments made or to be made by the prospective adoptive parent are lawful and in accordance with section 259.271, subdivision 1.

(b) If the birth mother submits the affidavit required in paragraph (a), clause (2), but the birth father fails to do so, the birth mother must submit an additional affidavit that describes her good faith efforts or efforts made on her behalf to identify and locate the birth father for purposes of securing his consent. In the following circumstances, the birth mother may instead submit an affidavit stating on which ground she is exempt from making efforts to identify and locate the father:

(1) the child was conceived as the result of incest or rape;

(2) efforts to locate the father could reasonably result in physical harm to the birth mother or child; or

(3) efforts to locate the father by the affiant or anyone acting on the affiant's behalf could reasonably result in emotional impairment of the birth mother or child.

A court shall consider the motion for temporary preadoptive custody within 30 days of receiving the motion or by the anticipated placement date stated in the motion, whichever comes sooner.

Subd. 4. [BIRTH PARENT COUNSELING.] In a direct adoptive placement, the prospective adoptive parent must notify the birth parent that the birth parent has a right to receive counseling about adoption issues at the expense of the prospective adoptive parent. The prospective adoptive parent must bear the cost of up to 35 hours of counseling upon the request of a birth parent at any time between conception of child and six months after the birth of the child or the placement in the adoptive home, whichever is later. A birth parent may waive the right to receive counseling under this subdivision.

<u>Subd. 5.</u> [BIRTH PARENT LEGAL COUNSEL.] <u>Upon the request of a birth parent, separate legal counsel must</u> <u>be made available to the birth parent at the expense of the prospective adoptive parent.</u> A birth parent may waive <u>this right only by a written waiver signed and submitted to the court at the consent hearing under subdivision 6.</u> <u>Representation of a birth parent and a prospective adoptive parent by the same attorney is prohibited.</u>

<u>Subd. 6.</u> [EMERGENCY ORDER.] (a) <u>A court may issue an emergency order granting temporary preadoptive</u> custody of a child to a prospective adoptive parent for up to 14 days if the following conditions are met:

(1) the motion is supported by:

(i) affidavits from the prospective adoptive parent and birth parent indicating that an emergency order is needed because of the unexpected premature birth of the child or other specifically described extraordinary circumstances which prevented the completion of the requirements of subdivision 3; and

(ii) the information required by subdivision 3, paragraph (a), clause (2), and clause (5), items (ii) and (iii); and

(iii) a completed adoption study which meets the requirements of section 259.2586; or

(iv) affidavits from each prospective adoptive parent stating whether they or any person residing in the household have been convicted of a crime; or are the subject of an open investigation of, or have been the subject of substantiated allegations of, child or vulnerable-adult abuse within the past ten years. If so, a complete description of the crime, open investigation, or substantiated abuse and a complete description of any sentence, treatment, or disposition must be included. If, at any time before the adoption is final, a court receives evidence leading it to conclude that a prospective adoptive parent knowingly gave false information in this affidavit, it shall be presumed that the placement of the child with the adoptive parent is not in the best interests of the child.

(2) the court concludes from the record submitted that the emergency order will preserve the health and safety of the child.

(b) An order granting or denying the motion shall be issued under this section within 24 hours of the time it is brought. Notwithstanding section 259.23, any judge of district court may consider a motion brought under this subdivision. An order granting the motion shall direct that an adoption study be commenced immediately, if that has not occurred, and that the agency conducting the study shall supervise the emergency placement.

(c) An emergency order under this subdivision expires 14 days after it is issued. If the requirements of section 259.2591 are completed and a preadoptive custody motion is filed on or before the expiration of the emergency order, placement may continue until the court rules on the motion. The court shall consider the preadoptive custody motion within seven days of filing.

<u>Subd. 7.</u> [CONSENT OF BIRTH PARENTS; HEARING; VENUE; COMMISSIONER'S FORM.] In all adoptions, regardless of the manner of placement, not sooner than 72 hours after the birth of a child and not later than 60 days after the child's placement in a prospective adoptive home, a birth parent whose consent is required under section 259.24, shall execute a consent. In all direct adoptive placements, a birth parent, whose consent is required under section 259.24 and who has chosen not to receive counseling through a licensed agency or a licensed social services professional trained in adoption issues, shall appear before a judge or judicial officer to sign the birth parent's written consent to the child's adoption by the prospective adoptive parent resides, the consent hearing may be held in any county in this state where the birth parent is found. If a birth parent has chosen to receive counseling through a licensed agency or a licensed social services professional trained in adoption issues, the birth parent may choose to execute a gency or a licensed social services professional trained in adoption issues, the birth parent may choose to execute a written consent under section 259.24, subdivision 5, or participate in a voluntary termination of parental rights.

If a consent hearing is held in a county other than where the prospective adoptive parent resides, the court shall forward the executed consents to the district court in the county where the prospective adoptive parent resides.

The consent becomes irrevocable on the tenth working day after it is given, except that if the consent was obtained by fraud, proceedings to determine the existence of fraud shall be governed by section 259.24, subdivision 6a. Until the consent becomes irrevocable, the child shall be returned to the birth parent upon request.

The written consent under this subdivision must state that:

(1) the birth parent has had the opportunity to consult with independent legal counsel at the expense of the prospective adoptive parent, unless the birth parent knowingly waived the opportunity;

(2) the birth parent was notified of the right to receive counseling at the expense of the prospective adoptive parent and has chosen to exercise or waive that right; and

(3) the birth parent was informed that if the birth parent withdraws consent, the prospective adoptive parent cannot require the birth parent to reimburse any costs the prospective adoptive parent has incurred in connection with the adoption, including payments made to or on behalf of the birth parent.

If a birth parent has chosen to have legal counsel, the attorney must be present at the execution of consents. If a birth parent waives counsel, the written waiver must be filed with the consent under this subdivision.

The consent signed under this subdivision must be on a form prepared by the commissioner and made available to agencies and court administrators for public distribution.

<u>Subd. 8.</u> [NOTICE AND CONSENT DEADLINE; CONSENT HEARING; BIRTH PARENT NOT APPEARING.] (a) A birth parent who intends to consent to the adoption of a child or to confer authority on an agency to place a child for adoption under section 259.25 shall notify the other birth parent of that fact if the other birth parent's consent to the adoption is required under subdivision 1. Notice shall be provided to the other birth parent by personal service in the manner provided in the rules of civil procedure for service of a summons and complaint within 72 hours of the date on which the child is placed. The notice shall inform the birth parent of the notifying birth parent's intent regarding consent to adoption or an agreement under section 259.25 and shall notify the receiving birth parent that, not later than 60 days after the date of service, the birth parent must either consent or refuse to consent to the adoption or the agreement under section 259.25. On the sixty-first day following service of the notice required under this subdivision, a birth parent who fails to take either of these actions, is deemed to have consented to the child's adoption or the agreement under section 259.25 regarding the child.

(b) If a birth parent whose consent is required under section 259.24 does not appear at a consent hearing under this section, the agency which conducted the adoption study shall notify the court and the court shall issue an order regarding continued placement of the child.

<u>Subd. 9.</u> [POSTPLACEMENT ADOPTION STUDY.] <u>The agency designated by the prospective adoptive parent</u> <u>under subdivision 3, paragraph (a), clause (6), shall complete a postplacement adoption study and file it with the court</u> <u>with which the adoption petition has been filed not later than 90 days after the filing of a petition for adoption.</u>

At a minimum, the postplacement study must include the following information:

(1) assessment of adaptation by the prospective adoptive parents to parenting the child;

(2) assessment of the health and well-being of the child in the prospective adoptive parents' home;

(3) analysis of the level of incorporation by the child into the prospective adoptive parents' home, extended family and community; and

(4) assessment of the level of incorporation of the child's previous history into the prospective adoptive home, such as cultural or ethnic practices, or contact with former foster parents, or biological relatives.

The postplacement adoption study shall be filed with the local social service agency in the county where the prospective adoptive parent resides. The local social service agency may seek a court order to remove the child from the prospective adoptive home, if the study so recommends and the agency finds that continued placement in the adoptive home endangers the physical or emotional health of the child. A postplacement adoption study is valid for 12 months after its date of completion.

Subd. 10. [RECORDS.] All records filed with the court in a direct adoptive placement under this section must be permanently maintained by the agency which completed the adoption study. Notwithstanding the provisions of section 259.31, an agency shall, upon request, be given any court records needed to provide postadoption services pursuant to section 259.47 at the request of adoptive parents, birth parents, or adopted individuals age 19 or older.

<u>Subd. 11.</u> [PENALTY.] It is a gross misdemeanor for a person, not being the commissioner or an agency, knowingly to engage in placement activities as defined in section 259.21, subdivision 9, without being licensed by the commissioner under chapter 245A, except as authorized by section 245A.03, subdivision 2.

Sec. 21. Minnesota Statutes 1992, section 259.27, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER'S NOTICE TO COMMISSIONER; COUNTY DUTIES.] Upon the filing of a petition for adoption of a child the court administrator shall immediately transmit a copy of the petition to the commissioner of human services. The commissioner and the social services department of the county in which the prospective adoptive parent lives. Except as provided in subdivision 2, the county social services department shall verify the allegations of the petition, investigate the conditions and antecedents of the child for the purpose of ascertaining whether the child is a proper subject for adoption, and make appropriate inquiry to ascertain whether the proposed foster adoptive home and the child are suited to each other and whether the proposed foster home adoption meets the preferences described in section 259.28, subdivision 2. The report of the county welfare board submitted to the commissioner of human services bearing on the suitability of the proposed foster home and the child to each other shall be confidential, and the records of the county welfare board or the contents thereof of them shall not be disclosed either directly or indirectly to any person other than the commissioner of human services or a judge of the court having jurisdiction of the matter. Within 90 days after the receipt of said the copy of the petition the eommissioner county social services department shall submit to the court and the commissioner a full report in writing with recommendations as to the granting of the petition. If such the report is not returned within the 90 days, without fault of petitioner, the court may hear the petition upon giving the commissioner county social services department five days notice by mail of the time and place of the hearing. If such the report disapproves of the adoption of the child, the commissioner county social services department may recommend that the court dismiss the petition.

Sec. 22. Minnesota Statutes 1992, section 259.27, subdivision 2, is amended to read:

Subd. 2. [ADOPTION AGENCIES.] Notwithstanding the provisions of subdivision 1, if the child to be adopted has been committed to the guardianship of an agency pursuant to section 260.241, or if the child has been surrendered to an agency pursuant to section 259.25, or the child's direct adoptive placement is being supervised by an agency pursuant to section 259.251 the court, in its discretion, may shall refer the adoption petition to such the agency, or, if the adopting parent has a stepparent relationship to the child, to the county welfare department of the county in which the adoption is pending. The agency or county welfare department, within 90 days of receipt of a copy of the

adoption petition, shall file with the court a report of its investigation of the environment and antecedents of the child to be adopted and of the home of the petitioners and its determination whether the home of the petitioners meets the preferences described in section 259.28, subdivision 2. If such the report disapproves of the adoption of the child, the agency or county welfare department may recommend that the court dismiss the petition. In the case of a direct adoptive placement under section 259.2591, a postplacement adoption study completed under subdivision 9 of that section shall be considered as meeting the requirement for a report under this section.

Sec. 23. Minnesota Statutes 1992, section 259.27, subdivision 5, is amended to read:

Subd. 5. [RESIDENCE AND INVESTIGATION WAIVED; STEPPARENT.] Such The investigation and period of residence required by this section may be waived by the court when the petition for adoption is submitted by a stepparent or when, upon good cause being shown, the court is satisfied that the proposed adoptive home and the child are suited to each other, but in either event at least ten working days notice of the hearing shall be given to the commissioner county social services department by certified mail. The reports of investigations shall be a part of the court files in the case, unless otherwise ordered by the court.

Sec. 24. Minnesota Statutes 1992, section 259.27, is amended by adding a subdivision to read:

<u>Subd. 6.</u> [FEES AND PAYMENTS; FILING WITH ADOPTION PETITION.] <u>Upon the filing of a petition for</u> adoption, an agency shall file with the court a statement of expenses that have been paid or are required to be paid by the prospective adoptive parent in connection with the adoption. In a direct adoptive placement, the statement of expenses shall be filed by the prospective adoptive parent.

Sec. 25. [259.271] [PAYMENT OF BIRTH PARENT EXPENSES; PENALTY.]

<u>Subdivision 1.</u> [AUTHORIZED PAYMENTS.] In any adoption under this chapter, a prospective adoptive parent or anyone acting in concert with, at the direction of, or in behalf of a prospective adoptive parent may pay only the following expenses of the birth parent:

(1) reasonable counseling, medical, and legal fees, which shall be paid directly to the provider of the service;

(2) reasonable expenses for transportation, meals, and lodging incurred for placement of the child;

(3) reasonable expenses for adoption services provided by an agency at the request of the birth parent, which shall be paid directly to the agency; and

(4)(i) reasonable living expenses of the birth mother which are needed to maintain an adequate standard of living which the birth mother is unable to otherwise maintain because of loss of income or other support resulting from the pregnancy. The payments may cover expenses incurred during the pregnancy-related incapacity but not for a period longer than six weeks following delivery;

(ii) the payment shall not be contingent upon placement of the child for adoption, consent to adoption, or cooperation in the completion of the adoption; and

(iii) reasonable living expenses does not include expenses for lost wages, gifts, educational expenses, or other similar expenses of the birth mother

<u>Subd. 2.</u> [NO BIRTH PARENT REIMBURSEMENT TO ADOPTIVE PARENT.] <u>A contract purporting to require</u> a birth parent to reimburse a prospective adoptive parent for such payments under any circumstances, including circumstances in which a birth parent refuses to consent to adoption or withdraws consent to adoption, is void as against public policy.

<u>Subd. 3.</u> [PROHIBITED PAYMENTS; PENALTY.] (a) <u>Except as authorized under subdivision 1, it is a felony for an individual to give, or for a birth parent to accept, money or anything of value as compensation for the placement of a child for adoption.</u>

(b) It is a felony for any person to give money or anything of value as compensation to the birth parent of a child if the person is engaged or has engaged in any placement activity, as defined in section 259.21, subdivision 9, in connection with the adoption of the child.

6025

Sec. 26. Minnesota Statutes 1992, section 259.31, is amended to read:

# 259.31 [HEARINGS, CONFIDENTIAL.]

All hearings held in proceedings under sections 259.21 to 259.32 shall be confidential and shall be held in closed court without admittance of any persons other than the petitioners, their witnesses, the commissioner of human services or an agency, or their authorized representatives, attorneys, and persons entitled to notice by sections 259.21 to 259.32, except by order of the court. The files and records of the court in adoption proceedings shall not be open to inspection by any person except the commissioner of human services or the commissioner's representatives, <u>an agency acting under section 259.2591, subdivision 10</u>, or upon an order of the court expressly so permitting pursuant to a petition setting forth the reasons therefor.

Sec. 27. Minnesota Statutes 1992, section 317A.907, subdivision 6, is amended to read:

Subd. 6. [EXPENSE REIMBURSEMENT.] (a) An organization, association, or society licensed by the commissioner of human services may receive payment for expenses related to adoption services in an amount that fairly reflects the agency's reasonable and necessary expenses of:

(1) adoptive counseling, whether or not legal adoption is completed;

(2) provision of services to children before adoptive placement; or

(3) the supervision of children in the home until legal adoption is completed; or

## (4) expenses of a birth parent authorized under section 259,271 if paid to the agency to forward to the birth parent.

Only that part of the expenses may be requested that the person seeking to adopt is financially able to meet. No person may be barred from receiving a child for adoption because of inability to pay part of the expenses referred to in this subdivision. In addition to other reports as may be required, a licensed agency shall file annually with the commissioner of human services a full accounting of expense reimbursement received under this subdivision, together with the record of the services given for which the reimbursement was made. If the person returns the child to the corporation, the person may not receive compensation for the care, clothing, or medical expenses of the child. This paragraph does not preclude voluntary contributions by an individual or organization. A pledge by an adoption applicant to make a voluntary contribution is voidable at the option of the person pledging.

(b) No organization, association, or society is eligible to receive an expense reimbursement from a person who takes a child into the person's home or who adopts a child during the first 12 months that the organization, association, or society is licensed by the commissioner of human services.

Sec. 28. [INSTRUCTIONS TO THE REVISOR.]

(a) In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms "natural parent" and "genetic parent" to "birth parent" wherever they appear.

(b) In the next and subsequent editions of Minnesota Statutes, the revisor shall change the terms "county welfare board" and "county welfare department" to "local social services agency" wherever they appear.

(c) In the next and subsequent editions of Minnesota Statutes, the revisor shall renumber chapter 259 in order to eliminate seven-digit section numbers and make more room for future sections. The revisor shall also correct all cross-references in Minnesota Statutes and Minnesota Rules to reflect the new section numbers in chapter 259."

Delete the title and insert:

"A bill for an act relating to adoption; regulating certain advertising and payments in connection with adoption; regulating agencies; providing for direct adoptive placement; providing for the enforceability of postadoption contact agreements; providing penalties; amending Minnesota Statutes 1992, sections 144.227, subdivision 1, and by adding a subdivision; 245A.03, subdivision 1; 245A.04, by adding a subdivision; 245A.07, by adding a subdivision; 259.21,

by adding subdivisions; 259.22, subdivisions 1, 2, and by adding a subdivision; 259.27, subdivisions 1, 2, 5, and by adding a subdivision; 259.31; and 317A.907, subdivision 6; Minnesota Statutes 1993 Supplement, section 245A.03, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 259."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lieder from the Committee on General Legislation, Veterans Affairs and Elections to which was referred:

H. F. No. 2376, A bill for an act relating to military affairs; appropriating money for the Minnesota National Guard youth camp.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations and Gambling/State Government Finance Division.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2380, A bill for an act relating to children; establishing an abused child program under the commissioner of corrections; creating an advisory committee; specifying powers and duties of the commissioner and the advisory committee; proposing coding for new law in Minnesota Statutes, chapter 241.

Reported the same back with the following amendments:

Page 1, line 9, delete "241.445" and insert "611A.362"

Page 1, line 22, delete "241.446" and insert "611A.363"

Page 2, line 5, delete everything after "commissioner"

Page 2, line 6, delete everything before "and"

Page 2, line 17, delete "by" and insert a period

Page 2, delete lines 18 and 19

Page 2, line 26, after "grant" insert "under this section"

Pages 2 to 5, delete sections 3 and 4

Amend the title as follows:

Page 1, line 4, delete "creating an advisory committee;"

Page 1, line 5, delete "and the advisory committee"

Page 1, line 7, delete "241" and insert "611A"

With the recommendation that when so amended the bill pass.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2391, A bill for an act relating to health; classifying data relating to a physician license; modifying provisions relating to foreign medical school graduates; amending Minnesota Statutes 1993 Supplement, sections 147.02, subdivision 1; and 147.037, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 147.01, subdivision 4, is amended to read:

Subd. 4. [DISCLOSURE.] Subject to the exceptions listed in this subdivision, all communications or information received by or disclosed to the board relating to any person or matter subject to its regulatory jurisdiction are confidential and privileged and any disciplinary hearing shall be closed to the public.

(a) Upon application of a party in a proceeding before the board under section 147.091, the board shall produce and permit the inspection and copying, by or on behalf of the moving party, of any designated documents or papers relevant to the proceedings, in accordance with the provisions of rule 34, Minnesota rules of civil procedure.

(b) If the board imposes disciplinary measures of any kind, whether by contested case or by settlement agreement, the name and business address of the licensee, the nature of the misconduct, and the action taken by the board are public data. If disciplinary action is taken by settlement agreement, the entire agreement is public data.

(c) The board shall exchange information with other licensing boards, agencies, or departments within the state, as required under section 214.10, subdivision 8, paragraph (d), and may release information in the reports required under sections 147.02, subdivision 6, and 214.10, subdivision 8, paragraph (b).

(d) The board shall furnish to a person who made a complaint a summary of the results of an investigation of that complaint, a description of the activities and actions of the board relating to that complaint, and the reasons for actions taken by the board.

(e) The board shall furnish to an applicant for the issuance or renewal of a license, certificate, or registration and to any person authorized by the applicant any data the board has received and is considering in connection with the application, provided that the identity of individual sources of data other than the applicant are redacted or the data is excerpted or summarized to maintain the privacy of those individuals.

Sec. 2. Minnesota Statutes 1993 Supplement, section 147.037, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] The board shall issue a license to practice medicine to any person who satisfies the requirements in paragraphs (a) to (g).

(a) The applicant shall satisfy all the requirements established in section 147.02, subdivision 1, paragraphs (a), (e), (f), (g), and (h).

(b) The applicant shall present evidence satisfactory to the board that the applicant is a graduate of a medical or osteopathic school approved by the board as equivalent to accredited United States or Canadian schools based upon its faculty, curriculum, facilities, accreditation, or other relevant data.

(c) The applicant shall present evidence satisfactory to the board that the applicant has been awarded a certificate by the educational council for foreign medical graduates, and the applicant has a working ability in the English language sufficient to communicate with patients and physicians and to engage in the practice of medicine.

(d) The applicant shall present evidence satisfactory to the board of the completion of two years of graduate, clinical medical training in a program located in the United States, its territories, or Canada and accredited by a national accrediting organization approved by the board or other graduate training approved in advance by the board as meeting standards similar to those of a national accrediting organization. This requirement does not apply (1) to an applicant who is admitted as a permanent immigrant to the United States as a person of exceptional ability in the sciences  $\Theta_{r_{e}}$  (2) to an applicant issued a permanent immigrant visa after October 1, 1991, as a person of extraordinary

ability or as an outstanding professor or researcher provided that a person under clause (1) or (2) is admitted pursuant to rules of the United States Department of Labor and has completed one year of the graduate, clinical medical training required by this paragraph, or (3) to an applicant who is licensed in another state, has practiced five years without disciplinary action, has completed one year of the graduate, clinical medical training required by this paragraph, and has passed the Special Purpose Examination of the Federation of State Medical Boards within three attempts in the 24 months before licensing.

(e) The applicant must:

(1) within ten years prior to application have passed an examination prepared and graded by the Federation of State Medical Boards, the United States Medical Licensing Examination program, or the Medical Council of Canada; or

(2) have a current license from the equivalent licensing agency in another state or Canada; and

(i) pass the Special Purpose Examination of the Federation of State Medical Boards with a score of 75 or better within three attempts; or

(ii) have a current certification by a specialty board of the American Board of Medical Specialties, of the American Osteopathic Association Bureau of Professional Education, or of the Royal College of Physicians and Surgeons of Canada.

(f) The applicant must not be under license suspension or revocation by the licensing board of the state or jurisdiction in which the conduct that caused the suspension or revocation occurred.

(g) The applicant must not have engaged in conduct warranting disciplinary action against a licensee, or have been subject to disciplinary action other than as specified in paragraph (f). If an applicant does not satisfy the requirements stated in this paragraph, the board may issue a license only on the applicant's showing that the public will be protected through issuance of a license with conditions or limitations the board considers appropriate."

Delete the title and insert:

"A bill for an act relating to health; classifying data relating to a physician license; modifying provisions relating to foreign medical school graduates; amending Minnesota Statutes 1992, section 147.01, subdivision 4; and Minnesota Statutes 1993 Supplement, section 147.037, subdivision 1."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2400, A bill for an act relating to agricultural economy; increasing extent of authorized state participation in rural finance authority loan restructuring program; repealing authorization for the commissioner of finance to issue obligations to assist agricultural-industrial facilities in Detroit Lakes; amending Minnesota Statutes 1992, section 41B.04, subdivision 8; repealing Laws 1992, chapter 543.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

H. F. No. 2440, A bill for an act relating to taxation; property; providing an exemption for power facilities containing cogeneration systems; amending Minnesota Statutes 1993 Supplement, section 272.02, subdivision 1.

Reported the same back with the recommendation that the bill pass.

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6029

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2478, A bill for an act relating to retirement; first class city teachers; defining salary; authorizing purchase of service credit for parental or maternity leave; resumption of teaching by basic program retirees; amending Minnesota Statutes 1992, sections 354A.011, subdivision 24; 354A.095; and 354A.31, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 19, delete "OR" and insert "AND"

Page 3, line 12, reinstate the stricken language and delete the new language

Page 4, line 1, delete ", but is not limited to:"

Page 4, line 2, delete "and" and insert a comma

Page 4, line 3, delete the semicolon and insert a comma and delete "anyone else who works" and insert "income resulting from working"

Page 4, after line 9, insert:

"Sec. 4. [MINNEAPOLIS TEACHERS RETIREMENT FUND BYLAW AMENDMENT.]

Consistent with Minnesota Statutes, section 354.12, subdivision 4, the board of the Minneapolis teachers retirement fund association may amend the bylaws or articles of incorporation to provide parental or maternity leave, providing that the leave is granted by the employing authority, and specifying that:

(a) the service credit obtained can not exceed one year for the period of the leave;

(b) to obtain the service credit the individual must pay to the fund an amount equal to the total required contributions for the period of the leave prescribed in Minnesota Statutes, section 354A.12. Payment must be based on the member's average monthly salary rate upon returning to teaching service; and

(c) payment must be made by the end of the fiscal year following the fiscal year in which the leave terminates. Payment must be accompanied by a certified or otherwise adequate copy of the resolution or action of the employing authority granting or approving the leave.

Sec. 5. [SAINT PAUL TEACHERS RETIREMENT FUND ASSOCIATION AND MINNEAPOLIS TEACHERS RETIREMENT FUND ASSOCIATION BYLAW AMENDMENTS.]

Consistent with Minnesota Statutes, section 354.12, subdivision 4, the board of the Minneapolis teachers retirement fund association and the board of the St. Paul teachers retirement fund association may amend the bylaws or articles of incorporation to provide that:

(a) any person receiving a basic program retirement annuity under the governing sections in the articles of incorporation or bylaws and who resumes teaching service for the school district in which the teachers retirement fund association exists is entitled to continue to receive retirement annuity payments, except that annuity payments must be reduced during the calendar year immediately following the calendar year in which the person's income from the teaching service is in an amount greater than the annual maximum earnings allowable for that age for the continued receipt of full benefit amounts monthly under the federal old age, survivors, and disability insurance program as set by the secretary of health and human services under United States Code, title 42, section 403;

(b) the amount of the reduction must be one-third the amount in excess of the applicable reemployment income maximum and must be deducted from the annuity payable for the calendar year immediately following the calendar year in which the excess amount was earned;

(c) if the person has not yet reached the minimum age for the receipt of social security benefits, the maximum earnings for the person must be equal to the annual maximum earnings allowable for the minimum age for the receipt of social security benefits;

(d) if the person is retired for only a fractional part of the calendar year during the initial year of retirement, the maximum reemployment income must be prorated for that calendar year;

(e) after a person has reached the age of 70, no reemployment income maximum is applicable regardless of the amount of any compensation received for teaching service for the school district in which the teachers retirement fund association exists; and

(f) for the purposes of the bylaw amendment, income from teaching service includes: (i) all income for services performed as a consultant, independent contractor, or income resulting from working with the school district in any capacity; and (ii) the greater of either the income received or an amount based on the rate paid with respect to an administrative position, consultant, or independent contractor in the school district in which the teachers retirement fund association exists and at the same level as the position occupied by the person who resumes teaching service.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "authorizing certain bylaw amendments by the Minneapolis and St. Paul teachers retirement fund associations;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2517, A bill for an act relating to game and fish; allowing nonresidents to take rough fish by harpooning; amending Minnesota Statutes 1992, section 97C.381.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2519, A bill for an act relating to prostitution; creating a civil cause of action for persons who are coerced into prostitution; proposing coding for new law in Minnesota Statutes, chapter 611A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [611A.80] [DEFINITIONS.]

Subdivision 1. [GENERAL.] The definitions in this section apply to sections 1 to 9.

Subd. 2. [COERCE.] "Coerce" means to use or threaten to use any form of domination, restraint, or inducement for the purpose or with the reasonably foreseeable effect of causing an individual to engage in or remain in prostitution or to relinquish earnings derived from prostitution. "Coercion" may include, but is not limited to:

(1) physical force or actual or implied threats of physical force;

(2) physical or mental torture;

6031

(3) implicitly or explicitly leading an individual to believe that the individual will be protected from violence or arrest;

(4) kidnapping;

(5) defining the terms of an individual's employment or working conditions in a manner that can foreseeably lead to the individual's use in prostitution;

(6) blackmail;

(7) extortion or claims of indebtedness;

(8) threat of legal complaint or report of delinquency;

(9) threat to interfere with parental rights or responsibilities, whether by judicial or administrative action or otherwise;

(10) promise of legal benefit, such as posting bail, procuring an attorney, protecting from arrest, or promising unionization;

(11) promise of financial rewards;

(12) promise of marriage;

(13) restraining speech or communication with others, such as exploiting a language difference, or interfering with the use of mail, telephone, or money;

(14) isolating an individual from others;

(15) exploiting a condition of developmental disability, cognitive limitation, affective disorder, or substance dependency;

(16) taking advantage of lack of intervention by child protection;

(17) exploiting victimization by previous sexual abuse or battering;

(18) exploiting pornographic performance;

(19) interfering with opportunities for education or skills training;

(20) destroying property;

(21) restraining movement;

(22) exploiting HIV status, particularly where the defendant's previous coercion led to the HIV exposure; or

(23) exploiting needs for food, shelter, safety, affection, or intimate or marital relationships.

Subd. 3. [PROSTITUTION.] "Prostitution" has the meaning given in section 609.321, subdivision 9.

Sec. 2. [611A.81] [CAUSE OF ACTION FOR COERCION FOR USE IN PROSTITUTION.]

Subdivision 1. [CAUSE OF ACTION CREATED.] An individual has a cause of action against a person who:

(1) coerced the individual into prostitution;

(2) coerced the individual to remain in prostitution;

(3) used coercion to collect or receive any of the individual's earnings derived from prostitution; or

(4) hired, offered to hire, or agreed to hire the individual to engage in prostitution, knowing or having reason to believe that the individual was coerced into or coerced to remain in prostitution by another person.

For purposes of clauses (1) and (2), money payment by a patron, as defined in section 609.321, subdivision 4, is not coercion under section 611A.80, subdivision 2, clause (5) or (11), or exploiting needs for food or shelter under section 611A.80, subdivision 2, clause (23).

<u>Clause (3) does not apply to minor children who may have benefitted from or been supported by an individual's</u> <u>earnings derived from prostitution.</u>

<u>Subd. 2.</u> [DAMAGES.] <u>A person against whom a cause of action may be maintained under subdivision 1 is liable for the following damages that resulted from the plaintiff being used in prostitution or to which the plaintiff's use in prostitution significantly contributed:</u>

(1) economic loss, including damage, destruction, or loss of use of personal property; loss of past or future income or earning capacity; and income, profits, or money owed to the plaintiff from contracts with the person; and

(2) damages for death, personal injury, disease, and mental and emotional harm, including medical, rehabilitation, and burial expenses; and pain and suffering, including physical impairment.

Sec. 3. [611A.82] [ACTS NOT DEFENSES.]

None of the following shall alone be a sufficient defense to an action under section 2 if the only defenses are one or any combination of the following:

(1) the plaintiff consented to engage in acts of prostitution;

(2) the plaintiff was paid or otherwise compensated for acts of prostitution;

(3) the plaintiff engaged in acts of prostitution prior to any involvement with the defendant;

(4) the plaintiff apparently initiated involvement with the defendant;

(5) the plaintiff made no attempt to escape, flee, or otherwise terminate contact with the defendant;

(6) the defendant had not engaged in prior acts of prostitution with the plaintiff;

(7) as a condition of employment, the defendant required the plaintiff to agree not to engage in prostitution; or

(8) the defendant's place of business was posted with signs prohibiting prostitution or prostitution-related activities.

Sec. 4. [611A.83] [EVIDENCE.]

<u>Subdivision 1.</u> [USE IN OTHER PROCEEDINGS.] In the course of litigation under section 2, any transaction about which a plaintiff testifies or produces evidence does not subject the plaintiff to criminal prosecution or any penalty or forfeiture. Any testimony or evidence, documentary or otherwise, or information directly or indirectly derived from that testimony or evidence that is given or produced by a plaintiff or a witness for a plaintiff may not be used against that person in any other investigation or proceeding, other than a criminal investigation or proceeding for perjury committed while giving the testimony or producing the evidence.

<u>Subd. 2.</u> [CONVICTIONS.] Evidence of convictions for prostitution or prostitution-related offenses is inadmissible in a proceeding brought under section 2 for purposes of attacking the plaintiff's credibility. If the court admits evidence of prior convictions for purposes permitted under Minnesota Rules of Evidence, rule 404(b) with respect to motive, opportunity, intent, preparation, plan, knowledge, identity, or absence of mistake or accident, the fact finder may consider the evidence solely for those purposes and shall disregard details offered to prove any fact that is not relevant.

Sec. 5. [611A.84] [STATUTE OF LIMITATIONS.]

An action for damages under section 2 must be commenced not later than six years after the cause of action arises, except that the running of the limitation period is suspended during the time that coercion as defined in section 1 continues.

Sec. 6. [611A.85] [OTHER REMEDIES PRESERVED.]

Sections 1 to 9 do not affect the right of any person to bring an action or use any remedy available under other law, including common law, to recover damages arising out of the use of the individual in prostitution or the coercion incident to the individual being used in prostitution nor do sections 1 to 9 limit or restrict the liability of any person under other law.

Sec. 7. [611A.86] [DOUBLE RECOVERY PROHIBITED.]

<u>A person who recovers damages under sections 1 to 9 may not recover the same costs or damages under any other</u> law. <u>A person who recovers damages under any other law may not recover for the same costs or damages under</u> sections 1 to 9.

Sec. 8. [611A.87] [AWARD OF COSTS.]

Upon motion of a prevailing party in an action under sections 1 to 9, the court may award costs, disbursements, and reasonable attorney fees and witness fees to the party.

Sec. 9. [611A.88] [NO AVOIDANCE OF LIABILITY.]

No person may avoid liability under sections 1 to 9 by means of any conveyance of any right, title, or interest in real property, or by any indemnification, hold harmless agreement, or similar agreement that purports to show consent of the plaintiff.

Sec. 10. [EFFECTIVE DATE; APPLICATION.]

(a) Sections 1 to 9 are effective August 1, 1994, and apply to activities described in section 2, subdivision 1, that occur on or after the effective date.

(b) For activities described in section 2, subdivision 1, that occurred between August 1, 1988, and July 31, 1994, an action for damages must be commenced not later than August 1, 1995."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 2533, A bill for an act relating to local government; removing notice requirements for emergency on-site inspections by town boards; amending Minnesota Statutes 1992, section 366.01, subdivision 11.

Reported the same back with the following amendments:

Page 1, line 14, after the period, insert "The town board shall make good faith efforts to provide notice of the inspections to each news medium that has filed a written request for notice if the request includes the news medium's telephone number. The notice shall be given by telephone or by any other method used to notify the members of the public body."

Amend the title as follows:

Page 1, line 3, delete "emergency"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2553, A bill for an act relating to retirement; public employees retirement association; permitting purchase of service credit by certain soil and water conservation district employees.

Reported the same back with the following amendments:

Page 1, line 10, before "<u>who</u>" insert "<u>or a member of the general state employees retirement plan of the Minnesota</u> state retirement system"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 2698, A bill for an act relating to retirement; offering options of coverage for employees of the higher education board upon merger of the state university system, community college board, and technical college board; amending Minnesota Statutes 1992, sections 136E.04, by adding a subdivision; 354.66, subdivision 2; 354B.07, subdivision 1; and 354B.08; Minnesota Statutes 1993 Supplement, sections 352.01, subdivision 2b; 353.01, subdivision 2a; 354B.02, subdivision 3c; and 354B.05, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 136C; and 136E.

Reported the same back with the following amendments:

Page 1, line 15, delete ".]" and insert a semicolon

Page 1, delete line 16, and insert "ELECTION TO RETAIN RETIREMENT FUND MEMBERSHIP.]"

Page 1, delete lines 17 to 29, and insert:

"A person who is employed by a technical college or by the technical college system on June 30, 1995, and who is transferred to state employment shall remain a member of the public employees retirement association or the Minneapolis employees retirement fund, whichever applies, unless the person affirmatively elects, in writing, retirement coverage by the general state employees retirement plan of the Minnesota state retirement system. The following provisions govern the election of a transfer or the retention of retirement benefit coverage:

(a) For a person who desires to transfer benefit coverage, the affirmative written election must be made within 120 days of the transfer of the employee to state employment.

(b) On behalf of transferred employees who retain retirement benefit coverage with the pretransfer retirement plan, the higher education board shall make the applicable employer contributions to the public employees retirement association under section 353.27, subdivisions 3 and 3a, or the same percentage of covered payroll employer contribution to the Minneapolis employees retirement fund that special school district No. 1 is required to make for that school year under section 422A.101, subdivision 2.

(c) An employee who makes a retirement benefit coverage transfer election under this section may revoke that election at any time within the first six months after the person becomes a state employee. Once an employee revokes the retirement benefit coverage transfer election, the employee may not make another election. If the initial retirement benefit coverage transfer election is revoked, all retirement contributions made by or on behalf of the employee revoking a prior election must be transferred to the applicable retirement plan as though they were erroneous deductions or contributions, plus monthly interest at an annual rate of 8.5 percent, compounded monthly, and the balance remaining between any contribution amount transferred and the amount of contributions that otherwise would have been due are payable in the applicable proportions by the revoking employee and the higher education board, plus monthly interest at an annual rate of 8.5 percent, compounded monthly.

(d) The executive directors of the Minnesota state retirement system, the public employees retirement association, and the Minneapolis employees retirement fund, and the chancellor of the higher education system, shall confer and jointly adopt appropriate procedures for making the retirement benefit coverage transfer elections under this section.

(e) The executive directors of the public employees retirement association, the Minnesota state retirement system, and the Minneapolis employees retirement fund, whichever applies, shall, upon request, provide appropriate benefit counseling to applicable affected employees on the effect of electing retirement benefit coverage by the general state employees retirement plan of the Minnesota state retirement system."

Page 2, delete lines 1 to 13

Page 2, line 18, delete "plan" and insert "plans"

Page 2, line 20, after "and" insert "the former"

Page 2, line 21, delete "<u>shall</u>" and insert "<u>must</u>" and after "<u>single</u>" insert "<u>individual retirement account</u>" and after <u>'plan</u>" insert "<u>and plan administration</u>"

Page 2, line 22, after "board," insert "eligible employees of"

Page 2, line 23, delete "which" and insert "who"

Page 2, line 27, before "In" insert "(a)"

Page 2, line 29, after the second "colleges" insert a comma

Page 2, delete line 30

Page 2, line 31, delete "in" and insert "of"

Page 2, line 33, before "and" insert a comma

Page 2, line 34, delete "whose" and insert ", who are employed in" and after "positions" insert "that"

Page 2, line 35, delete the period, and insert ", as certified by the chancellor of the higher education system, are entitled to elect an early separation incentive set forth in subdivision 3.

# <u>(b)</u>"

Page 3, line 12, after "least" insert "age" and after "but" insert "is" and after "yet" insert "age" and delete "years of age"

Page 3, line 13, after "position" insert "and"

Page 3, line 15, after "retirement" insert ", termination,"

Page 3, line 16, after "benefit" insert "Minnesota public employee pension" and after "or" insert "a"

Page 3, line 17, after "contribution" insert "Minnesota public employee pension"

Page 3, line 18, after "retires" insert ", separates,"

Page 3, line 20, delete "identified" and insert "certified" and after "the" insert "chancellor of the" and delete "board" and insert "system"

Page 3, line 22, before "Eligible" insert "(a)" and delete "choose from" and insert "elect"

Page 3, line 23, delete "either" and insert "one" and delete "take" and insert "elect"

Page 3, line 24, before "Retirement" insert:

"(b)" and after "separation" insert "or termination"

## JOURNAL OF THE HOUSE

Page 3, line 26, after the first "or" insert "the higher education" and before "Employees" insert:

"(c)" and after "separate" insert ", terminate,"

Page 3, line 27, delete "<u>insurance or</u>" and after <u>"incentive</u>" insert "<u>under paragraph (e)</u>"

Page 3, line 28, after "any" insert "employment"

Page 3, line 30, delete "(a)" and insert "(d)" and after "An" insert "eligible"

Page 3, line 33, after "study" insert "that is"

Page 3, line 34, after "board" insert "and"

Page 3, line 36, before "<u>Retraining</u>" insert "<u>The</u>" and delete "<u>will</u>" and insert "<u>must</u>" and after "<u>at</u>" insert "<u>the</u>" and after "<u>salary</u>" insert "<u>level that the person received immediately before the termination notice</u>"

Page 4, line 7, delete "original" and insert "pretermination notice" and delete "will cease" and insert "ceases"

Page 4, line 9, delete "will" and insert "must"

Page 4, line 12, delete "prior to July" and insert "before April"

Page 4, line 14, delete "(b)" and insert "(e)" and after "An" insert "eligible" and delete "described in"

Page 4, delete lines 15 to 17

Page 4, line 20, after "<u>retires</u>" insert ", <u>is terminated</u>,"

Page 4, line 21, after "coverages" insert ", whichever applies" and after "and" insert "any"

Page 4, line 22, after "retirement" insert ", termination,"

Page 4, line 26, after "retired" insert ", terminated,"

Page 4, line 33, after "the" insert "eligible"

Page 4, line 35, delete "two" and insert "five"

Page 4, line 36, before "<u>make</u>" insert "<u>to</u>" and delete "<u>up</u> <u>to</u> <u>two</u>" and insert "<u>not</u> <u>more</u> <u>than</u> <u>five</u>" and after "<u>additional</u>" insert "<u>member</u>"

Page 5, line 3, delete everything after "(i)" and insert "Eligible employees must make purchase of up to five years of allowable service credit in the applicable public retirement plan by paying to the fund an amount equal to the present value, on the date of payment, of the amount of the additional retirement annuity obtained by the purchase of the additional service credit. Calculation of this amount must be made using the applicable preretirement interest rate for the association specified in section 356.215, subdivision 4d, and the mortality table adopted for the fund. The calculation must assume continuous future service in the fund until and retirement at that age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a future salary history that includes annual salary increases at the applicable salary increase rate for the fund or association specified in section 356.215, subdivision 4d. The member must establish in the records of the fund proof of the service for which the purchase of prior service is requested. The manner of the proof of service must be in accordance with procedures prescribed by the executive director of the fund.

Payment must be made in one lump sum before the employee's date of retirement, separation, or termination.

Payment of the amount calculated under this subdivision must be made by the member. However, the current employer of the member may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual

# 82ND DAY]

# MONDAY, APRIL 4, 1994

salary rates in effect during the period or periods of prior service, plus interest at the rate of six percent a year compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made."

Page 5, delete lines 4 to 15

Page 5, line 17, delete "will" and insert "must"

Page 5, line 23, delete "prior to" and insert "before" and after "separation" insert ", whichever is earlier"

Page 9, line 17, after "persons" insert "who are employed by the higher education board and"

Page 9, line 18, after "association" insert "or the Minneapolis employees retirement fund, whichever applies,"

Page 10, line 20, after "section" insert "136C.75, or"

Page 10, line 21, delete the new language

Page 13, line 15, delete "shall be" and insert "are"

Page 14, line 2, delete "shall" and insert "must"

Page 14, line 11, delete everything after "incurred" and insert "on or after June 30, 1994"

Page 14, line 12, delete everything before the second comma

Page 14, line 20, delete "will" and insert "are" and delete "be"

Page 14, line 22, delete "will" and insert "must" and after "board" insert a comma

Page 14, line 26, after "Sections 1" insert ", 2, 4" and after "6" insert a comma

Page 14, line 27, delete "Section" and insert "Sections 3 and " and delete "is" and insert "are"

With the recommendation that when so amended the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2728, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Stearns county.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2757, A bill for an act relating to state lands; expanding the scope of cooperative farming agreements on hunting, game refuge, or wildlife management lands; exempting agreements from treatment as leases for tax purposes; amending Minnesota Statutes 1992, section 97A.135, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 14, reinstate the stricken language

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2776, A bill for an act relating to human services; clarifying the effect of a record of conviction of certain crimes on disqualification in connection with certain human services licenses; strengthening provisions concerning residential treatment programs; modifying certain child abuse reporting requirements; amending Minnesota Statutes 1992, sections 245A.04, subdivision 3a; 245A.12, subdivision 8; 245A.13, subdivisions 1, 3c, and by adding a subdivision; 256.0361, by adding a subdivision; 626.556, subdivisions 3 and 7; Minnesota Statutes 1993 Supplement, sections 13.46, subdivision 4; 245A.04, subdivisions 3 and 3b; 626.556, subdivision 10; and Laws 1993, chapter 171, section 6.

Reported the same back with the following amendments:

Pages 1 to 3, delete section 1

Page 13, delete section 9

Page 21, delete lines 2 and 3, and insert:

"Sections 1 to 7 and 11 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete everything after the semicolon

Page 1, line 11, delete "subdivision;" and insert "and"

Page 1, line 12, delete everything after "sections"

Page 1, line 13, delete "4;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2806, A bill for an act relating to the city of Duluth; establishing the powers and duties of the board of directors of trusts of Miller-Dwan Hospital in the establishment, administration, management, maintenance, improvement, and financing of the hospital; amending Laws 1969, chapter 224, sections 1, 2, and 3.

Reported the same back with the following amendments:

Page 5, line 20, after the stricken period, insert "The board of directors of trusts is subject to the provisions of section 471.345."

Page 6, line 6, delete "to discuss and"

Page 6, delete lines 7 to 23, and insert "pursuant to section 144.581, subdivision 5."

With the recommendation that when so amended the bill pass.

Simoneau from the Committee on Health and Human Services to which was referred:

H. F. No. 2916, A bill for an act relating to health; modifying provisions relating to lead abatement; amending Minnesota Statutes 1992, section 144.874, subdivision 12, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.871, subdivision 7c; 144.872, subdivision 2; 144.874, subdivisions 1, 3, and 11a; and 144.878, subdivisions 2 and 5; repealing Minnesota Statutes 1993 Supplement, section 144.877.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 144.871, subdivision 2, is amended to read:

Subd. 2. [ABATEMENT.] "Abatement" means removal of, replacement of, or encapsulation of any set of procedures designed to remove, replace, or encapsulate deteriorated paint, bare soil, dust, drinking water, or other lead-containing materials that are or may become readily accessible during the lead abatement process and pose an immediate threat of actual lead exposure to people and includes preparation, cleanup, and disposal.

Sec. 2. Minnesota Statutes 1992, section 144.871, is amended by adding a subdivision to read:

Subd. 5a. [DETERIORATED PAINT.] "Deteriorated paint" or "deteriorating paint" means paint that is chipped, peeled, or otherwise separated from its substrate or that is attached to damaged substrate.

Sec. 3. Minnesota Statutes 1993 Supplement, section 144.874, subdivision 3, is amended to read:

Subd. 3. [SWAB TEAMS; LEAD ASSESSMENT; LEAD ABATEMENT ORDERS.] A board of health must order a property owner to perform abatement on a lead source that exceeds a standard adopted according to section 144.878 at the residence of a child with an elevated blood lead level or a pregnant woman with a blood lead level of at least ten micrograms per deciliter. If the paint standard under section 144.878 is violated, but the paint is intact, the board of health must not order paint removal unless the intact paint is a known source, or reasonably expected to be a source, of actual lead exposure to a specific person. Before the board of health may order the intact paint to be removed, a reasonable effort must be made to protect the child and preserve the intact paint by the use of guards or other protective devices. Lead abatement orders must require that any source of damage, such as leaking roofs, plumbing, and windows, must be repaired or replaced, as needed, to prevent damage to lead-containing interior surfaces. The board of health is not required to pay for lead abatement. With each lead abatement order, the board of health must coordinate with swab team abatement and provide a residential lead abatement guide.

Sec. 4. Minnesota Statutes 1993 Supplement, section 144.874, subdivision 11a, is amended to read:

Subd. 11a. [LEAD ABATEMENT <u>AND</u> <u>LEAD-SAFE</u> <u>WORK</u> DIRECTIVES.] (a) In order to achieve statewide consistency in the application of lead abatement standards, the commissioner shall issue program directives that interpret the application of rules under section 144.878 in ambiguous or unusual lead abatement situations. These directives are guidelines to local boards of health. The commissioner shall periodically review the evaluation of lead abatement orders and the program directives to determine if the rules under section 144.878 need to be amended to reflect new understanding of lead abatement practices and methods.

(b) By July 1, 1995, the commissioner shall work cooperatively with the commissioner of administration to develop provisions, procedures, and directives to define residential remodeling, renovation, installation, and rehabilitation activities that are not lead abatement but may disrupt lead-based paint surfaces. The directives and provisions must define lead-safe procedures for nonlead abatement activities including preparation, cleanup, and disposal procedures, and must define the levels of training or certification necessary to learn and follow the directives. The directives must be based on the different levels and types of work involved and the potential for lead hazards. The directives must address activities including, but not limited to, painting, remodeling, weatherization, installation of cable, wire, plumbing, and gas, and replacement of doors and windows. The commissioners of health and administration shall consult with representatives of builders, weatherization providers, nonprofit rehabilitation organizations, a representative of each of the affected trades, and housing and redevelopment authorities in developing the directives and procedures. The commissioner of health shall report to the legislature by January 15, 1995, regarding development of the provisions required under this subdivision.

#### Sec. 5. [144.8711] [EXEMPTIONS.]

The provisions of sections 144.876 and 144.878, subdivision 5, do not apply to homeowners, apartment owners, farmers, and small business persons with 50 or fewer employees who do their own maintenance and remodeling work, or to small contractors, excluding lead abatement contractors. In no case shall they apply until after provisions, directives, and procedures are developed under section 144.874, subdivision 11a, in consultation with the affected industry representatives. Nothing in this section affects any federal grant from the Department of Housing and Urban Development or state financed swab teams.

Sec. 6. [144.8712] [EFFECTIVE DATES DELAYED.]

The requirement for testing of intact paint in Minnesota Rules, part 4761.0100, "Applicability," paragraph C, shall not be effective until July 1, 1995.

Sec. 7. Minnesota Statutes 1993 Supplement, section 144.878, subdivision 2, is amended to read:

Subd. 2. [LEAD STANDARDS AND ABATEMENT METHODS.] (a) The commissioner shall adopt rules establishing standards and abatement methods for lead in paint, dust, and drinking water, and soil in a manner that protects public health and the environment for all residences, including residences also used for a commercial purpose.

(b) The commissioner shall differentiate between intact paint and deteriorating paint. The commissioner and political subdivisions shall require abatement of intact paint only if the commissioner or political subdivision finds that the intact paint is on a chewable or lead-dust producing surface that is a known source or reasonably expected to be a source of actual lead exposure to a specific person. The commissioner shall determine which practices under section 144.874, subdivision 11a, may be used for lead-safe work including preparation and cleanup. The commissioner shall work cooperatively with the commissioner of the pollution control agency to develop disposal procedures. In adopting rules under this subdivision, the commissioner shall require the best available technology for lead abatement methods, paint stabilization, and repainting.

(b) (c) The commissioner of health shall adopt standards and abatement methods for lead in bare soil on playgrounds and residential property in a manner to protect public health and the environment. The commissioner shall adopt a maximum standard of 100 parts of lead per million in bare soil, unless it is proven that a different standard provides greater protection of public health.

(e) (d) The commissioner of the pollution control agency shall adopt rules to ensure that removal of exterior lead-based coatings from residential property by abrasive blasting methods is conducted in a manner that protects public health and the environment.

(d) (e) All standards adopted under this subdivision must provide reasonable margins of safety that are consistent with a detailed review of scientific evidence and an emphasis on overprotection rather than underprotection when the scientific evidence is ambiguous. The rules must apply to any individual performing or ordering the performance of lead abatement.

(e) (f) No unit of local government may have an ordinance or regulation governing lead abatement methods for lead in paint, dust, or soil for residences and residential land that require a different lead abatement method than the lead abatement standards established under sections 144.871 to 144.879.

(g) The commissioner shall adopt standards and abatement methods for lead in drinking water in a manner to protect the public health and the environment. The commissioner shall adopt rules for controlling lead in drinking water as contained in Code of Federal Regulations, title 40, part 141. Samples collected for the purposes of lead analysis of drinking water shall be done in accordance with lab certification requirements and analytical techniques specified by the Code of Federal Regulations, title 40, part 141.89.

Sec. 8. Minnesota Statutes 1993 Supplement, section 144.878, subdivision 5, is amended to read:

Subd. 5. [LEAD ABATEMENT CONTRACTORS AND EMPLOYEES.] The commissioner shall adopt rules to license lead abatement contractors, and to certify employees of lead abatement contractors who perform abatement, and to certify lead abatement trainers who provide lead abatement training for contractors, employees, or other lead abatement trainers. A person who performs painting, renovation, rehabilitation, remodeling, or other residential work that is not lead abatement need not be a licensed lead abatement contractor. By July 1, 1994, a person who performs work that removes intact paint on residences built before February 27, 1978, must determine whether lead sources are present and whether the planned work would be lead abatement as defined in section 144.871, subdivision 2. This

determination may be made by quantitative chemical analysis, X ray fluorescence analyzer, or chemical spot test using sodium rhodizonate. If lead sources are identified, the work must be performed by a licensed lead abatement contractor. An owner of an owner occupied residence with one or two units is not subject to the requirements under this subdivision. All lead abatement training must include a hands-on component and instruction on the health effects of lead exposure, the use of personal protective equipment, workplace hazards and safety problems, abatement methods and work practices, decontamination procedures, cleanup and waste disposal procedures, lead monitoring and testing methods, and legal rights and responsibilities. The commissioner shall adopt rules to approve lead abatement training courses and to charge a fee for approval. At least 30 days before publishing initial notice of proposed rules under this subdivision on the licensing of lead abatement contractors, the commissioner shall submit the rules to the chairs of the health and human services committee in the house of representatives and the health care committee in the senate, and to any legislative committee on licensing created by the legislature.

Sec. 9. Minnesota Statutes 1992, section 144.878, is amended by adding a subdivision to read:

Subd. 5a. [RESIDENTIAL RENOVATION AND REMODELING.] <u>A person who performs painting, renovation,</u> rehabilitation, remodeling, demolition, or other residential work that is not lead abatement need not be a licensed lead abatement contractor. By July 1, 1995, a person who performs work that removes intact paint on residences built before February 27, 1978, must determine whether lead sources are present. This determination may be made by quantitative chemical analysis, X-ray fluorescence analyzer, or chemical spot test using sodium rhodizonate. If lead sources are identified, the work must be performed in accordance with the standard in section 144.878, subdivision 2, as modified by the program directives developed under section 144.874, subdivision 11a. An owner of an owner-occupied residence with one or two units is not subject to the requirements under this subdivision.

Sec. 10. [PROPOSAL FOR FEDERAL CONFORMING LEGISLATION.]

The commissioners of the pollution control agency and the department of health shall monitor federal rules proposed and adopted for lead hazard reduction of public buildings and structures under title X, of the federal Residential Lead-Based Paint Hazard Reduction Act of 1992, Public Law Number 102-550. The commissioner of health shall report to the legislature by February 1, 1995, with a legislative proposal to bring Minnesota law into conformance with the federal requirements for accreditation of training, inspection, contracting, and employment. The proposal shall be developed jointly with the commissioners of other affected agencies.

Sec. 11. [FEDERAL TRAINING GRANTS.]

The commissioner shall identify and apply for federal grants to subsidize the cost of the current lead abatement training program and to increase the number of certified trainers. The commissioner shall take necessary actions to expand the number of certified trainers, and increase the capacity of the current lead abatement training program to train and certify contractors and employees as required under section 144.876, subdivision 1, and rules adopted under section 144.878, subdivision 5.

Sec. 12. [STUDY OF INSURANCE OPTIONS FOR LEAD ABATEMENT.]

The commissioner of commerce shall report to the legislature by January 1, 1995, on the insurance options available to remodelers and lead abatement contractors. The report shall include recommendations on methods to limit the liability of remodelers and lead abatement contractors, including liability for consumer claims.

Sec. 13. [REVIEW AND CODIFICATION; LEAD LAWS AND STATUTES.]

The commissioners of health and the pollution control agency shall review current lead abatement and standards statutes, laws, and rules, and propose coding to the legislature by January 10, 1995."

Delete the title and insert:

"A bill for an act relating to health; modifying provisions relating to lead abatement; requiring a study and proposal; amending Minnesota Statutes 1992, sections 144.871, by adding a subdivision; and 144.878, by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 144.871, subdivision 2; 144.874, subdivisions 3 and 11a; and 144.878, subdivisions 2 and 5; proposing coding for new law in Minnesota Statutes, chapter 144."

With the recommendation that when so amended the bill pass.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2922, A bill for an act relating to human services; modifying certain provisions related to medical assistance and general assistance medical care; amending Minnesota Statutes 1992, sections 246.53, subdivision 1; 252.275, subdivisions 3 and 4; 256.015, subdivisions 2 and 7; 256.9365, subdivisions 1 and 3; 256.969, subdivisions 10 and 16; 256B.042, subdivision 2; 256B.056, by adding a subdivision; 256B.059, subdivision 1; 256B.0625, by adding a subdivision; 256B.059, subdivision 4, and by adding a subdivision; 256B.0625, by adding a subdivision; 256D.03, subdivisions 3a and 3b; 256D.16; 256D.425, by adding a subdivision; 261.04, subdivision 2; 524.3-803; 524.3-1201; and 528.08; Minnesota Statutes 1993 Supplement, sections 245.492, subdivision 6; 245.493, subdivision 2, and by adding a subdivision; 256.9685, subdivision 1; 256.969, subdivision 24; 256B.059, subdivision; 266.0595, subdivision; 266.9685, subdivision 1; 256.969, subdivision 24; 256B.059, subdivision 3; and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.15, subdivision 2; 256D.03, subdivisions 3 and 5; 256B.0595, subdivisions 1, 2, 3, and 4; 256B.15, subdivision 2; 256D.03, subdivisions 3 and 4; and 514.981, subdivisions 2 and 5; proposing coding for new law in Minnesota Statutes 1993 Supplement, section 501B.89.

Reported the same back with the following amendments:

Page 7, line 36, delete the new language

Page 8, line 1, delete everything before the semicolon

Page 11, line 36, strike "with"

Page 12, line 1, strike everything before "all" and insert ", and may be collected in any manner allowed by chapter 524 or otherwise permitted by law."

Page 12, lines 4 to 8, delete the new language

Page 33, after line 22, insert:

"Sec. 31. Minnesota Statutes 1993 Supplement, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs, except for fertility drugs, if prescribed by a licensed practitioner and dispensed by a licensed pharmacist, or by a physician enrolled in the medical assistance program as a dispensing physician. The commissioner, after receiving recommendations from professional medical associations and professional pharmacist associations, shall designate a formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve without compensation. Members may be reappointed once.

(b) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary committee shall review and recommend drugs which require prior authorization. The formulary committee may recommend drugs for prior authorization directly to the commissioner, as long as opportunity for public input is provided. Prior authorization may be requested by the commissioner based on medical and clinical criteria before certain drugs are eligible for payment. Before a drug may be considered for prior authorization at the request of the commissioner:

(1) the drug formulary committee must develop criteria to be used for identifying drugs; the development of these criteria is not subject to the requirements of chapter 14, but the formulary committee shall provide opportunity for public input in developing criteria;

(2) the drug formulary committee must hold a public forum and receive public comment for an additional 15 days; and

(3) the commissioner must provide information to the formulary committee on the impact that placing the drug on prior authorization will have on the quality of patient care and information regarding whether the drug is subject to clinical abuse or misuse. Prior authorization may be required by the commissioner before certain formulary drugs are eligible for payment. The formulary shall not include:

(i) drugs or products for which there is no federal funding;

(ii) over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, products for the treatment of lice, vitamins for adults with documented vitamin deficiencies, and vitamins for children under the age of seven and pregnant or nursing women;

(iii) any other over-the-counter drug identified by the commissioner, in consultation with the drug formulary committee, as necessary, appropriate, and cost-effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14;

(iv) anorectics; and

(v) drugs for which medical value has not been established.

The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

(c) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner, the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee or the usual and customary price charged to the public. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug shall be estimated by the commissioner, at average wholesale price minus 7.6 percent effective January 1, 1994. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the administrative procedure act. An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for legend drug prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Over-the-counter medications must be dispensed in the manufacturer's unopened package. The commissioner may permit the drug clozapine to be dispensed in a quantity that is less than a 30-day supply. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifically indicates "dispense as written - brand necessary" on the prescription as required by section 151.21, subdivision 2. Implementation of any change in the fixed dispensing fee that has not been subject to the administrative procedure act is limited to not more than 180 days, unless, during that time, the commissioner initiates rulemaking through the administrative procedure act.

(d) Until the date the on-line, real-time Medicaid Management Information System (MMIS) upgrade is successfully implemented, as determined by the commissioner of administration, a pharmacy provider may require individuals who seek to become eligible for medical assistance under a one-month spend-down, as provided in section 256B.056, subdivision 5, to pay for services to the extent of the spend-down amount at the time the services are provided. A pharmacy provider choosing this option shall file a medical assistance claim for the pharmacy services provided. If medical assistance reimbursement is received for this claim, the pharmacy provider shall return to the individual the total amount paid by the individual for the pharmacy services reimbursed by the medical assistance program. If the claim is not eligible for medical assistance reimbursement because of the provider's failure to comply with the provisions of the medical assistance program, the pharmacy provider shall return to the individual the total amount paid by the individuals. A pharmacy provider choosing this option must inform individuals who seek to become eligible for medical assistance under a one-month spend-down of (1) their right to appeal the denial of services on the grounds that they have satisfied the spend-down requirement, and (2) their potential eligibility for the health right program or the children's health plan."

Page 34, line 5, strike "filed as" and after the second "the" insert "single"

Page 34, line 6, strike "in the court having"

Page 34, line 7, strike everything before the period and insert <u>and may be collected in any manner allowed by</u> chapter 524 or otherwise permitted by law and delete everything after the period

Page 34, delete lines 8 to 11

Page 34, line 12, strike "shall be filed" and insert "exists only"

Page 35, delete lines 17 to 33 and insert:

"Any claim under this section will be limited, or waived, to the extent that evidence of undue hardship upon financially dependent family members or other documented dependents of the deceased medical assistance recipient is shown. Undue hardship exists when application of probate laws regarding medical assistance would deprive financially dependent family members or other documented dependents of the deceased medical assistance recipient of food, clothing, shelter, or other necessities of life. Undue hardship does not exist where application of probate laws regarding medical assistance merely causes the deceased medical recipient's family members or other persons inconvenience, or might restrict their lifestyle, but would not cause the risk of serious deprivation of food, clothing, shelter, or other necessities of life.

Undue hardship does not exist where the waiver or limitation of a claim under this section will not result in the distribution of the estate to the person claiming undue hardship."

Page 47, line 1, strike "allowed"

Page 47, line 2, strike "as" and strike "by the"

Page 47, line 3, strike everything before the period, and insert "and may be collected in any manner allowed by chapter 524 or otherwise permitted by law" and delete everything after the period

Page 47, delete lines 4 to 7

Page 47, line 22, strike "FILED IN PROBATE COURT" and insert "AGAINST ESTATE"

Page 47, line 23, strike "shall be filed in"

Page 47, strike line 24

Page 47, line 25, strike "claims" and insert "may be collected in any manner allowed by chapter 524 or otherwise permitted by law" and delete everything after the period

Page 47, delete lines 26 to 28

Page 49, line 19, reinstate the stricken language

Page 49, line 20, delete the new language

Page 49, delete lines 21 to 31

Page 49, line 32, delete "(5)"

Page 50, line 16, strike "or"

Page 50, line 17, after "(4)" insert "to the extent that evidence of undue hardship upon financially dependent family members or other documented dependents of the medical assistance recipient is shown. Undue hardship exists when enforcement of a medical assistance lien would deprive financially dependent family members or other documented dependents of the medical assistance recipient of food, clothing, shelter, or other necessities of life. Undue hardship

## MONDAY, APRIL 4, 1994

does not exist where enforcement of a medical assistance lien merely causes the medical assistance recipient's family members or other persons inconvenience, or might restrict their lifestyle, but would not cause the risk of serious deprivation of food, clothing, shelter, or other necessities of life; or

<u>(5)</u>"

Page 51, line 29, delete the new language and insert "any claim under section 246.53, 256B.15, 256D.16, or 261.04, within the earlier to expire of one year after death or four months of service of notice meeting the requirements of section 524.3-801, paragraph (c), upon the appropriate government agency;"

Page 51, delete lines 30 to 33

Page 52, delete line 30

Page 52, line 31, delete the new language and insert "or holding property subject to a claim asserted under section 528.08,"

Page 53, delete lines 22 to 25

Page 53, lines 30 and 31, delete the new language

Page 53, line 32, delete "decedent's" and insert "deceased party's"

Page 53, line 35, delete "sections" and insert "section" and delete "and" and insert "or" and delete "probate"

Page 53, line 36, reinstate the stricken language

Page 54, lines 5 to 16, reinstate the stricken language and delete the new language

Page 54, line 17, after the period, insert "For purposes of this section, the term "personal representative" means the personal representative of the deceased party's estate if one has been appointed or a duly authorized agent of a government agency asserting a claim pursuant to section 246.53, 256B.15, 256D.16, or 261.04 by means of an affidavit of collection under section 524.3-1201, if no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction."

Page 54, line 21, after "with" insert "an affidavit of collection under section 524.3-1201 or"

Page 54, line 25, delete everything after the period

Page 54, delete line 26

Page 54, line 29, delete "<u>48</u>" and insert "<u>49</u>"

Page 55, delete lines 5 and 6

Page 55, line 7, delete "6" and insert "5".

Page 55, line 8, delete "7" and insert "6"

Renumber the sections in sequence and correct internal references

Amend the title as follows:

Page 1, line 22, after the first semicolon, insert "256B.0625, subdivision 13;"

Page 1, line 26, delete everything after "10" and insert a period

Page 1, delete line 27

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 2925, A bill for an act relating to state lands; requiring that certain leased lakeshore lots in Cook county be reoffered for public sale.

Reported the same back with the following amendments:

Page 1, line 13, after the period, insert "<u>Notwithstanding Minnesota Statutes</u>, <u>section</u> <u>92.16</u>, <u>subdivision</u> <u>1</u>, the <u>purchaser may bid at the sale</u>."

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

H. F. No. 2946, A bill for an act relating to witnesses; establishing a privilege for certain communications made to licensed social workers; amending Minnesota Statutes 1993 Supplement, section 595.02, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 12, after the period, insert "The exception for social workers shall not apply to any testimony, records, or other evidence relating to their role as a court-appointed examiner, a probation officer, or an investigator employed by the state or any of its political subdivisions."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2954, A bill for an act relating to insurance; requiring the commissioner of commerce to conduct a study of pollution coverage in Minnesota farm liability policies and report to the legislature.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2957, A bill for an act relating to insurance; extending to contract for deed vendors the protections contained in the mortgage clause of the standard fire insurance policy; amending Minnesota Statutes 1992, section 65A.01, subdivision 3.

Reported the same back with the following amendments:

Page 7, line 24, delete "August 1, 1994," and insert "January 1, 1995,"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 2958, A bill for an act relating to insurance; Medicare supplement; regulating premium rates; amending Minnesota Statutes 1993 Supplement, section 62A.31, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1992, section 62A.31, is amended by adding a subdivision to read:

Subd. 1u. [PREMIUM RATE REGULATION.] No Medicare supplement policy, contract, or certificate, including policies, contracts, or certificates that supplement Medicare issued by health maintenance organizations and those contracts governed by section 1833 or 1876 of the federal Social Security Act, United States Code, title 42, section 1395 et seq., may be issued or renewed to a Minnesota resident unless the premium rate charged complies with this subdivision. The premium rate must:

(1) not be used unless it has been approved by the commissioner of commerce or commissioner of health, whichever is applicable, as being in full compliance with this subdivision and other applicable state law;

(2) not be approved, unless the commissioner of commerce or commissioner of health, whichever is applicable, has determined that the rate is reasonable. In determining reasonableness, the commissioner shall consider the effect of any Medicare benefit and health care financing administrative funding changes, the growth rates applied under section 62].04, subdivision 1, paragraph (b), to the calendar year or years that the proposed premium rate would be in effect, actuarially valid changes in risk associated with the enrollee population, and actuarially valid changes as a result of statutory changes in Laws 1992, chapter 549;

(3) comply with the minimum loss ratio provided under section 62A.36, except that the loss ratio must be adjusted upward by one percent per year until July 1, 2000, as provided in section 62A.021;

(4) be approved by the commissioner of commerce or commissioner of health, whichever is applicable, as actuarially justified, based upon an actuarial review, by the commissioner's own employed or retained actuary, of the actuarial justification provided by the health carrier; and

(5) not be approved except after compliance with the following procedure:

(i) a health carrier that wishes to increase its premium rate must submit its request to the appropriate commissioner on or before November 1;

(ii) the health carrier must notify its policyholders, contract holders, enrollees, and certificate holders of the proposed increase by mail no later than November 30. The notice must provide a toll-free telephone number that may be used to call the health carrier for more information. The notice must specify the dollar amount per month or the percentage of the proposed increase and itemize the portion of the proposed increase attributable to each of the following:

(A) changes in Medicare deductibles and copays;

(B) changes in Medicare payments to the health carrier;

(C) changes in the medical care component of the consumer price index, based upon the most recent 12-month change available as of October 1, as determined by the commissioners;

(D) expense or claims experience under the plan; and

(E) other factors specified by the health carrier;

(iii) the notice must also inform the recipient of the dates, times, and locations of no fewer than five public hearings arranged jointly by the commissioners of health and commerce and must further inform the recipient that the recipient may appear at the hearing to comment on the proposed increase or may submit written comments to the appropriate <u>commissioner</u>. The hearings must be held in January and must be located at convenient locations throughout the state, as determined by the commissioners in their discretion. A representative of the health carrier must be present at the hearings. The rate must not be approved until after the hearings;

(iv) clause (iii) does not apply to a proposed rate increase that is attributable only to the change in clause (ii)(C), as determined by the commissioner. Upon receipt of a request for a rate increase, the commissioner shall determine, no later than November 15, whether the proposed increase complies with this clause. If the commissioner is in doubt, the determination shall be that it does not comply; and

(v) no rate increase shall go into effect prior to April 1, except a request that complies with clause (iv).

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and applies to any rate increase that becomes effective on or after January 1, 1995."

Delete the title and insert:

"A bill for an act relating to insurance; Medicare supplement; regulating premium rates; amending Minnesota Statutes 1992, section 62A.31, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

H. F. No. 3022, A bill for an act relating to retirement; St. Paul teachers retirement fund association; requiring proportional representation for various membership groups on the association board of trustees; proposing coding for new law in Minnesota Statutes, chapter 354A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

### "ARTICLE 1

### Section 1. [354A.023] [ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION GOVERNANCE.]

<u>Subdivision 1.</u> [APPLICATION.] Notwithstanding any provision of chapter 317A, section 354A.021, article V, of the restated articles of incorporation of the teachers retirement fund association of St. Paul, Minnesota, effective July 1, 1978, as amended, or articles II, sections 4 and 5; III, section 1; and V, section 1, of the restated bylaws of the teachers retirement fund association of St. Paul, Minnesota, effective July 1, 1978, as amended, to the contrary, relative to the St. Paul teachers retirement fund association, this section governs the membership composition of its board of trustees, the terms in office of board members, board member eligibility, electorate composition and eligibility, and election procedures.

<u>Subd. 2.</u> [BOARD OF TRUSTEES COMPOSITION.] The management of the St. Paul teachers retirement fund association is vested in a board of ten trustees. The board membership is composed of one ex officio board member, who is the then current chair of the board of independent school district No. 625, St. Paul, and nine trustees elected by and from the members of the St. Paul teachers retirement fund association as provided in subdivision 4.

Subd. 3. [BOARD OF TRUSTEES TERMS.] (a) The term of the ex officio board member is coincidental with that person's term of office as the chair of the board of independent school district No. 625, St. Paul.

(b) The term of elected members of the board is three years and until the successor has been elected and qualified. The term begins and ends on the third Thursday in the month of January of the applicable year. The terms of elected members of the board must be staggered.

Subd. 4. [BOARD MEMBER REPRESENTATION.] (a) Of the nine trustees elected by and from the members of the St. Paul teachers retirement fund association, six board members must be active members of the fund and three board members must be fund retirement annuitants, disabilitants, or surviving spouse benefit recipients.

(b) Two active member board positions and one annuity or benefit recipient board position must be filled at each board of trustee election.

(c) Only active members may vote for the elected board member positions representing active members and only retirement annuitants, disabilitants, and surviving spouse benefit recipients may vote for the elected board member positions representing annuity or benefit recipients.

(d) If an elected board member changes membership group status before the end of the person's term, the person must resign from the board of trustees. However, the person may be a candidate for the appropriate membership group board position in a subsequent election.

(e) If there is a vacancy in an elected board member position, the vacancy must be filled by a special election held for that purpose. The special election must be conducted in a manner consistent with this section, and, if not inconsistent with this section, article IV of the bylaws of the St. Paul teachers retirement fund association in effect on the date of enactment of this section.

Subd. 5. [ELECTIONS BY MAIL BALLOT.] (a) Voting for elected board members must be conducted using paper ballots, which must be mailed by the chief administrative officer of the fund to eligible members and must be returned by mail.

(b) Return envelopes for ballots may not have the postage paid by the fund unless all return envelopes for ballots are so treated. Return envelopes for ballots may not have the postage paid by any candidate for a board member position or on behalf of any candidate for a board member position.

(c) The ballot for a regular election must be provided to eligible members by November 1 and must be returned with a postmark no later than midnight of the Friday of the third week of November. In the event of a vacancy in an elected board member position, the ballot for a special election must be provided to eligible members within three weeks of the vacancy and must be returned by eligible voting members with a postmark no later than midnight of the Friday of the fourth full week following the vacancy.

<u>Subd. 6.</u> [SECRETARY-TREASURER NOT TO BE BOARD MEMBER.] (a) <u>Effective on the January 19 next following</u> the effective date of this section, the person who holds the position of secretary of the St. Paul teachers retirement fund association and the person who holds the position of treasurer of the St. Paul teachers retirement fund association or the person who holds the combined position of secretary-treasurer of the St. Paul teachers retirement fund association may not also be an elected board member of the fund association.

(b) The chief administrative officer of the St. Paul teachers retirement fund association must be known as the executive director of the fund.

<u>Subd. 7.</u> [ARTICLE AND BYLAW AMENDMENTS AUTHORIZED.] At the next annual meeting of the <u>St. Paul</u> teachers retirement fund association or at a special meeting of the association called by the board of trustees for that purpose, the association may consider and adopt any amendments to its articles of incorporation or bylaws needed to conform or implement this section.

Sec. 2. [EFFECTIVE DATE.]

(a) Section 1 is effective on the day following approval of all provisions by majority vote at the first annual or special membership meeting of the St. Paul teachers retirement fund association occurring after the date of enactment.

(b) The board of trustees of the St. Paul teachers retirement fund association shall propose the question on the approval of these provisions to the fund membership at the applicable membership meeting. The provisions of section 1 are a single question and may not be divided or voted upon as separate items.

(c) Nothing in section 1 may be construed to reduce the term of any elected member of the board of trustees of the St. Paul teachers retirement fund association serving as such on the effective date of section 1.

# **ARTICLE 2**

# Section 1. [356.219] [DISCLOSURE OF ADDITIONAL PUBLIC PENSION PLAN INVESTMENT INFORMATION.]

Subdivision 1. [REPORT REQUIRED.] The state board of investment on behalf of the public pension funds and programs for which it is the investment authority and any Minnesota public pension plan not wholly invested through the state board of investments, including a local police or firefighters' relief association governed by sections 69.777 or 69.7771 to 69.7775, shall report the information specified in subdivision 2 to the state auditor. The state auditor may prescribe a form or forms for the purposes of the reporting requirements contained in this section.

Subd. 2. [CONTENT AND TIMING OF REPORTS.] (a) The following information shall be included in the report required by subdivision 1:

(1) the market value of all investments at the close of the reporting period;

(2) regular payroll-based contributions to the fund;

(3) other contributions and revenue paid into the fund, including, but not limited to, state or local nonpayroll based contributions, repaid refunds, and buybacks;

(4) total benefits paid to members;

(5) fees paid for investment management services;

(6) salaries and other administrative expenses paid; and

(7) total return on investment.

The report must also include a written statement of the investment policy in effect on June 30, 1988, and any investment policy changes made subsequently and shall include the effective date of each policy change. The information required under this subdivision must be reported separately for each investment account or investment portfolio included in the pension fund.

(b) The information specified in paragraph (a) must be provided separately for each quarter for the fiscal years of the pension fund ending during calendar years 1989 through 1991 and on a monthly basis thereafter. The required information through fiscal year 1993 must be submitted to the state auditor on or before October 1, 1994, and subsequently within six months of the end of each fiscal year.

Subd. 3. [PENALTY FOR NONCOMPLIANCE.] Failure to comply with the reporting requirements of this section shall result in a withholding of all state aid to which the pension plan may otherwise be entitled. The state auditor shall instruct the commissioners of revenue and finance to withhold state aid from any pension plan that fails to comply with the reporting requirements contained in this section.

<u>Subd. 4.</u> [INVESTMENT DISCLOSURE REPORT.] Using the information provided under subdivision 2, the state auditor shall prepare an annual report to the legislature on the components of investment performance resulting from stages in the investment decision making process of various public pension plans subject to this section. The state auditor may contract with a qualified consultant or consulting firm to perform the analysis and prepare the report required under this subdivision.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "requiring disclosure of certain investment information;"

Page 1, line 6, delete "chapter 354A" and insert "chapters 354A; and 356"

With the recommendation that when so amended the bill pass.

6051

Rest from the Committee on Taxes to which was referred:

H. F. No. 3138, A bill for an act relating to state and local revenues; providing for state financial management reform; modifying proposed property tax notices; appropriating money; amending Minnesota Statutes 1992, sections 16A.11, by adding a subdivision; and 124.196; Minnesota Statutes 1993 Supplement, sections 16A.04, subdivision 1; 16A.11, subdivision 1; and 275.065, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 16A; and 275.

Reported the same back with the following amendments:

Page 1, line 26, delete "biennium" and insert "two bienniums"

Page 2, line 6, after the second "<u>taxes</u>" insert "and the effect of the recommendations on the incidence of the tax burden by income class"

Page 2, line 8, delete everything after the period

Page 2, delete line 9

Page 2, line 12, delete "biennium" and insert "two bienniums"

Page 2, line 21, after the second "taxes" insert "and the effect of the resolution on the incidence of the tax burden by income class"

Page 2, line 24, delete "Nontax"

Page 2, delete lines 25 and 26

Page 3, line 16, after "In" insert "February and"

Page 3, line 33, after the first "the" insert "November"

Page 3, line 34, delete "nontax governmental" and insert "departmental earnings as defined in section 16A.1285"

Page 3, line 35, delete "revenues"

Page 3, line 36, delete "<u>nontax governmental</u>" and insert "<u>local government revenues similar to departmental</u> earnings as defined in section 16A,1285."

Page 4, delete lines 1 to 26

Page 5, line 20, after the comma, insert "including"

Page 5, line 32, delete "specify how the budget reserve will be restored" and insert "include provisions for returning to structural balance"

Page 6, line 1, after the semicolon, insert "a limit on the ratio of the total debt of state agencies, public corporations and the University of Minnesota compared to total personal income,"

Page 6, line 5, after the semicolon, insert "and"

Page 6, line 6, delete everything after "debt" and insert a period

Page 6, delete line 7

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations and Gambling/State Government Finance Division.

#### JOURNAL OF THE HOUSE

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 3146, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 3179, A bill for an act relating to waters; preservation of wetlands; drainage and filling for public roads; defining terms; board action on local government plans; action on approval of replacement plans; computation of value; appropriating money; amending Minnesota Statutes 1992, sections 103G.2242, subdivisions 1, 5, 6, 7, and 8; and 103G.237, subdivision 4; Minnesota Statutes 1993 Supplement, sections 103G.222; and 103G.2241.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources Finance.

The report was adopted.

Rest from the Committee on Taxes to which was referred:

S. F. No. 103, A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling; prescribing the powers and duties of licensees and the board; giving the gambling control board director cease and desist authority for violations of board rules; adding restrictions for bingo halls, distributors, and manufacturers; providing more flexibility in denying a license application to ensure the integrity of the lawful gambling industry; strengthening the gambling control board's enforcement ability by increasing licensing requirements; establishing the combined receipts tax as a lawful purpose expenditure; expanding definition of lawful purpose to include certain senior citizen activities, certain real estate taxes and assessments, and wildlife management projects; prohibiting the use of lawful purpose contributions by local governmental units in pension or retirement funds; exempting organizations with gross receipts of \$50,000 or less from the annual audit; expanding the definition of a class C license; making class C licensee reporting requirements quarterly; modifying the definition of allowable expense to include some advertising costs; eliminating additional compensation for the state lottery director, clarifying and strengthening the regulation of the conduct of bingo; prohibiting certain forms of gambling by persons under 18; modifying the definition of net profits for local assessments; prescribing penalties; amending Minnesota Statutes 1992, sections 240.13, subdivision 8; 240.25, by adding a subdivision; 240.26, subdivision 3; 299L.03, subdivisions 1 and 2; 299L.07, by adding a subdivision; 349.12, subdivisions 1, 3a, 4, 8, 11, 18, 19, 21, 23, 25, 30, 32, 34, and by adding a subdivision; 349.151, subdivision 4; 349.152, subdivisions 2 and 3; 349.153; 349.154, subdivision 2; 349.16, subdivisions 6 and 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166, subdivisions 1, 2, and 3; 349.167, subdivisions 1 and 4; 349.168, subdivisions 3 and 6; 349.169, subdivision 1; 349.17, subdivisions 2, 4, 5, and by adding a subdivision; 349.174; 349.18, subdivisions 1, 1a, and 2; 349.19, subdivisions 2, 5, 6, 8, and 9; 349.191, subdivisions 1, 4, and by adding a subdivision; 349.211, subdivisions 1 and 2; 349.2122;

### 82ND DAY]

### MONDAY, APRIL 4, 1994

6053

349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2, 4, and by adding a subdivision; 349.213, subdivision 1; 349A.03, subdivision 2; 349A.12, subdivisions 1, 2, 5, and 6; and 609.755; proposing coding for new law in Minnesota Statutes, chapters 471; and 609; repealing Minnesota Statutes 1992, sections 349A.03, subdivision 3; and 349A.08, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

S. F. No. 1732, A bill for an act relating to conciliation courts; expanding conciliation court jurisdiction over matters involving rental property; allowing nonattorneys to represent condominium and cooperative associations; amending Minnesota Statutes 1993 Supplement, sections 481.02, subdivision 3; 491A.01, subdivision 9; and 491A.02, subdivision 4.

Reported the same back with the following amendments:

Page 4, line 24, after "[REPRESENTATION.]" insert "(a)"

Page 4, line 29, after "employee" insert "or commercial property manager"

Page 4, line 32, after "employee," insert "commercial property manager,"

Page 5, after line 5, insert:

"(b) "Commercial property manager" means a corporation, partnership, or limited liability company or its employees who are hired by the owner of commercial real estate to perform a broad range of administrative duties at the property including tenant relations matters, leasing, repairs, maintenance, the negotiation and resolution of tenant disputes, and related matters. In order to appear in conciliation court, a property manager's employees must possess a real estate license under section 82.20 and be authorized by the owner of the property to settle all disputes with tenants and others within the jurisdictional limits of conciliation court.

(c) A commercial property manager who is appointed to settle a claim in conciliation court may not charge or collect a separate fee for services rendered under paragraph (a).

Sec. 4. Minnesota Statutes 1992, section 566.05, is amended to read:

566.05 [COMPLAINT AND SUMMONS.]

The person complaining shall file a complaint with the court, describing the premises of which possession is claimed, stating the facts which authorize the recovery, and praying for restitution thereof. The court shall issue a summons, commanding the person against whom the complaint is made to appear before the court on a day and at a place stated in the summons. The appearance shall be not less than seven nor more than 14 days from the day of issuing the summons. In scheduling appearances under this section, the court shall give priority to any unlawful detainer brought under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property. A copy of the complaint shall be attached to the summons, which shall state that the copy is attached and that the original has been filed.

Sec. 5. Minnesota Statutes 1992, section 566.07, is amended to read:

566.07 [ANSWER; TRIAL.]

After the return of the summons, at the time and place appointed therein, the defendant, on appearing, may answer the complaint, and all matters in excuse, justification, or avoidance of the allegations thereof shall be set up in the answer; and thereupon the court shall hear and determine the action, unless it shall adjourn the trial as provided in section 566.08, but either party may demand a trial by jury. The proceedings in such action shall be the same as in other civil actions, except as in this chapter otherwise provided. The <u>court</u>, in <u>scheduling appearances and hearings</u> <u>under this section</u>, shall give priority to any <u>unlawful detainer brought under section 504.181</u>, or <u>on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents</u>, their property, or the landlord's property.

Sec. 6. Minnesota Statutes 1992, section 566.09, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] If the court or jury finds for the plaintiff, the court shall immediately enter judgment that the plaintiff have restitution of the premises and tax the costs for the plaintiff. The court shall issue execution in favor of the plaintiff for the costs and also immediately issue a writ of restitution. The court shall give priority in issuing a writ of restitution for any unlawful detainer brought under section 504.181 or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property. Except in actions brought under (1) section 566.02 as required by section 609.5317, subdivision 1, (2) under section 504.181, or (3) on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents that immediate restitution of the premises would work a substantial hardship upon the defendant or the defendant's family, the court shall stay the writ of restitution for a reasonable period, not to exceed seven days. If the court or jury finds for the defendant, the court shall enter judgment for the defendant, tax the costs against the plaintiff, and issue execution therefor.

Sec. 7. Minnesota Statutes 1992, section 566.16, is amended to read:

566.16 [FORMS OF SUMMONS AND WRIT.]

Subdivision 1. [FORM.] The summons and writ of restitution may be substantially in the following forms:

### FORM OF SUMMONS

State of Minnesota)

County of .....)

Whereas, ...., of ...., hath filed with the undersigned, a judge in and for said county, a complaint against ...., of ...., a copy whereof is hereto attached: Therefore you are hereby summoned to appear before the undersigned on the ..... day of ...., 19...., at .... o'clock ....m., at ...., then and there to make answer to and defend against the complaint aforesaid, and further to be dealt with according to law.

Dated at ...., this ..... day of ...., 19.....

) 55.

) ss.

······

Judge of ..... court.

#### FORM OF WRIT OF RESTITUTION

State of Minnesota)

County of .....)

The State of Minnesota, to the Sheriff or Any Constable of the County Aforesaid:

Whereas, ...., plaintiff, of ...., in an action for an unlawful or forcible entry and detainer (or for an unlawful detainer, as the case may be), at a court held at ...., in the county aforesaid, on the ..... day of ...., 19...., before ...., a judge in and for said county, by the consideration of the court, recovered a judgment against ...., of ...., to have restitution of (here describe the premises as in the complaint):

Therefore, you are hereby commanded that, taking with you the force of the county, if necessary, you cause the said ..... to be immediately removed from the aforesaid premises, and the said ..... to have peaceable restitution of the same. You are also hereby commanded that of the goods and chattels of the said ..... within said county you cause

to be levied, and, the same being disposed of according to law, to be paid to the said ..... the sum of ..... dollars, being the costs taxed against the said ..... for the said ....., at the court aforesaid, together with 25 cents for this writ; and thereof, together with this writ, make due return within 30 days from the date hereof, according to law.

Dated at ...., this ..... day of ...., 19.....

.....

Judge of ..... court.

Subd. 2. [NOTICE OF DRUG RELATED WRIT.] The court shall identify a writ of restitution that is issued pursuant to an unlawful detainer action under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property and clearly note on the writ of restitution that it is a priority writ. Notice that it is a priority writ must be made in a manner that is obvious to an officer who must execute the writ under section 566.17.

Sec. 8. Minnesota Statutes 1992, section 566.17, is amended by adding a subdivision to read:

Subd. 1a. [PRIORITY; EXECUTION OF DRUG RELATED WRIT.] An officer shall give priority to the execution, under this section, of any writ of restitution that is based on an unlawful detainer action under section 504.181, or on the basis that the tenant is causing a nuisance or seriously endangers the safety of other residents, their property, or the landlord's property."

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "allowing commercial property managers to represent clients; requiring the court to give scheduling priority to unlawful detainer actions involving alleged tenant use of drugs;" and after "amending" insert "Minnesota Statutes 1992, sections 566.05; 566.07; 566.09, subdivision 1; 566.16; and 566.17, by adding a subdivision;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 1744, A bill for an act relating to the city of Lakefield; allowing the city of Lakefield to expand its public utilities commission to five members.

Reported the same back with the following amendments:

Page 1, line 9, delete "up to two" and insert "one" and after "be" insert "a"

Page 1, line 10, delete "members" and insert "member"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Skoglund from the Committee on Judiciary to which was referred:

S. F. No. 1766, A bill for an act relating to attorneys; expanding remedies for the unauthorized practice of law; amending Minnesota Statutes 1992, section 481.02, subdivision 8.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1992, section 325D.55, subdivision 2, is amended to read:

Subd. 2. Nothing contained in sections 325D.49 to 325D.66, shall apply to actions or arrangements otherwise permitted, or regulated by any regulatory body or officer acting under statutory authority of this state or the United States. This subdivision includes, but is not limited to, programs established and operated by organizations under the supervision of the Supreme Court of this state that provide legal services to low income persons at reduced fees based on an established fee structure.

Sec. 2. Minnesota Statutes 1993 Supplement, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney-at-law;

(3) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(4) a licensed attorney-at-law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(5) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(6) any person from conferring or cooperating with a licensed attorney-at-law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(7) any licensed attorney-at-law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(8) any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions, or any other conveyances except testamentary dispositions and instruments of trust;

(9) a licensed attorney-at-law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(10) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney-at-law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney-at-law receives the entire compensation for the work;

(11) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney-at-law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

6057

(12) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal;

(13) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state pursuant to the provisions of section 566.175 or sections 566.18 to 566.35 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state for the recovery of rental property used for residential purposes pursuant to the provisions of section 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a nonprofit corporation, a person who is not a licensed attorney-at-law shall not charge or collect a separate fee for services rendered pursuant to this clause;

(14) the delivery of legal services by a specialized legal assistant in accordance with a specialty license issued by the supreme court before July 1, 1995;

(15) the sole shareholder of a corporation from appearing on behalf of the corporation in court; or

(16) an officer, manager, partner, or employee from appearing on behalf of a corporation, limited liability company, partnership, sole proprietorship, or association in conciliation court or in a district court action removed from conciliation court, in accordance with section 491A.02, subdivision 4; or

(17) an adult child who is assisting a parent in the parent's pro se representation in an action and is authorized by power of attorney, from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any administrative proceeding or court of this state; except that if the adult is not a licensed attorney at law, the adult child shall not charge or collect a separate fee for services rendered under this clause."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to attorneys; providing for certain programs to provide legal services to low-income persons; regulating the unauthorized practice of law; amending Minnesota Statutes 1992, sections 325D.55, subdivision 2; and 481.02, subdivision 8; Minnesota Statutes 1993 Supplement, section 481.02, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 1794, A bill for an act relating to insurance; prohibiting insurers from obtaining or using HIV antibody test results arising out of exposure and testing for emergency medical service personnel; amending Minnesota Statutes 1992, section 72A.20, subdivision 29.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 1898, A bill for an act relating to insurance; health; requiring coverage for equipment and supplies for the management and treatment of diabetes; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the following amendments:

Page 1, line 15, before "or" insert "medical equipment,"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

S. F. No. 1911, A bill for an act relating to the secretary of state; changing filing procedures for corporations and certain organizations; providing for service of process on limited partnerships; changing requirements for filings governed by the uniform commercial code; amending Minnesota Statutes 1992, sections 302A.821, subdivision 1; 303.07, subdivision 2; 303.17, subdivisions 2 and 4; 315.23, subdivision 3; 315.44; Minnesota Statutes 1993 Supplement, sections 336.9-403; 336.9-407; 336.9-413; 336A.04, subdivision 3; 336A.09, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 322A.

Reported the same back with the following amendments:

Page 1, after line 14, insert:

"Section 1. Minnesota Statutes 1992, section 272.488, subdivision 1, is amended to read:

Subdivision 1. [FILING OF NOTICES.] Notices of federal tax liens, certificates, or revocations of certificates of release of federal tax liens, and refiled notices of any of those items, and any other notices affecting federal tax liens that are required to be filed with the county recorder, in a form prescribed by the Internal Revenue Service, may be filed with the county recorder or the secretary of state by mail, personal delivery, or by electronic transmission by the Secretary of the Treasury of the United States or a delegate into the computerized filing system of the secretary of state authorized under section 336.9-411. The secretary of state shall act as the agent of the county recorder and shall transmit the notice electronically to the office of the county recorder, if that is the place of filing, in the county or counties shown on the computer entry. The filing officer, whether the county recorder or the secretary of state, shall endorse and index a printout of the notice in the same manner as if the notice had been mailed or delivered. The electronic record must be endorsed and indexed within the computerized filing system as required by section 272.483.

Sec. 2. Minnesota Statutes 1992, section 272.488, is amended by adding a subdivision to read:

<u>Subd. 3.</u> [FILING OF NOTICES WITH SECRETARY OF STATE.] <u>Notices of federal tax liens, certificates, or</u> revocations of certificates of release of federal tax liens, refiled notices of any of those items, and any other notices affecting federal tax liens that are required to be filed with the secretary of state, in a form prescribed by the Internal Revenue Service, may be filed with the secretary of state by mail, personal delivery, or electronic transmission by the Secretary of the Treasury of the United States or a delegate into the computerized filing system of the secretary of the state authorized under section 336.9-411. The electronic record must be endorsed and indexed within the computerized filing system as required by section 272.483.

Sec. 3. Minnesota Statutes 1992, section 272.488, is amended by adding a subdivision to read:

Subd. 4. [ENTRY OF INFORMATION.] For documents filed by mail or in person, the filing officer shall enter the data as if it had been transmitted electronically. Once the electronic record is created, it must be endorsed and indexed within the computerized filing system. The filing officer must write or mark the filing information on the document that was submitted and return the document to the submitting party."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "modifying requirements for electronic filing of tax liens and notices,"

Page 1, line 7, after "sections" insert "272.488, subdivision 1, and by adding subdivisions;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 1912, A bill for an act relating to insurance; accident and health; permitting short-term coverage; amending Minnesota Statutes 1993 Supplement, section 62A.65, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1993 Supplement, section 62A.65, is amended by adding a subdivision to read:

Subd. 7. [SHORT-TERM COVERAGE.] (a) For purposes of this section, "short-term coverage" means an individual health plan that:

(1) is issued to provide coverage for a period of 185 days or less, except that the health plan may permit coverage to continue until the end of a period of hospitalization for a condition for which the covered person was hospitalized on the day that coverage would otherwise have ended;

(2) is nonrenewable, provided that the health carrier may provide coverage for one or more subsequent periods that satisfy clause (1), if the total of the periods of coverage do not exceed a total of 185 days out of any 365-day period, plus any additional days covered as a result of hospitalization on the day that a period of coverage would otherwise have ended;

(3) does not cover any preexisting conditions, including ones that originated during a previous identical policy or contract with the same health carrier where coverage was continuous between the previous and the current policy or contract; and

(4) is available with an immediate effective date without underwriting upon receipt of a completed application indicating eligibility under the health carrier's eligibility requirements, provided that coverage that includes optional benefits may be offered on a basis that does not meet this requirement.

(b) Short-term coverage is not subject to subdivisions 2 and 5. Short-term coverage may exclude as a preexisting condition any injury, illness, or condition for which the covered person had medical treatment, symptoms, or any manifestations before the effective date of the coverage, but dependent children born or placed for adoption during the policy period must not be subject to this provision.

(c) Notwithstanding subdivision 3, and section 62A.021, a health carrier may combine short-term coverage with its most commonly sold individual qualified plan, as defined in section 62E.02, other than short-term coverage, for purposes of complying with the loss ratio requirement.

(d) The 185 day coverage limitation provided in paragraph (a) applies to the total number of days of short-term coverage that covers a person, regardless of the number of policies, contracts, or health carriers that provide the coverage. A written application for short-term coverage must ask the applicant whether the applicant has been covered by short-term coverage by any health carrier within the 365 days immediately preceding the effective date of the coverage being applied for. Short-term coverage issued in violation of the 185-day limitation is valid until the end of its term and does not lose its status as short-term coverage, in spite of the violation. A health carrier that knowingly issues short-term coverage in violation of the 185-day limitation is subject to the administrative penalties otherwise available to the commissioner of commerce or the commissioner of health, as appropriate.

(e) Time spent under short-term coverage counts as time spent under a preexisting condition limitation for purposes of group or individual health plans, other than short-term coverage, subsequently issued to that person, or to cover that person, by any health carrier, if the person maintains continuous coverage as defined in section 62L.02. Short-term coverage is a health plan and is qualifying coverage as defined in section 62L.02. Notwithstanding any other law to the contrary, a health carrier is not required under any circumstances to provide a person covered by short-term coverage the right to obtain coverage on a guaranteed issue basis under another health plan offered by the health carrier, as a result of the person's enrollment in short-term coverage.

## Sec. 2. [EFFECTIVE DATE.]

## Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Reding from the Committee on Financial Institutions and Insurance to which was referred:

S. F. No. 1951, A bill for an act relating to insurance; health; restricting termination or reductions of coverage for fibrocystic conditions; proposing coding for new law in Minnesota Statutes, chapter 62A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [62A.305] [FIBROCYSTIC CONDITION; TERMINATION OR REDUCTION OF COVERAGE.]

No health plan shall be terminated, canceled, nonrenewed, or contain any increased premium rate, or exclusion, reduction, or limitation on benefits, nor shall coverage be denied, solely because the covered person has been diagnosed as having a fibrocystic breast condition.

Sec. 2. [EFFECTIVE DATE; APPLICATION.]

<u>Section 1 is effective August 1, 1994, and applies to a plan issued or renewed to provide coverage to a Minnesota</u> resident on and after that date."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 2009, A bill for an act relating to public safety; increasing membership of emergency response commission by one representative of emergency managers; amending Minnesota Statutes 1992, section 299K.03, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 18, after the period, insert "<u>Of the 18 members appointed under this paragraph, no more than nine may be of one gender.</u>"

Page 1, after line 23, insert:

"Sec. 2. [APPLICABILITY.]

The gender balance requirements of section 299K.03, subdivision 3, apply only to appointments made after the effective date of this section, and do not operate to displace current members before the end of their terms."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kahn from the Committee on Governmental Operations and Gambling to which was referred:

S. F. No. 2081, A bill for an act relating to state agencies; providing that the open appointments act applies to certain appointments made by the governor and by legislators; authorizing the secretary of state to collect data regarding appointments to multimember agencies by electronic means; requiring multimember agencies to register with the secretary of state; requiring the secretary of state to publish information collected through registration; requiring the secretary of state to furnish copies of registration data to the legislative reference library; extending the expiration date of certain advisory councils; eliminating the family and group family day care task force; amending Minnesota Statutes 1992, sections 15.0597, subdivisions 1 and 5; 115A.072, subdivision 1; and 115A.12; Minnesota Statutes 1993 Supplement, sections 15.0597, subdivisions 2 and 4; and 16B.61, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 15; repealing Minnesota Statutes 1992, section 256.9751, subdivision 2.

Reported the same back with the following amendments:

Page 12, line 4, after the period insert "Sections 6 to 9 are effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Brown, C., from the Committee on Local Government and Metropolitan Affairs to which was referred:

S. F. No. 2118, A bill for an act relating to local government; clarifying that the Moose Lake Fire Protection District is a governmental subdivision for certain purposes; making other clarifications; amending Laws 1987, chapter 402, section 2, subdivisions 2, 3, and by adding a subdivision.

Reported the same back with the following amendments:

Page 3, after line 17, insert:

"Sec. 4. [CONVEYANCE OF STATE LAND TO THE DISTRICT.]

Notwithstanding Minnesota Statutes, sections 94.09 to 94.165, and the provisions of Minnesota Statutes, section 84.027, subdivision 10, requiring a declaration of surplus and approval of the executive council, to the contrary, the commissioner of natural resources shall sell the following described land to the Moose Lake area fire protection district, under the remaining provisions of Minnesota Statutes, section 84.027, subdivision 10, for the construction of a fire station and other support facilities. The land shall be sold for the appraised value or such other consideration as may be agreed upon. The land that is to be sold consists of about 3.0 acres and is described as that part of the Southwest Quarter of the Northeast Quarter of Section 29, Township 46, Range 19, City of Moose Lake, Carlton County, which is more particularly described in the agreement and related correspondence between the district and the department of natural resources."

Page 3, line 18, delete "4" and insert "5"

Page 3, line 19, delete "Sections 1 to 3 take" and insert "This act takes"

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "directing the sale of certain state land to the district;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

# SECOND READING OF HOUSE BILLS

H. F. Nos. 1682, 1792, 1834, 1861, 1999, 2005, 2023, 2088, 2124, 2176, 2260, 2296, 2337, 2380, 2391, 2440, 2478, 2517, 2519, 2533, 2553, 2698, 2728, 2776, 2806, 2916, 2925, 2946, 2954, 2957, 2958, 3022 and 3146 were read for the second time.

# SECOND READING OF SENATE BILLS

S. F. Nos. 1732, 1744, 1766, 1794, 1898, 1911, 1912, 1951, 2009, 2081 and 2118 were read for the second time.

# INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Brown, C., introduced:

H. F. No. 3189, A bill for an act relating to taxation; exempting certain fire apparatus from motor vehicle registration and excise taxes; amending Minnesota Statutes 1992, section 168.012, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Olson, E., introduced:

H. F. No. 3190, A bill for an act relating to taxation; modifying the requirement of payment of taxes on divided parcels upon transfer; amending Minnesota Statutes 1992, section 272.121, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Stanius introduced:

H. F. No. 3191, A bill for an act relating to health; directing the board of pharmacy to establish a class of transition drugs; establishing an advisory committee on transition drugs; proposing coding for new law in Minnesota Statutes, chapter 151.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Goodno and Bettermann introduced:

H. F. No. 3192, A bill for an act relating to unemployment compensation; regulating the use of dislocated worker funds for state employees; amending Minnesota Statutes 1992, section 268.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rest introduced:

H. F. No. 3193, A bill for an act relating to public finance; providing conditions and requirements for the issuance of debt; authorizing the use of revenue recapture by certain housing agencies; clarifying a property tax exemption; providing procedures for use of obligations to satisfy unfunded pension liabilities; authorizing use of special assessments for on-site water contamination improvements; authorizing an increase in the membership of county

housing and redevelopment authorities; amending Minnesota Statutes 1992, sections 270A.03, subdivision 2; 353A.09, subdivision 5; 383.06, subdivision 2; 423A.02, subdivision 1; 429.011, by adding a subdivision; 429.031, subdivision 3; 469.006, subdivision 1; 469.157; 469.158; 469.184, by adding a subdivision; 471.56, subdivision 5, and by adding a subdivision; 471.562, subdivision 3, and by adding a subdivision; 475.51, subdivision 4; 475.52, subdivisions 1 and 6; 475.53, subdivision 5; 475.54, subdivision 16; 475.60, by adding a subdivision; and 475.79; Minnesota Statutes 1993 Supplement, sections 272.02, subdivision 1; and 469.033, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Taxes.

#### Sekhon, Hausman, Kahn and Munger introduced:

H. F. No. 3194, A bill for an act relating to forests; modifying and expanding responsibilities of the department of natural resources and counties with respect to management of forest resources; appropriating money; amending Minnesota Statutes 1992, sections 89.001, subdivisions 8, 9, 10, and by adding subdivisions; 89.002, subdivision 1; 89.01, subdivision 1, and by adding subdivisions; 89.011, subdivisions 2, 3, and 4; 89.012; 90.041, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 282.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

#### Rest introduced:

H. F. No. 3195, A bill for an act relating to tax increment financing; reducing certain aid appropriations; imposing restrictions and changing various tax increment limitations and procedures; amending Minnesota Statutes 1992, sections 273.1399, subdivisions 2, 3, and by adding a subdivision; 469.175, subdivisions 3, 4, and by adding a subdivision; 469.1761, subdivisions 1, 2, and 3; and 469.177, subdivision 1a; Minnesota Statutes 1993 Supplement, sections 273.1399, subdivision 1; and 469.176, subdivisions 1b and 4c; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Taxes.

Olson, K., and Mosel introduced:

H. F. No. 3196, A bill for an act relating to state lands; providing for payment in lieu of taxes for certain acquired natural resources lands; amending Minnesota Statutes 1992, section 477A.12; Minnesota Statutes 1993 Supplement, section 477A.14.

The bill was read for the first time and referred to the Committee on Taxes.

Frerichs, Workman and Smith introduced:

H. F. No. 3197, A bill for an act relating to taxation; exempting recycling facilities for the property tax; expanding the sales and use tax exemption for recycling facility construction materials and making it permanent; amending Minnesota Statutes 1992, sections 272.02, by adding a subdivision; and 297A.25, subdivision 50; Laws 1992, chapter 511, article 8, section 39.

The bill was read for the first time and referred to the Committee on Taxes.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2035, A bill for an act relating to commerce; residential building contractors and remodelers; clarifying legislative intent to require maintenance of bonds until license renewal; requiring recovery fund fee proration in certain circumstances; amending Minnesota Statutes 1993 Supplement, section 326.975, subdivision 1.

H. F. No. 2178, A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land that borders public water in Meeker county.

H. F. No. 2210, A bill for an act relating to data practices; regulating the classification and release of certain department of commerce data; amending Minnesota Statutes 1992, section 13.71, by adding subdivisions.

H. F. No. 2435, A bill for an act relating to animals; changing procedures concerning certain abandoned animals; amending Minnesota Statutes 1992, section 346.37, subdivision 1.

H. F. No. 2679, A bill for an act relating to boilers and engines; modifying provisions relating to hobby boilers and show engines; amending Minnesota Statutes 1992, section 183.411, subdivision 2; repealing Minnesota Statutes 1992, section 183.411, subdivision 1a.

PATRICK E. FLAHAVEN, Secretary of the Senate

## Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1483, 1662, 1862, 2071, 2246, 2422, 2431, 1616, 1764 and 1918.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1930, 1959, 2011, 2464, 2468, 2491, 2582, 2598 and 2710.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 2462, 2503, 2579, 2135, 2255, 2345, 1702, 1832, 2262, 2572 and 2671.

PATRICK E. FLAHAVEN, Secretary of the Senate

# FIRST READING OF SENATE BILLS

S. F. No. 1483, A bill for an act relating to elections; changing certain requirements and procedures for voter registration and absentee voting; imposing a penalty; amending Minnesota Statutes 1992, sections 201.061, subdivision 1; 201.12, subdivision 2; 201.121, subdivision 1; 203B.02, subdivision 1a; 203B.03, subdivision 1; 203B.04, subdivision 1; 203B.06, subdivision 3; 203B.07, subdivision 2; 203B.08, subdivision 1; 203B.11, by adding a subdivision;

203B.12, subdivision 2, and by adding a subdivision; 203B.13, subdivisions 1 and 2; 203B.16, by adding a subdivision; and 203B.19; Minnesota Statutes 1993 Supplement, sections 201.071, subdivision 1; 201.081; and 201.13, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 203B.

The bill was read for the first time.

Bergson moved that S. F. No. 1483 and H. F. No. 377, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1662, A bill for an act relating to family; adopting the uniform interstate family support act; repealing the revised uniform reciprocal enforcement of support act; proposing coding for new law in Minnesota Statutes, chapter 518C; repealing Minnesota Statutes 1992, sections 518C.01 to 518C.36.

The bill was read for the first time.

Wejcman moved that S. F. No. 1662 and H. F. No. 1792, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1862, A bill for an act relating to economic development; increasing the membership of the job skills partnership board; amending Minnesota Statutes 1993 Supplement, section 116L.03, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Governmental Operations and Gambling.

S. F. No. 2071, A bill for an act relating to the department of revenue; providing for the coordination of sales tax schedules for the state and the city of Saint Paul.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 2246, A bill for an act relating to natural resources; authorizing the exchange of certain state lands in Wabasha and Fillmore counties under certain conditions.

The bill was read for the first time.

Waltman moved that S. F. No. 2246 and H. F. No. 2572, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2422, A bill for an act relating to burial grounds; modifying provisions for enforcement of certain civil actions; amending Minnesota Statutes 1993 Supplement, section 307.082.

The bill was read for the first time.

Brown, C., moved that S. F. No. 2422 and H. F. No. 2677, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2431, A bill for an act relating to the county attorney; modifying administrative subpoena requirements; amending Minnesota Statutes 1993 Supplement, section 388.23, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1616, A bill for an act relating to environmental law; establishing a private cause of action for abandonment of hazardous waste; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1764, A bill for an act relating to data privacy; allowing probation and parole agencies and child support enforcement agencies access to vehicle registration and certain identification information; amending Minnesota Statutes 1992, section 171.12, subdivision 7; Minnesota Statutes 1993 Supplement, section 168.346.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1918, A bill for an act relating to crime; making it murder in the first degree to cause the death of a local correctional guard; amending Minnesota Statutes 1992, section 609.185.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1930, A bill for an act relating to human services; mental health grants; rules concerning psychopathic personalities; treatment for alcohol, drug abuse, and chemical dependency; stepparent income standards under aid to families with dependent children; child support incentives; medical assistance for needy persons; state and county social service plans; organ and tissue transplants; family preservation; commissioner's reports; group residential housing payments and agreements; and paternity proceedings; amending Minnesota Statutes 1992, sections 245.696, subdivision 2; 254A.02, subdivision 11; 254B.04, subdivision 1; 254B.05, subdivision 1; 256E.04; 256E.09, subdivision 3; 256H.24; and 257.60; Minnesota Statutes 1993 Supplement, sections 246B.04; 256.979, subdivision 8; 256B.0629, subdivisions 3 and 4; 256F.11, subdivision 3; and 256I.04, subdivisions 1a and 2a; repealing Minnesota Statutes 1992, section 254A.16, subdivisions 3 and 4; Laws 1993, chapter 337, section 16.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 1959, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Roseau county.

The bill was read for the first time.

Tunheim moved that S. F. No. 1959 and H. F. No. 2244, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2011, A bill for an act relating to elections; providing for simulated elections for minors; proposing coding for new law in Minnesota Statutes, chapter 204B.

The bill was read for the first time.

Jaros moved that S. F. No. 2011 and H. F. No. 3004, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2464, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the public employees retirement association by an employee of the city of Minneapolis.

The bill was read for the first time.

Kahn moved that S. F. No. 2464 and H. F. No. 2737, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2468, A bill for an act relating to beaver control; allowing local road authorities to remove beaver dams and lodges near public roads; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 2491, A bill for an act relating to state lands; authorizing public sale of certain tax-forfeited land that borders public water in Stearns county.

The bill was read for the first time.

Bertram moved that S. F. No. 2491 and H. F. No. 2728, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2582, A bill for an act relating to insurance; extending to contract for deed vendors the protections contained in the mortgage clause of the standard fire insurance policy; amending Minnesota Statutes 1992, section 65A.01, subdivision 3.

The bill was read for the first time.

Carlson moved that S. F. No. 2582 and H. F. No. 2957, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2598, A bill for an act relating to local government; authorizing the park and recreation board of the city of Minneapolis to transfer conveyed land to the Minnesota department of transportation.

The bill was read for the first time.

Kahn moved that S. F. No. 2598 and H. F. No. 2953, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2710, A bill for an act relating to health; modifying provisions relating to lead abatement; amending Minnesota Statutes 1992, sections 144.871, subdivision 3; and 144.874, subdivision 12, and by adding a subdivision; Minnesota Statutes 1993 Supplement, sections 16B.61, subdivision 3; 144.871, subdivision 2; 144.872, subdivision 2; 144.874, subdivisions 1, 3, 9, and 11a; 144.878, subdivisions 2 and 5; and 326.71, subdivision 4; repealing Minnesota Statutes 1993 Supplement, section 144.877.

The bill was read for the first time.

Clark moved that S. F. No. 2710 and H. F. No. 2916, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2462, A bill for an act relating to state departments and agencies; department of employee relations; providing for implementation of management training programs, authorizing the use of facsimile machines; abolishing the career executive service; amending Minnesota Statutes 1992, sections 13.67; 43A.21, subdivision 3; and 43A.32, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1992, section 43A.21, subdivision 5.

The bill was read for the first time.

Seagren moved that S. F. No. 2462 and H. F. No. 2587, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2503, A bill for an act relating to highways; conforming powers held by counties over county highways to those powers held by counties over county state-aid highways; amending Minnesota Statutes 1992, section 163.11, subdivision 3.

The bill was read for the first time.

Lieder moved that S. F. No. 2503 and H. F. No. 2513, now on Special Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2579, A bill for an act relating to commerce; restraint of trade; providing a civil remedy for injury to business reputation or dilution of quality of a mark; providing grounds for injunctive relief; proposing coding for new law in Minnesota Statutes, chapter 325D.

The bill was read for the first time.

Asch moved that S. F. No. 2579 and H. F. No. 3146, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2135, A bill for an act relating to community social services; modifying certain provisions regarding county community social service plans; amending Minnesota Statutes 1992, section 256E.09, subdivision 1.

The bill was read for the first time.

Garcia moved that S. F. No. 2135 and H. F. No. 2260, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2255, A bill for an act relating to insurance; requiring the commissioner of commerce to conduct a study of pollution coverage in Minnesota farm liability policies and report to the legislature.

The bill was read for the first time.

Johnson, A., moved that S. F. No. 2255 and H. F. No. 2954, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2345, A bill for an act relating to health; modifying provisions relating to foreign medical school graduates; amending Minnesota Statutes 1993 Supplement, section 147.037, subdivision 1.

The bill was read for the first time.

Olson, K., moved that S. F. No. 2345 and H. F. No. 2391, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1702, A bill for an act relating to commerce; directing the commissioner of commerce to conduct a study of the Minnesota pawnbroker industry.

The bill was read for the first time and referred to the Committee on Economic Development, Infrastructure and Regulation Finance.

S. F. No: 1832, A bill for an act relating to traffic regulations; authorizing immediate towing after 12 hours advance notice of restricted parking in cities under 50,000; amending Minnesota Statutes 1992, section 169.041, subdivision 4.

The bill was read for the first time and referred to the Committee on Transportation and Transit.

S. F. No. 2262, A bill for an act relating to local government; removing notice requirements for on-site inspections by town boards; amending Minnesota Statutes 1992, section 366.01, subdivision 11.

The bill was read for the first time.

Koppendrayer moved that S. F. No. 2262 and H. F. No. 2533, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2572, A bill for an act relating to human services; clarifying the effect of a record of conviction of certain crimes on disqualification in connection with certain human services licenses; strengthening provisions concerning residential treatment programs; modifying certain child abuse reporting requirements; amending Minnesota Statutes 1992, sections 245A.04, subdivision 3a; 245A.12, subdivision 8; 245A.13, subdivisions 1, 3c, and by adding a subdivision; 626.556, subdivisions 3 and 7; Minnesota Statutes 1993 Supplement, sections 245A.04, subdivisions 3 and 3b; 626.556, subdivision 10; and Laws 1993, chapter 171, section 6.

The bill was read for the first time.

Van Engen moved that S. F. No. 2572 and H. F. No. 2776, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2671, A bill for an act relating to Itasca county; permitting the county board to submit a question to nonbinding referendum.

The bill was read for the first time.

Solberg moved that S. F. No. 2671 and H. F. No. 2896, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

## CONSENT CALENDAR

H. F. No. 2094 was reported to the House.

Bauerly moved that H. F. No. 2094 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 2508 was reported to the House.

Steensma moved to amend H. F. No. 2508, the first engrossment, as follows:

Page 12, line 31, delete "vehicle in transit" and insert "temporary"

Page 13, line 34, strike "pickup truck" and insert "vehicle"

The motion prevailed and the amendment was adopted.

H. F. No. 2508, A bill for an act relating to motor vehicles; making technical corrections; exempting license plates on state lottery vehicles from registration tax when used for security or criminal investigation purposes; taxing commuter vans as buses for vehicle registration purposes; allowing holder of personalized license plates to have priority for those plates in next registration period as long as holder keeps registration current; providing for temporary 60-day permits while waiting for special ready reserve license plates or special collegiate license plates; requiring vehicle dealers to file information relating to temporary registration permits issued to new purchasers; requiring drive-away in transit license plates and insurance for transporting vehicles; regulating vehicle dealers; requiring that parking certificate for disabled person hang from rearview mirror; specifying parking certificate expiration times for persons with permanent and temporary disabilities; providing for administrative hearings regarding deputy registrars; requiring district court agents to retain filing fee for receiving and forwarding drivers' license applications and fees; requiring secured parties to be notified when a dealer buys a late model or high value salvage vehicle; providing exemption from uniform fire code for dispensing certain flammable liquids; amending Minnesota Statutes 1992, sections 168.011, subdivision 7; 168.012, by adding a subdivision; 168.013, subdivision 1f, and by adding a subdivision; 168.053, subdivision 1; 168.054; 168.09, subdivision 7; 168.33, subdivision 2; 168.12, subdivision 2a; 168.126, subdivision 1; 168.27, subdivisions 1, 12, 13, 15, 16, and 17; 168.33, subdivision 2; 168.11,

subdivision 2; 168A.153, subdivision 2; 169.345, subdivision 1; and 325F.662, subdivision 3; Minnesota Statutes 1993 Supplement, sections 169.345, subdivision 3; and 171.06, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 299F.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Laslev	Nelson	Rest	Tunheim
Anderson, R.	Delmont	Huntley	Leppik	Ness	Rhodes	Van Dellen
Asch	Dempsey	Jacobs	Limmer	Olson, E.	Rice	Van Engen
Battaglia	Dorn	Jaros	Lindner	Olson, K.	Rodosovich	Vellenga
Bauerly	Erhardt	Jefferson	Long	Olson, M.	Rukavina	Vickerman
Beard	Evans	Jennings	Lourey	Onnen	Sarna	Wagenius
Bergson	Finseth	Johnson, A.	Luther	Opatz	Seagren	Waltman
Bertram	Frerichs	Johnson, R.	Lynch	Orenstein	Sekhon	Weaver
Bettermann	Garcia	Johnson, V.	Macklin	Orfield	Simoneau	Wejcman
Bishop	Girard	Kahn	Mahon	Osthoff	Skoglund	Wenzel
Brown, C.	Goodno	Kalis	Mariani	Ostrom	Smith	Winter
Brown, K.	Greenfield	Kelley	McCollum	Ozment	Solberg	Wolf
Carlson	Greiling	Kelso	Milbert	Pauly	Stanius	Worke
Carruthers	Gruenes	Klinzing	Molnau	Pawlenty	Steensma	Workman
Clark	Gutknecht	Knickerbocker	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Commers	Hasskamp	Knight	Mosel	Perlt	Swenson	-
Cooper	Haukoos	Koppendrayer	Munger	Peterson	Tomassoni	
Davids	Hausman	Krinkie	Murphy	Pugh	Tompkins	
Dawkins	Holsten	Krueger	Neary	Reding	Trimble	

The bill was passed, as amended, and its title agreed to.

S. F. No. 2425, A bill for an act relating to occupations and professions; requiring the state fire marshal to conduct a study on fireworks safety and operator qualifications.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Clark	Girard	Jennings	Lasley	Morrison	Ostrom
Anderson, R.	Commers	Goodno	Johnson, A.	Leppik	Mosel	Ozment
Asch	Cooper	Greenfield	Johnson, R.	Lieder	Munger	Pauly
Battaglia	Davids,	Greiling	Johnson, V.	Limmer	Murphy	Pawlenty
Bauerly	Dawkins	Gruenes	Kahn	Long	Neary	Pelowski
Beard	Dehler	Gutknecht	Kalis	Lourey	Nelson	Perlt
Bergson	Delmont	Hasskamp	Kelley	Luther	Ness	Peterson
Bertram	Dempsey	Hausman	Kelso	Lynch	Olson, E.	Pugh
Bettermann	Dom	Holsten	Klinzing	Macklin	Olson, K.	Reding
Bishop	Erhardt	Hugoson	Knickerbocker	Mahon	Onnen	Rest
Brown, C.	Evans	Huntley	Knight	Mariani	Opatz	Rhodes
Brown, K.	Finseth	Jacobs	Koppendrayer	McCollum	Orenstein	Rice
Carlson	Frerichs	Jaros	Krinkie	Milbert	Orfield	Rodosovich
Carruthers	Garcia	Jefferson	Krueger	Molnau	Osthoff	Rukavina

Sarna	Smith	Swenson	Van Dellen	Waltman	Wolf
Seagren	Solberg	Tomassoni	Van Engen	Weaver	Worke
Sekhon	Stanius	Tompkins	Vellenga	Wejcman	Workman
Simoneau	Steensma	Trimble	Vickerman	Wenzel	Spk. Anderson, I.
Skoglund	Sviggum	Tunheim	Wagenius	Winter	

Those who voted in the negative were:

Lindner Haukoos Olson, M.

The bill was passed and its title agreed to.

H. F. No. 2856, A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited lands that border public water in Mower county.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Nelson	Rest	Tunheim
Anderson, R.	Delmont	Huntley	Leppik	Ness	Rhodes	Van Dellen
Asch	Dempsey	Jacobs	Lieder	Olson, E.	Rice	Van Engen
Battaglia	Dom	Jaros	Limmer	Olson, K.	Rodosovich	Vellenga
Bauerly	Erhardt	Jefferson	Lindner	Olson, M.	Rukavina	Vickerman
Beard	Evans	Jennings	Long	Onnen	Sarna	Wagenius
Bergson	Finseth	Johnson, A.	Lourey	Opatz	Seagren	Waltman
Bertram	Frerichs	Johnson, R.	Luther	Orenstein	Sekhon	Weaver
Bettermann	Garcia	Johnson, V.	Lynch	Orfield	Simoneau	Wejcman
Bishop	Girard	Kahn	Macklin	Osthoff	Skoglund	Wenzel
Brown, C.	Goodno	Kalis	Mahon	Ostrom	Smith	Winter
Brown, K.	Greenfield	Kelley	Mariani	Ozment	Solberg	Wolf
Carlson	Greiling	Kelso	McCollum	Pauly	Stanius	Worke
Carruthers	Gruenes	Klinzing	Milbert	Pawlenty	Steensma	Workman
Clark	Gutknecht	Knickerbocker	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Commers	Hasskamp	Knight	Morrison	Perlt	Swenson	
Cooper	Haukoos	Koppendrayer	Mosel	Peterson	Tomassoni	
Davids	Hausman	Krinkie	Murphy	Pugh	Tompkins	
Dawkins	Holsten	Krueger	Neary	Reding	Trimble	

The bill was passed and its title agreed to.

H. F. No. 2888 was reported to the House.

Lourey moved to amend H. F. No. 2888 as follows:

Page 3, after line 11, insert:

"Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

The motion prevailed and the amendment was adopted.

H. F. No. 2888, A bill for an act relating to economic development; regulating community action agencies; amending Minnesota Statutes 1992, sections 268.53, subdivision 5; and 466.01, subdivision 1.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 87 yeas and 41 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dawkins	Jennings	Lourey	Olson, K.	Rest	Tomassoni
Asch	Delmont	Johnson, A.	Luther	Onnen	Rhodes	Trimble
Battaglia	Dorn	Johnson, R.	Macklin	Opatz	Rice	Tunheim
Bauerly	Evans	Kahn	Mahon	Orenstein	Rodosovich	Vellenga
Beard	Garcia	Kalis	Mariani	Orfield	Rukavina	Wagenius
Bergson	Greenfield	Keiley	McCollum	Osthoff	Sarna	Wejcman
Bertram	Greiling	Kelso	Milbert	Ostrom	Sekhon	Wenzel
Brown, C.	Hasskamp	Klinzing	Mosel	Ozment	Simoneau	Winter
Brown, K.	Hausman	Knickerbocker	Munger	Pelowski	Skoglund	Spk. Anderson, I.
Carlson	Huntley	Krueger	Murphy	Perlt	Smith	1
Carruthers	Jacobs	Lasley	Neary	Peterson	Solberg	
Clark	Jaros	Lieder	Nelson	Pugh	Steensma	
Cooper	lefferson	Long	Olson, E.	Reding	Swenson	

Those who voted in the negative were:

Abrams Bettermann Bishop	Dempsey Erhardt Finseth	Gutknecht Haukoos Holsten	Koppendrayer Krinkie Limmer	Morrison Ness Olson, M.	Stanius Sviggum Tompkins	Waltman Weaver Wolf
Commers	Frerichs	Hugoson	Lindner	Pauly	Van Dellen	Worke
Davids	Girard	Johnson, V.	Lynch	Pawlenty	Van Engen	Workman
Dehler	Goodno	Knight	Molnau	Seagren	Vickerman	

The bill was passed, as amended, and its title agreed to.

H. F. No. 2936, A bill for an act relating to Ramsey county; providing for funding the maintenance of turnback roads in Ramsey county; amending Minnesota Statutes 1992, section 383A.16, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1992, section 383A.16, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

	Abrams	Cooper	Greiling	Kahn	Long	Nelson	Perlt	
	Anderson, R.	Davids	Gutknecht	Kalis	Lourey	Ness	Peterson	
	Battaglia	Dawkins	Hasskamp	Kelley	Luther	Olson, E.	Pugh	
	Bauerly	Dehler	Haukoos	Kelso	Lynch	Olson, K.	Reding	
	Beard	Delmont	Hausman	Klinzing	Macklin	Olson, M.	Rest	
	Bergson	Dempsey	Holsten	Knickerbocker	Mahon	Onnen	Rhodes	
	Bertram	Dorn	Hugoson	Knight	Mariani	Opatz	Rice	
Ì	Bettermann	Erhardt	Huntley	Koppendrayer	McCollum	Orenstein	Rodosovich	
	Bishop	Evans	Jacobs	Krinkie	Milbert	Orfield	Rukavina	
	Brown, C.	Finseth	Jaros	Krueger	Molnau	Osthoff	Sama	
	Brown, K.	Frerichs	Jefferson	Lasley	Morrison	Ostrom	Seagren	
	Carlson	Garcia	Jennings	Leppik	Mosel	Ozment	Sekhon	
	Carruthers	Girard	Johnson, A.	Lieder	Munger	Pauly	Simoneau	
	Clark	Goodno	Johnson, R.	Limmer	Murphy	Pawlenty	Skoglund	
	Commers	Greenfield	Johnson, V.	Lindner	Neary	Pelowski	Smith	
			• •					

Solberg Steensma Sviggum Swenson	Tomassoni Tompkins Trimble Tunheim	Van Dellen Van Engen Vellenga Vickerman	Wagenius Waltman Weaver Wejcman	Wenzel Winter Wolf Worke	Workman Spk. Anderson, I.

Those who voted in the negative were:

Asch	2	Stanius

The bill was passed and its title agreed to.

H. F. No. 2998, A bill for an act relating to game and fish; allowing use of retractable broadhead arrows in taking big game; amending Minnesota Statutes 1992, section 97B.211, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Delmont	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Anderson, R.	Dempsey	laros	Limmer	Olson, E.	Rice	Van Engen
Asch	Dorn	Tefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Battaglia	Erhardt	Jennings	Long	Olson, M.	Rukavina	Vickerman
Bauerly	Evans	Johnson, A.	Lourey	Onnen	Sarna	Wagenius
Beard	Finseth	Johnson, R.	Luther	Opatz	Seagren	Waltman
Bergson	Frerichs	Johnson, V.	Lynch	Orenstein	Sekhon	Weaver
Bertram	Garcia	Kahn	Macklin	Orfield	Simoneau	Wenzel
Bettermann	Girard	Kalis	Mahon	Osthoff	Skoglund	Winter
Bishop	Goodno	Kelley	Mariani	Ostrom	Smith	Wolf
Brown, C.	Greenfield	Kelso	McCollum	Ozment	Solberg	Worke
Brown, K.	Greiling	Klinzing	Milbert	Pauly	Stanius	Workman
Carlson	Gutknecht	Knickerbocker	Molnau	Pawlenty	Steensma	Spk. Anderson, I.
Carruthers	Hasskamp	Knight	Morrison	Pelowski	Sviggum	•
Commers	Haukoos	Koppendrayer	Mosel	Perlt	Swenson	· · ·
Cooper	Hausman	Krinkie	Munger	Peterson	Tomassoni	
Davids	Holsten	Krueger	Murphy	Pugh	Tompkins	
Dawkins	Hugoson	Lasley	Neary	Reding	Trimble	· · · · · · · · · · · · · · · · · · ·
Dehler	Huntley	Leppik	Nelson	Rest	Tunheim	• •

Those who voted in the negative were:

Clark Wejcman

The bill was passed and its title agreed to.

H. F. No. 3053, A bill for an act relating to unemployment compensation; changing its name; modifying provisions relating to reporting requirements, eligibility conditions, and liability for benefits; amending Minnesota Statutes 1992, sections 268.03; 268.08, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1993 Supplement, sections 268.08, subdivision 6; 268.09, subdivision 1; 268.10, subdivision 2; and 268.161, subdivision 9.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Dempsey	Holsten	Knight	McCollum	Orfield	Sarna	Van Engen
Dom	Hugoson	Koppendrayer	Milbert	Osthoff	Seagren	Vellenga
Erhardt	Huntley	Krinkie	Molnau	Ostrom	Sekhon	Vickerman
Evans	Jacobs	Krueger	Morrison	Ozment	Simoneau	Wagenius
Finseth	Jaros	Lasley	Mosel	Pauly	Skoglund	Waltman
Frerichs	Jefferson	Leppik	Munger	Pawlenty	Smith	Weaver
Garcia	Jennings	Lieder	Murphy	Pelowski	Solberg	Wejcman
Girard	Johnson, A.	Limmer	Neary	Perit	Stanius	Wenzel
Goodno	Johnson, R.	Lindner	Nelson	Peterson	Steensma	Winter
Greenfield	Johnson, V.	Long	Ness	Pugh	Sviggum	Wolf
Greiling	Kahn	Lourey	Olson, E.	Reding	Swenson	Worke
Gruenes	Kalis	Luther	Olson, K.	Rest	Tomassoni	Workman
Gutknecht	Kelley	Lynch	Olson, M.	Rhodes	Tompkins	Spk. Anderson, I.
Hasskamp	Kelso	Macklin	Onnen	Rice	Trimble	•
Haukoos	Klinzing	Mahon	Opatz	Rodosovich	Tunheim	•
Hausman	Knickerbocker	Mariani	Orenstein	Rukavina	Van Dellen	

The bill was passed and its title agreed to.

The Speaker called Haukoos to the Chair.

H. F. No. 3110 was reported to the House.

Solberg moved that H. F. No. 3110 be stricken from the Consent Calendar and be placed on General Orders. The motion prevailed.

H. F. No. 2148, A bill for an act relating to human services; providing monitoring and evaluation of emergency health services on a pilot project basis; authorizing an advisory committee.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 111 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Delmont	Jaros	Leppik	Murphy	Perlt	Steensma
Asch	Dempsey	Jefferson	Lieder	Neary	Peterson	Swenson
Battaglia	Dorn	Jennings	Limmer	Nelson	Pugh	Tomassoni
Bauerly	Erhardt	Johnson, A.	Long	Ness	Reding	Tompkins
Beard	Evans	Johnson, R.	Lourey	Olson, E.	Rest	Trimble
Bergson	Finseth	Johnson, V.	Luther	Olson, K.	Rhodes	Tunheim
Bertram	Garcia	Kahn	Lynch	Olson, M.	Rice	Vellenga
Bishop	Goodno	Kalis	Macklin	Onnen	Rodosovich	Vickerman
Brown, C.	Greenfield	Kelley	Mahon	Opatz	Rukavina	Wagenius
Brown, K.	Greiling	Kelso	Mariani	Orenstein	Sarna	Weaver
Carlson	Gruenes	Klinzing	McCollum	Orfield	Seagren	Wejcman
Carruthers	Hasskamp	Knickerbocker	Milbert	Osthoff	Sekhon	Wenzel
Clark	Haukoos	Knight	Molnau	Ostrom	Simoneau	Winter
Cooper	Hausman	Koppendrayer	Morrison	Ozment	Skoglund	Wolf
Dawkins	Huntley	Krueger	Mosel	Pauly	Smith	Spk. Anderson, I.
Dehler	Jacobs	Lasley	Munger	Pelowski	Solberg	1

Those who voted in the negative were:

Abrams	Davids	Gutknecht	Krinkie	Stanius	Van Engen	Workman
Bettermann	Frerichs	Holsten	Lindner	Sviggum	Waltman	
Commers	Girard	Hugoson	Pawlenty	Van Dellen	Worke	

The bill was passed and its title agreed to.

H. F. No. 2226, A bill for an act relating to state government; permitting employees of Minnesota Project Innovation, Inc. to participate in certain state employee benefit programs; amending Minnesota Statutes 1992, section 1160.04, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley
Anderson, R.	Delmont	Huntley	Leppik
Asch	Dempsey	Jacobs	Lieder
Battaglia	Dorn	Jaros	Limme
Bauerly	Erhardt	Jefferson	Lindne
Beard	Evans	Jennings	Long
Bergson	Finseth	Johnson, A.	Lourey
Bertram	Frerichs	Johnson, R.	Luther
Bettermann	Garcia	Johnson, V.	Lynch
Bishop	Girard	Kahn	Mackli
Brown, C.	Goodno	Kalis	Mahon
Brown, K.	Greenfield	Kelley	Mariar
Carlson	Greiling	Kelso	McColl
Carruthers	Gruenes	Klinzing	Milber
Clark	Gutknecht	Knickerbocker	Molnai
Commers	Hasskamp	Knight	Morris
Cooper	Haukoos	Koppendrayer	Mosel
Davids	Hausman	Krinkie	Munge
Dawkins	Holsten	Krueger	Murph

eppik eder mmer ndner mg ourey uther ynch acklin ahon ariani cCollum ilbert olnau orrison osel unger urphy

Neary Nelson Ness Olson, E. Olson, K. Olson, M. Onnen Opatz Orenstein Orfield Osthoff Ostrom Ozment Pauly Pawlenty Pelowski Perlt Peterson Pugh

Reding Rest Rhodes Rice Rodosovich Rukavina Sarna Seagren Sekhon Simoneau Skoglund Smith Solberg Stanius Steensma Sviggum Swenson Tomassoni Tompkins

Trimble Tunheim Van Dellen Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Workman Spk. Anderson, I.

The bill was passed and its title agreed to.

H. F. No. 2251, A bill for an act relating to drivers' licenses; allowing social security number to be entered at the option of an applicant for a Class C driver's license; amending Minnesota Statutes 1992, section 171.06, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Hausman	Krinkie	Murphy	Pugh	Tomassoni
Anderson, R.	Dehler	Holsten	Krueger	Neary	Reding	Tompkins
Asch	Delmont	Hugoson	Lasley	Nelson	Rest	Trimble
Battaglia	Dempsey	Huntley	Leppik	Ness	Rhodes	Tunheim
Bauerly	Dom	Jacobs	Lieder	Olson, E.	Rice	Van Dellen
Beard	Erhardt	Jefferson	Limmer	Olson, K.	Rodosovich	Van Engen
Bergson	Evans	Jennings	Lindner	Olson, M.	Rukavina	Vellenga
Bertram	Finseth	Johnson, A.	Lourey	Onnen	Sarna	Vickerman
Bettermann	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Wagenius
Bishop	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Waltman
Brown, C.	Girard	Kahn	Macklin	Osthoff	Simoneau	Weaver
Brown, K.	Goodno	Kalis	Mahon	Ostrom	Skoglund	Wejcman
Carlson	Greenfield	Kelley	McCollum	Ozment	Smith	Wenzel
Carruthers	Greiling	Kelso	Milbert	Pauly	Solberg	Winter
Clark	Gruenes	Klinzing	Moinau	Pawlenty	Stanius	Wolf
Commers	Gutknecht	Knickerbocker	Morrison	Pelowski	Steensma	Worke
Cooper	Hasskamp	Knight	Mosel	Perlt	Sviggum	Workman
Davids	Haukoos	Koppendrayer	Munger	Peterson	Swenson	Spk. Anderson, I.

Those who voted in the negative were:

Long

6076

The bill was passed and its title agreed to.

H. F. No. 2299, A bill for an act relating to retirement; the Duluth joint police and firefighters consolidation account; clarifying certain language relating to calculation of pension benefits contained in the bylaws of the Duluth firefighters relief association; amending Minnesota Statutes 1993 Supplement, section 353B.02, subdivision 10.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Delmont	Huntley	Leppik	Ness	Rice	Van Engen
Anderson, R.	Dempsey	Jacobs	Lieder	Olson, E.	Rodosovich	Vellenga
Asch	Dorn	laros	Limmer	Olson, K.	Rukavina	Vickerman
Battaglia	Erhardt	lefferson	Lindner	Olson, M.	Sarna	Wagenius
Bauerly	Evans	Jennings	Long	Onnen	<ul> <li>Seagren</li> </ul>	Waltman
Beard	Finseth	Johnson, A.	Lourey	Opatz	Sekhon ·	Weaver
Bergson	Frerichs	Johnson, R.	Luther	Orenstein	Simoneau	Wejcman
Bertram	Garcia	Johnson, V.	Lynch	Osthoff	Skoglund	Wenzel
Bettermann	Girard	Kahn	Macklin	Ostrom	Smith	Winter
Bishop	Goodno	Kalis	Mahon	Ozment	Solberg	Wolf
Brown, C.	Greenfield	Kellev	McCollum	Pauly	Stanius	Worke
Carlson	Greiling	Kelso	Milbert	Pawlenty	Steensma	Workman
Carruthers	Gruenes	Klinzing	Molnau	Pelowski	Sviggum	Spk. Anderson, I.
Clark	Gutknecht	Knickerbocker	Morrison	Perlt	Swenson	
Commers	Hasskamp	Knight	Mosel	Peterson	Tomassoni	·
Cooper	Haukoos	Koppendraver	Munger	Pugh	Tompkins	
Davids	Hausman	Krinkie	Murphy	Reding	Trimble	
Dawkins	Holsten	Krueger	Neary	Rest	Tunheim	
Dehler	Hugoson	Lasley	Nelson	Rhodes	Van Dellen	

The bill was passed and its title agreed to.

H. F. No. 2411, A bill for an act relating to retirement; providing for coverage of employees of lessee of Itasca Medical Center facilities by the public employees retirement association.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson	Erhardt	Haukoos	Johnson, V.	Lieder	Milbert
Anderson, R.	Carruthers	Evans	Hausman	Kahn	Limmer	Molnau
Battaglia	Clark	Finseth	Holsten	Kalis	Lindner	Morrison
Bauerly	Commers	Garcia	Hugoson	Kelley	Long	Mosel
Beard	Cooper	Girard	Huntley	Kelso	Lourey	Munger
Bergson	Davids	Goodno	Jacobs	Klinzing	Luther	Murphy
Bertram	Dawkins	Greenfield	Jaros	Knickerbocker	Lynch	Neary
Bettermann	Dehler	Greiling	Jefferson	Koppendrayer	Macklin	Nelson
Bishop	Delmont	Gruenes	Jennings	Krueger	Mahon	Ness
Brown, C.	Dempsey	Gutknecht	Johnson, A.	Lasley	Mariani	Olson, E.
Brown, K	Dom	Hasskamp	Johnson, R.	Leppik	McCollum	Olson, K.

Olson, M.	Ozment	Rest	Sekhon	Sviggum	Van Engen	Wenzel
Onnen	Pauly	Rhodes	Simoneau	Swenson	Vellenga	Winter
Opatz	Pelowski	Rice	Skoglund	Tomassoni	Vickerman	Wolf
Orenstein	Perlt	Rodosovich	Smith	Tompkins	Wagenius	Worke
Orfield	Peterson	Rukavina	Solberg	Trimble	Waltman	Workman
Osthoff	Pugh	Sarna	Stanius	Tunheim	Weaver	Spk. Anderson, I
Ostrom	Reding	Seagren	Steensma	Van Dellen	Wejcman	•

Those who voted in the negative were:

Asch	Frerichs	Knight	Krinkie	Pawlenty	

The bill was passed and its title agreed to.

H. F. No. 2420, A bill for an act relating to retirement; providing for terms on which surviving spouse benefits are granted to members of the Minneapolis fire department relief association; amending Minnesota Statutes 1992, section 353B.11, subdivision 1; and Laws 1965, chapter 519, section 1, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Neary	Reding	Trimble
Anderson, R.	Delmont	Huntley	Leppik	Nelson	Rest	Tunheim
Asch	Dempsey	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Battaglia	Dorn	Jaros	Limmer	Olson, E.	Rice	Van Engen
Bauerly	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Evans	Jennings	Long	Olson, M.	Rukavina	Vickerman
Bergson	Finseth	Johnson, A.	Lourey	Onnen	Sarna	Wagenius
Bertram	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Waltman
Bettermann	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Weaver
Bishop	Girard	Kahn	Macklin	Orfield	Simoneau	Wejcman
Brown, C.	Goodno	Kalis	Mahon	Osthoff	Skoglund	Wenzel
Brown, K.	Greenfield	Kelley	Mariani	Ostrom	Smith	Winter
Carlson	Greiling	Kelso	McCollum	Ozment	Solberg	Wolf
Carruthers	Gruenes	Klinzing	Milbert	Pauly	Stanius	Worke
Clark	Gutknecht	Knickerbocker	Molnau	Pawlenty	Steensma	Workman
Commers	Hasskamp	Knight	Morrison	Pelowski	Sviggum	Spk. Anderson,
Cooper	Haukoos	Koppendraver	Mosel	Perlt	Swenson	•
Davids	Hausman	Krinkie	Munger	<ul> <li>Peterson</li> </ul>	Tomassoni	
Dawkins	Holsten	Krueger	Murphy	Pugh	Tompkins	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

H. F. No. 2551, A bill for an act relating to retirement; enabling certain retired members of the public employees retirement association to rescind a selection of a joint and survivor annuity and to receive a normal retirement annuity.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Dorn	Holsten	Klinzing	Molnau	Osthoff	Rukavina	Trimble
Erhardt	Hugoson	Knickerbocker	Morrison	Ostrom	Sama	Tunheim
Evans	Huntley	Knight	Mosel	Ozment	Seagren	Van Dellen
Finseth	Jacobs	Krueger	Munger	Pauly	Sekhon	Vellenga
Garcia	Jaros	Lasley	Murphy	Pawlenty	Simoneau	Vickerman
Girard	Jefferson	Leppik	Neary	Pelowski	Skoglund	Wagenius
Goodno	Jennings	Lieder	Nelson	Perlt	Smith	Waltman
Greenfield	Johnson, A.	Long	Ness	Peterson	Solberg	Weaver
Greiling	Johnson, R.	Lourey	Olson, E.	Pugh	Stanius	Wejcman
Gruenes	Johnson, V.	Luther	Olson, K.	Reding	Steensma	Wenzel
Gutknecht	Kahn	Macklin	Onnen	Rest	Sviggum	Winter
Hasskamp	Kalis	Mahon	Opatz	Rhodes	Swenson	Spk. Anderson, I.
Haukoos	Kelley	McCollum	Orenstein	Rice	Tomassoni	-
Hausman	Kelso	Milbert	Orfield	Rodosovich	Tompkins	•

Those who voted in the negative were:

Bettermann	Koppendrayer	Limmer	Lynch	Van Engen	Worke
Frerichs	Krinkie	Lindner	Olson, M.	Wolf	Workman
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The bill was passed and its title agreed to.

H. F. No. 2657, A bill for an act relating to state parks; allowing handicapped persons to receive a special permit; amending Minnesota Statutes 1992, section 85.053, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

••						V DU
Abrams	Delmont	Huntley	Leppik	Ness	Rhodes	Van Dellen
Anderson, R.	Dempsey	Jacobs	Lieder	Olson, E.	Rice	Van Engen
Asch	Dorn	Jaros	Limmer	Olson, K.	Rodosovich	Vellenga
Battaglia	Erhardt	Jefferson	Lindner	Olson, M.	Rukavina	Vickerman
Bauerly	Evans	Jennings	Long	Onnen	Sarna	Wagenius
Beard	Finseth	Johnson, A.	Lourey	Opatz	Seagren	Waltman
Bergson	Frerichs	Johnson, R.	Luther	Orenstein	Sekhon	Weaver
Bertram	Garcia	Johnson, V.	Lynch '	Orfield	Simoneau	Wejcman
Bettermann	Girard	Kahn	Macklin	Osthoff	Skoglund	Wenzel
Bishop	Goodno	Kalis	Mahon	Ostrom	Smith	Winter
Brown, K.	Greenfield	Kelley	McCollum	Ozment	Solberg	Wolf
Carlson	Greiling	Kelso	Milbert	Pauly	Stanius	Worke
Carruthers	Gruenes	Klinzing	Molnau	Pawlenty	Steensma	Workman
Clark	Gutknecht	Knickerbocker	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Commers	Hasskamp	Knight	Mosel	Perlt	Swenson	-
Cooper	Haukoos	Koppendrayer	Munger	Peterson	Tomassoni	
Davids	Hausman	Krinkie	Murphy	Pugh	Tompkins	1.
Dawkins	Holsten	Krueger	Neary	Reding	Trimble	
Dehler	Hugoson	Lasley	Nelson	Rest	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 2670, A bill for an act relating to retirement; adding Hennepin county paramedics and emergency medical technicians to membership in the public employees police and fire fund; amending Minnesota Statutes 1992, section 353.64, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

6079

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Hugoson	Lasley	Neary	Reding	Trimble
Anderson, R.	Delmont	Huntley	Leppik	Nelson	Rest	Tunheim
Asch	Dempsey	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Battaglia	Dom	Jaros	Limmer	Olson, E.	Rice	Van Engen
Bauerly	Erhardt	Jefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Evans	Jennings	Long	Olson, M.	Rukavina	Vickerman
Bergson	Finseth	Johnson, A.	Lourey ·	Onnen	Sarna	Wagenius
Bertram	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Waltman
Bettermann	Garcia	Johnson, V.	Lynch	Orenstein	Sekhon	Weaver
Bishop	Girard	Kahn	Macklin	Orfield	Simoneau	Wejcman
Brown, C.	Goodno	Kalis	Mahon	Osthoff	Skoglund	Wenzel
Brown, K.	Greenfield	Kelley	Mariani	Ostrom	Smith	Winter
Carlson	Greiling	Kelso	McCollum	Ozment	Solberg	Wolf
Carruthers	Gruenes	Klinzing	Milbert	Pauly	Stanius	Worke
Clark	Gutknecht	Knickerbocker	Molnau	Pawlenty	Steensma	Workman
Commers	Hasskamp	Knight	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Cooper -	Haukoos	Koppendrayer	Mosel	Perlt	Swenson	-
Davids	Hausman	Krinkie	Munger	Peterson	Tomassoni	
Dawkins	Holsten	Krueger	Murphy	Pugh	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 2839, A bill for an act relating to retirement; South St. Paul police relief association; clarifying probationary employment for purposes of relief association service credit for certain members.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

						,
Abrams	Dehler	Hugoson	Lasley	Neary	Reding	Trimble
Anderson, R.	Delmont	Huntley	Leppik	Nelson	Rest	Tunheim
Asch	Dempsey	Jacobs	Lieder	Ness	Rhodes	Van Dellen
Battaglia	Dom	laros	Limmer	Olson, E.	Rice	Van Engen
Bauerly	Erhardt	lefferson	Lindner	Olson, K.	Rodosovich	Vellenga
Beard	Evans	Jennings	Long	Olson, M.	Rukavina	Vickerman
Bergson	Finseth	Johnson, A.	Lourey	Onnen	Sarna	Wagenius
Bertram	Frerichs	Johnson, R.	Luther	Opatz	Seagren	Waltman
Bettermann	Garcia	Johnson, V.	Lynch	· · · Orenstein	Sekhon	Weaver
Bishop	Girard	Kahn	Macklin	Orfield	Simoneau	Wejcman
Brown, C.	Goodno	Kalis	Mahon	Osthoff	Skoglund	Wenzel
Brown, K.	Greenfield	Kelley	Mariani	Ostrom	Smith	Winter
Carlson	Greiling	Kelso	McCollum	Ozment	Solberg	Wolf
Carruthers	Gruenes	Klinzing	Milbert	Pauly	Stanius	Worke
Clark	Gutknecht	Knickerbocker	Molnau	Pawlenty	Steensma	Workman
Commers	Hasskamp	Knight	Morrison	Pelowski	Sviggum	Spk. Anderson, I.
Cooper	Haukoos	Koppendraver	Mosel	Perlt	Swenson	- <b>F</b>
Davids	Hausman	Krinkie	Munger	Peterson	Tomassoni	
Dawkins	Holsten	Krueger	Murphy	Pugh	Tompkins	·
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The bill was passed and its title agreed to.

H. F. No. 3091 was reported to the House.

Milbert and Skoglund moved to amend H. F. No. 3091, the first engrossment, as follows:

Page 14, after line 29, insert:

"Sec. 26. Minnesota Statutes 1992, section 171.22, subdivision 2, is amended to read:

Subd. 2. [PENALTIES.] Any person who violates subdivision 1, clause (7) or (8) or (9), is guilty of a gross misdemeanor. Any person who violates any other provision of subdivision 1 is guilty of a misdemeanor."

Renumber the sections in sequence and correct internal references

Page 2, after line 31, of the memorandum of explanation (5222MEM-1), insert:

"Sec. 26. Explanation. The proposed amendment corrects a reference."

Renumber the explanation sections in sequence and correct internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

H. F. No. 3091, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1992, sections 17.47, subdivision 3; 41A.05, subdivision 2; 60B.04, subdivision 1; 60B.09, subdivisions 1 and 3; 115.41, subdivisions 1 and 2; 115.42; 115.43, subdivision 2; 115.44, subdivision 2; 115.45, subdivision 1; 115.50; 115.52; 115.53; 120.101, subdivisions 2 and 6; 121.88, subdivision 8; 125.611, subdivision 1; 136.24, subdivision 1; 136.622, subdivision 1; 152.02, subdivisions 9, 12, and 13; 160.265; 169.443, subdivision 8; 171.22, subdivision 2; 214.01, subdivision 3; 214.13, subdivision 1; 237.60, subdivision 2; 256D.06, subdivision 1b; 260.151, subdivision 1; 299C.61, subdivision 4; 309.53, subdivision 2; 326.212; 326.224; 326.461, subdivision 1; 327.32, subdivision 8; 327.33; 327.34, subdivision 1; 331A.06, subdivision 4; 348.13; 352.119, subdivision 1; 386.61, by adding a subdivision; 423B.12; 446A.07, subdivision 6; 449.06; 469.174, subdivision 10; 469.181, subdivision 1; and 471A.11; Minnesota Statutes 1993 Supplement, sections 16B.06, subdivision 2a; 16B.122, subdivision 3; 62A.31, subdivision 1n; 62N.075; 82.195, subdivision 2; 115A.542; 115C.082, subdivision 1; 124.195, subdivision 8; 138.96, subdivision 2; 144.991, subdivisions 3 and 4; 152.11, subdivision 1; 169.121, subdivision 1c; 214.103, subdivision 6; 245A.04, subdivision 3b; 256D.44, subdivision 3; 257.67, subdivision 3; 268.92, subdivision 1; 296.035; 325F.755, subdivision 5; 326.111, subdivision 4; 326.975, subdivision 2; 349.217, subdivision 1; 386.66; 491A.01, subdivision 3; 549.09, subdivision 1; 609.5312, subdivision 3; 609.605, subdivision 1; 609.749, subdivision 5; and Laws 1992, chapter 513, article 4, section 60; repealing Minnesota Statutes 1992, sections 216B.164, subdivision 7; 385.08; and 473.872; Laws 1977, chapter 11, section 8; Laws 1982, chapter 514, sections 18 and 19; Laws 1983, chapter 247, section 130; Laws 1984, chapter 628, article 2, section 4; Laws 1985, First Special Session chapters 9, article 2, sections 81 and 82; 13, section 191; and 14, article 9, section 16; Laws 1987, chapters 197, section 1; 315, section 4, subdivision 2; and 336, section 35; Laws 1988, chapters 441, section 2; 486, sections 15 and 68; 496, section 8; 514, section 5; and 636, section 3; Laws 1989, chapters 89, sections 1 (inpart) and 13; 133, section 1; 144, article 2, section 8; 209, article 2, sections 8 and 34; 222, sections 10, 21, 22, and 36; 271, section 32; 282, article 2, sections 144 and 186; 293, section 74; 319, article 13, sections 22 and 55; 329, article 5, section 10; 334, article 2, section 17; 335, article 1, sections 200 and 255; 353, section 10; and 356, section 18; Laws 1990, chapters 426, article 1, sections 5 and 32; 480, articles 5, sections 6 and 9, and 9, section 3; 512, section 12; 562, article 10, section 1; 571, section 39; 574, section 5; and 594, article 3, sections 6 and 7; Laws 1991, chapters 58, sections 1, 2, 3, 4, 5, 6, 7, and 8; 130, section 24; 174, section 8; 199, article 1, section 71; 238, article 1, section 7; 265, article 4, section 19; 292, article 4, section 45; 306, section 26; 336, article 2, section 2; 340, sections 1 and 32; and 345, article 2, section 46; Laws 1992, chapters 432, article 2, section 41; 437, section 1; and 499, article 6, section 15; Laws 1993, chapters 4, section 9; 47, sections 1, 4, 6, and 9; 78, section 3; 101, section 1; 224, article 13, sections 3 and 43; 247, articles 1, section 11; and 2, section 9; 269, section 17; 286, sections 2 and 21; 303, sections 15, 17, and 18; 339, section 12; and 369, sections 38 and 128; Laws 1993, First Special Session chapter 1, article 2, section 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R.	Dehler Delmont	Holsten Hugoson	Krueger Lasley	Munger Murphy	Perlt Peterson	Tomassoni Tompkins
Asch	Dempsey	Huntley	Leppik	Neary	Pugh	Trimble
Battaglia	Dorn	Tacobs	Lieder	Nelson	Reding	Tunheim
Bauerly	Erhardt	Jaros	Limmer	Ness	Rest	Van Dellen
Beard	Evans	Jefferson	Lindner	Olson, E.	Rhodes	Van Engen
Bergson	Finseth	Jennings	Long	Olson, K.	Rice	Vellenga
Bertram	Frerichs	Johnson, A.	Lourey	Olson, M.	Rodosovich	Vickerman
Bettermann	Garcia	Johnson, R.	Luther	Onnen	Rukavina	Wagenius
Bishop	Girard	Kahn	Lynch	Opatz	Sama	Waltman
Brown, K.	Goodno	Kalis	Macklin	Orenstein	Seagren	Weaver
Carlson	Greenfield	Kelley	Mahon	Orfield	Sekhon	Wejcman
Carruthers	Greiling	Kelso	Mariani	Osthoff	Simoneau	Wenzel
Clark	Gruenes	Klinzing	McCollum	Ostrom	Skoglund	Winter
Commers	Gutknecht	Knickerbocker	Milbert	Ozment	Smith	Wolf
Cooper	Hasskamp	Knight	Molnau	Pauly	Solberg	Worke
Davids	Haukoos	Koppendrayer	Morrison	Pawlenty	Steensma	Workman
Dawkins	Hausman	Krinkie	Mosel	Pelowski	Sviggum	Spk. Anderson, I.

Those who voted in the negative were:

Johnson, V. Stanius Swenson

The bill was passed, as amended, and its title agreed to.

H. F. No. 2512 was reported to the House.

Sarna moved that H. F. No. 2512 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 1826 was reported to the House.

Kelley moved that S. F. No. 1826 be continued on the Consent Calendar. The motion prevailed.

S. F. No. 2199, A bill for an act relating to elections; codifying the congressional district plan adopted by the Minnesota special redistricting panel; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1992, sections 2.741; 2.751; 2.761; 2.771; 2.781; 2.791; 2.801; and 2.811.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams Anderson, R. Asch	Brown, C. Brown, K. Carlson	Delmont Dempsey Dom	Greenfield Greiling Gruenes	Jacobs Jaros Jefferson	Kelso Klinzing Knickerbocker	Limmer Lindner Long
Battaglia	Carruthers	Erhardt	Gutknecht	Jennings	Knight	Lourey
Bauerly	Clark	Evans	Hasskamp	Johnson, A.	Koppendrayer	Luther
Beard	Commers	Finseth	Haukoos	Johnson, R.	Krinkie	Lynch
Bergson	Cooper	Frerichs	Hausman	Johnson, V.	Krueger	Macklin
Bertram	Davids	Garcia	Holsten	Kahn	Lasley	Mahon
Bettermann	Dawkins	Girard	Hugoson	Kalis	Leppik	Mariani
Bishop	Dehler	Goodno	Huntley	Kelley	Lieder	McCollum

Milbert	Olson, E.	Ozment	Rhodes	Smith	Tunheim	Wenzel
Molnau	Olson, K.	Pauly	Rice	Solberg	Van Dellen	Winter
Morrison	Olson, M.	Pawlenty	Rodosovich	Stanius	Van Engen	Wolf
Mosel	Onnen	Pelowski	Rukavina	Steensma	Vellenga	Worke
Munger	Opatz	Perlt	Sarna	Sviggum	Vickerman	Workman
Murphy	Orenstein	Peterson	Seagren	Swenson	Wagenius	Spk. Anderson, I.
Neary	Orfield	Pugh	Sekhon	Tomassoni	Waltman	•
Nelson	Osthoff	Reding	Simoneau	Tompkins	Weaver	
Ness	Ostrom	Rest	Skoglund	Trimble	Wejcman	

The bill was passed and its title agreed to.

Hausman, Milbert and Jennings were excused for the remainder of today's session.

# **CONSIDERATION UNDER RULE 1.10**

Pursuant to rule 1.10, Solberg requested immediate consideration of S. F. No. 2073 and H. F. No. 2275.

S. F. No. 2073 was reported to the House.

Lasley moved to amend S. F. No. 2073 as follows:

Page 30, after line 6, insert:

"Sec. 19. Minnesota Statutes 1993 Supplement, section 273.13, subdivision 25, is amended to read:

Subd. 25. [CLASS 4.] (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property used for hospital purposes, without regard to whether the property has been platted or subdivided. Class 4a property has a class rate of 3.5 percent of market value for taxes payable in 1992, and 3.4 percent of market value for taxes payable in 1993 and thereafter.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a nonhomestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 2.8 percent of market value for taxes payable in 1992, 2.5 percent of market value for taxes payable in 1993, and 2.3 percent of market value for taxes payable in 1994 and thereafter.

(c) Class 4c property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low- and moderate-income families as defined in Title II, as amended through December 31, 1990, of the National Housing Act or the Minnesota housing finance agency law of 1971, as amended, or rules promulgated by the agency and financed by a direct federal loan or federally insured loan made pursuant to Title II of the Act; or

(ii) situated on real property that is used for housing the elderly or for low- and moderate-income families as defined by the Minnesota housing finance agency law of 1971, as amended, or rules adopted by the agency pursuant thereto and financed by a loan made by the Minnesota housing finance agency pursuant to the provisions of the act.

6083

This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan.

(2) a structure that is:

(i) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and

(ii) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel. Property is classified as class 4c under this clause for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter; and

(3) a qualified low-income building as defined in section 42(c)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1990, that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1990; or (ii) meets the requirements of that section and receives public financing, except financing provided under sections 469.174 to 469.179, which contains terms restricting the rents; or (iii) meets the requirements of section 273.1317. Classification pursuant to this clause is limited to a term of 15 years. The public financing received must be from at least one of the following sources: government issued bonds exempt from taxes under section 103 of the Internal Revenue Code of 1986, as amended through December 31, 1993, the proceeds of which are used for the acquisition or rehabilitation of the building; programs under section 221(d)(3), 202, or 236, of Title II of the National Housing Act; rental housing program funds under Section 8 of the United States Housing Act of 1937 or the market rate family graduated payment mortgage program funds administered by the Minnesota housing finance agency that are used for the acquisition or rehabilitation of the building; programs funds administered by the Minnesota housing finance agency that are used for the acquisition or rehabilitation of the building, including grants or loans from federal community development block grants, HOME block grants, or residential rental bonds issued under chapter 474A; or other rental housing program funds provided by the Minnesota housing finance agency for the acquisition or rehabilitation of the building.

For all properties described in clauses (1), (2), and (3) and in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents unless the owner of the property elects to have the property assessed under Laws 1991, chapter 291, article 1, section 55. If the owner of the property elects to have the market value determined on the basis of the actual restricted rents, as provided in Laws 1991, chapter 291, article 1, section 55, the property will be assessed at the rate provided for class 4a or class 4b property, as appropriate. Properties described in clauses (1)(ii), (3), and (4) may apply to the assessor for valuation under Laws 1991, chapter 291, article 1, section 55. The land on which these structures are situated has the class rate given in paragraph (b) if the structure contains fewer than four units, and the class rate given in paragraph (a) if the structure contains four or more units. This clause applies only to the property of a nonprofit or limited dividend entity.

(4) a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, if it is owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families or individuals. This clause does not apply to any portion of the land or improvements used for nonresidential purposes. For purposes of this clause, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area, and a lower income individual is an individual whose income does not exceed 65 percent of the median individual income for the area, as determined by the United States Secretary of Housing and Urban Development. For purposes of this clause, "neighborhood real estate trust" means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics:

(a) it is a nonprofit corporation organized under chapter 317A;

(b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws;

(c) it limits membership with voting rights to residents of the designated community; and

(d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust; and

(5) except as provided in subdivision 22, paragraph (c), real property devoted to temporary and seasonal residential occupancy for recreation purposes, including real property devoted to temporary and seasonal residential occupancy for recreation purposes and not devoted to commercial purposes for more than 250 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used for residential occupancy, and a fee is charged for residential occupancy. Class 4c also includes commercial use real property used exclusively for recreational purposes in conjunction with class 4c property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 250 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. Class 4c property classified in this clause also includes the remainder of class 1c resorts. Owners of real property devoted to temporary and seasonal residential occupancy for recreation purposes and all or a portion of which was devoted to commercial purposes for not more than 250 days in the year preceding the year of assessment desiring classification as class 1c or 4c, must submit a declaration to the assessor designating the cabins or units occupied for 250 days or less in the year preceding the year of assessment by January 15 of the assessment year. Those cabins or units and a proportionate share of the land on which they are located will be designated class 1c or 4c as otherwise provided. The remainder of the cabins or units and a proportionate share of the land on which they are located will be designated as class 3a. The first \$100,000 of the market value of the remainder of the cabins or units and a proportionate share of the land on which they are located shall have a class rate of three percent. The owner of property designation as class 1c or 4c property must provide guest registers or other records demonstrating that the units for which class 1c or 4c designation is sought were not occupied for more than 250 days in the year preceding the assessment if so requested. The portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, and (4) other nonresidential facility operated on a commercial basis not directly related to temporary and seasonal residential occupancy for recreation purposes shall not qualify for class 1c or 4c;

(6) real property up to a maximum of one acre of land owned by a nonprofit community service oriented organization; provided that the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment and the property is not used for residential purposes on either a temporary or permanent basis. For purposes of this clause, a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (10), or (19) of the Internal Revenue Code of 1986, as amended through December 31, 1990. For purposes of this clause, "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or 3.2 percent malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises. Any portion of the property which is used for revenue-producing activities for more than six days in the calendar year preceding the year of assessment shall be assessed as class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity;

(7) post-secondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus; and

(8) manufactured home parks as defined in section 327.14, subdivision 3.

Class 4c property has a class rate of 2.3 percent of market value, except that (i) each parcel of seasonal residential recreational property not used for commercial purposes under clause (5) has a class rate of 2.2 percent of market value for taxes payable in 1992, and for taxes payable in 1993 and thereafter, the first \$72,000 of market value on each parcel has a class rate of two percent and the market value of each parcel that exceeds \$72,000 has a class rate of 2.5 percent, and (ii) manufactured home parks assessed under clause (8) have a class rate of two percent for taxes payable in 1993, 1994, and 1995 only.

(d) Class 4d property includes:

(1) a structure that is:

(i) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the Farmers Home Administration;

## 6085

(ii) located in a municipality of less than 10,000 population; and

(iii) financed by a direct loan or insured loan from the Farmers Home Administration. Property is classified under this clause for 15 years from the date of the completion of the original construction or for the original term of the loan.

The class rates in paragraph (c), clauses (1), (2), and (3) and this clause apply to the properties described in them, only in proportion to occupancy of the structure by elderly or handicapped persons or low and moderate income families as defined in the applicable laws unless construction of the structure had been commenced prior to January 1, 1984; or the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or financing of the project had been approved by a federal or state agency prior to June 30, 1983. For those properties, 4c or 4d classification is available only for those units meeting the requirements of section 273.1318.

Classification under this clause is only available to property of a nonprofit or limited dividend entity.

In the case of a structure financed or refinanced under any federal or state mortgage insurance or direct loan program exclusively for housing for the elderly or for housing for the handicapped, a unit shall be considered occupied so long as it is actually occupied by an elderly or handicapped person or, if vacant, is held for rental to an elderly or handicapped person.

(2) For taxes payable in 1992, 1993 and 1994, only, buildings and appurtenances, together with the land upon which they are located, leased by the occupant under the community lending model lease-purchase mortgage loan program administered by the Federal National Mortgage Association, provided the occupant's income is no greater than 60 percent of the county or area median income, adjusted for family size and the building consists of existing single family or duplex housing. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. The application must be accompanied by an affidavit or other proof required by the assessor to determine qualification under this clause.

(3) Qualifying buildings and appurtenances, together with the land upon which they are located, leased for a period of up to five years by the occupant under a lease-purchase program administered by the Minnesota housing finance agency or a housing and redevelopment authority authorized under sections 469.001 to 469.047, provided the occupant's income is no greater than 80 percent of the county or area median income, adjusted for family size, and the building consists of two or less dwelling units. The lease agreement must provide for a portion of the lease payment to be escrowed as a nonrefundable down payment on the housing. The administering agency shall verify the occupants income eligibility and certify to the county assessor that the occupant meets the income criteria under this paragraph. To qualify under this clause, the taxpayer must apply to the county assessor by May 30 of each year. For purposes of this section, "qualifying buildings and appurtenances" shall be defined as one or two unit residential buildings, which are unoccupied and have been abandoned and boarded for at least six months.

Class 4d property has a class rate of two percent of market value except that property classified under clause (3), shall have the same class rate as class 1a property.

(e) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (3); paragraph (c), clause (1), (2), (3), or (4), is assessed at the class rate applicable to it under Minnesota Statutes 1988, section 273.13, if it is found to be a substandard building under section 273.1316. Residential rental property that would otherwise be assessed as class 4 property under paragraph (d) is assessed at 2.3 percent of market value if it is found to be a substandard building under section 273.1316.

Page 55, delete lines 8 to 36

Page 56, delete lines 1 to 36

Page 57, delete lines 1 to 19

Page 58, delete lines 30 to 36

Page 59, delete lines 1 to 15

Page 74, line 24, after the period, insert "For the taxes payable year 1995, the index for market valuation changes shall be multiplied by an amount equal to the sum of the regional transit board's property tax levy limitation for the

taxes payable year 1994 and \$160,665. The \$160,665 increase shall be a permanent adjustment to the levy limit base used in determining the regional transit board's property tax levy limitation for general purposes for subsequent taxes payable years."

Page 75, after line 25, insert:

"The regional transit board shall annually determine which cities and towns gualify for the 0.510 or 0.765 tax capacity rate reduction and certify this list to the county auditor on or before September 15. No changes shall be made to the list after September 15 of the same levy year."

Page 81, delete lines 1 to 22

Renumber the sections in article 1 in sequence

Page 82, line 32, delete "35, 36, 38, 44, 60, and 69" and insert "36, 37, 39, 42, 58, and 65"

Page 82, line 33, delete "67" and insert "64"

Page 82, line 34, delete "34 and 37" and insert "35 and 38"

Page 83, line 1, delete "22, and 52" and insert "23, and 50"

Page 83, line 3, delete "20, 21, 23, 59, 63, and 64" and insert "21, 22, 24, 57, 61, and 62"

Page 83, line 4, delete "27" and insert "28"

Page 83, line 7, delete "<u>18, 19, 24, 26, 28 to 33, 45 to 51, 53 to 58, and 66</u>" and insert "<u>18 to 20, 25, 27, 29 to 34, 43</u> to <u>49, 51 to 56, and 63</u>"

Page 83, line 8, delete "41" and insert "40"

Page 83, line 10, delete everything after the period

Page 83, delete lines 11 to 17

Page 97, delete lines 20 to 36

Page 98, delete lines 1 to 33

Renumber the sections in article 4 in sequence

Further, amend the title as follows:

Page 1, line 5, delete "115A.919,"

Page 1, line 6, delete "subdivision 3; 115A.921, subdivision 1;"

Page 1, line 15, delete "290A.03, subdivision 5; 290A.05;"

Page 1, line 25, after the first semicolon, insert "and"

Page 1, line 25, delete "and 580.23,"

Page 1, line 26, delete "subdivision 3;"

Page 1, line 29, after "1" insert ", 9,"

Page 1 line 29, before "273.1398," and insert "273.13, subdivision 25;"

Page 1, line 32, delete "subdivisions 8 and" and insert "subdivision"

The motion prevailed and the amendment was adopted.

S. F. No. 2073, A bill for an act relating to taxation; making technical corrections and administrative changes; amending Minnesota Statutes 1992, sections 103B.245, subdivision 1; 103D.911, subdivision 2; 103D.915, subdivision 1; 115A.919, subdivision 3; 115A.921, subdivision 1; 115A.923, subdivision 1; 256.879, subdivisions 1 and 2; 270.12, subdivision 2; 272.025, subdivision 3; 273.111, subdivision 6; 273.13, subdivision 22; 273.134; 273.1399, subdivision 3; 275.065, subdivision 1; 278.05, subdivision 5; 279.37, subdivision 8; 282.01, subdivision 1; 282.014; 282.04, subdivision 2; 282.301; 289A.08, subdivision 7; 289A.25, subdivision 5; 290.17, subdivision 2; 290.371, subdivision 2; 290A.03, subdivision 5; 290A.05; 297.01, subdivision 14; 297.11, subdivision 5; 297A.021, subdivision 4; 297B.11; 297C.01, subdivision 5; 357.18, subdivision 2; 398.16; 398A.04, subdivision 8; 447.34, subdivision 2; 462.396, subdivision 2; 469.060, subdivision 6; 469.102, subdivision 5; 469.177, subdivision 9; 473.167, subdivision 3; 473.249, subdivision 1; 473.446, subdivision 1; 473.661, subdivision 2; 473.711, subdivision 2; 477A.011, subdivision 1b; 477A.0121, subdivision 4; 477A.0132, subdivision 3; 477A.014, subdivision 1; 477A.15; and 580.23, subdivision 3; Minnesota Statutes 1993 Supplement, sections 124.2131, subdivision 1: 270.96, subdivision 3: 272.02, subdivision 1: 272.12: 273.11, subdivision 13; 273.124, subdivisions 1 and 13; 273.1398, subdivisions 1 and 3; 273.166, subdivision 3; 275.065, subdivisions 3 and 6; 276.04, subdivision 2; 277.15; 278.04; 278.08; 290A.03, subdivisions 8 and 13; 290.091, subdivision 2; 297A.01, subdivision 3; 297A.07, subdivision 1; 298.28, subdivision 9a; 469.033, subdivision 6; 473.13, subdivision 1; and 477A.013, subdivision 8; Laws 1989, chapter 211, section 4, subdivision 2; Laws 1992, chapter 511, article 4, section 29; Laws 1993, chapter 375, article 2, section 37; proposing coding for new law in Minnesota Statutes, chapters 273 and 275; repealing Minnesota Statutes 1992, sections 16A.70; 16A.71; 115A.923, subdivision 6; and 273.22; Minnesota Statutes 1993 Supplement, section 273.1398, subdivision 2a; Laws 1993, First Special Session chapter 1, article 2, section 6.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Holsten	Krueger	Neary	Pugh	Tomassoni	
Anderson, R.	Dehler	Hugoson	Lasley	Nelson	Reding	Tompkins	
Asch	Delmont	Huntley	Leppik	Ness	Rest	Trimble	
Battaglia	Dempsey	Jacobs	Liêder	Olson, E.	Rhodes	Tunheim	
Bauerly	Dorn	Jaros	Limmer	Olson, K.	Rice	Van Dellen	
Beard	Erhardt	Jefferson	Lindner 🦛	Olson, M.	Rodosovich	Van Engen	
Bergson	Evans	Johnson, A.	Long	Onnen	Rukavina	Vellenga	
Bertram	Finseth	Johnson, R.	Lourey	Opatz	Sarna	Vickerman	
Bettermann	Frerichs	Johnson, V.	Luther 🐨	Orenstein	Seagren	Wagenius	
Bishop	Garcia	Kahn	Lynch	Orfield	Sekhon	Waltman	
Brown, C.	Girard	Kalis	Macklin	Osthoff	Simoneau	Weaver	
Brown, K.	Goodno	Kelley	Mahon	Ostrom	Skoglund	Wejcman	
Carlson	Greenfield	Kelso	Mariani	Ozment	Smith	Wenzel	
Carruthers	Greiling	Klinzing	Molnau	Pauly	Solberg	Winter	
Clark	Gruenes	Knickerbocker	Morrison	Pawienty	Stanius	Wolf	
Commers	Gutknecht	Knight	Mosel	Pelowski	Steensma	Worke	
Cooper	Hasskamp	Koppendrayer.	Munger	Perlt	Sviggum	Workman	
Davids	Haukoos	Krinkie	• Murphy	Peterson	Swenson	Spk. Anderson, I.	

Those who voted in the negative were:

#### McCollum

The bill was passed, as amended, and its title agreed to.

H. F. No. 2275 was reported to the House.

Rest moved to amend H. F. No. 2275, the first engrossment, as follows:

Page 9, delete lines 4 to 28

[82ND DAY

# 6088

Page 15, delete lines 11 to 36

Delete pages 16 and 17

Page 18, delete lines 1 to 11

Page 18, line 17, delete "12, 13, and 16" and insert "11 to 13"

Page 18, line 18, delete ", 11, 14, and 15" and insert "and 10"

Page 18, line 19, delete everything after "enactment" and insert a period

Page 18, delete lines 20 and 21

Page 18, line 22, delete "9" and insert "8"

Page 18, delete line 24

Page 18, line 25, delete "10" and insert "9"

Renumber the sections in article 1 in sequence

Correct internal references

Page 35, line 2, after "decision" insert "of the tax court"

Page 64, line 29, delete "assessed" and restore "collected"

Page 65, line 26, restore "collected"

Page 65, line 27, delete "assessed"

Further, amend the title as follows:

Page 1, line 22, after "subdivision 9;" insert "and"

Page 1, line 23, delete "473.446, subdivision 1; and 477A.0121,"

Page 1, line 24, delete "subdivision 4;"

Page 1, line 27, delete "273.1398,"

Page 1, line 28, delete "subdivision 3;"

The motion prevailed and the amendment was adopted.

H. F. No. 2275, A bill for an act relating to taxes; making tax policy, collections, and administrative changes; amending Minnesota Statutes 1992, sections 168.011, subdivision 8; 168.012, subdivision 9; 239.05, subdivision 10a; 239.761, subdivision 3; 270.052; 270.0605; 270.10, by adding a subdivision; 270.60, subdivisions 1 and 2; 270.69, subdivision 4, and by adding a subdivision; 270.70, subdivision 2; 270.72, subdivision 1; 270B.02, subdivisions 3 and 5; 270B.03, subdivision 1; 270B.12, subdivision 3, and by adding a subdivision; 270B.14, by adding a subdivision; 273.12; 289A.37, subdivision 1; 289A.60, by adding subdivisions; 290.01, subdivision 3a; 290A.08; 290A.18, subdivision 2; 296.01, subdivisions 14, 18, 19, 20, 32, 34, and by adding subdivisions; 296.02, subdivision 1; 296.025, subdivision 1, and by adding a subdivision 2; 296.16, subdivision 2; 296.12, subdivisions 1, 2, 3, 4, 5, 8, 10, and 11; 296.15, subdivisions; 297.03, subdivision 7; 297A.25, subdivision 9; and 297C.13, subdivision 1; Minnesota Statutes 1993 Supplement, sections 116.07, subdivision 10; 270.06; 270.41, subdivision 5; 270B.01, subdivision 8; 272.115, subdivision 13; 275.065, subdivision 6; 289A.18, subdivision 4; 289A.20, subdivision 4; 290.01, subdivision 19; 297A.01, subdivision 15; 297A.07, subdivision 1; and 297A.25, subdivision 11; proposing coding for

82ND DAY]

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## MONDAY, APRIL 4, 1994

new law in Minnesota Statutes, chapters 270; 296; 297; 384; and 385; repealing Minnesota Statutes 1992, sections 270.0604, subdivision 6; 272.09; 272.46, subdivision 1; 272.47; 296.03; 296.14; 296.15, subdivision 3; and 297A.07, subdivision 2.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dehler	Huntley	Lieder	Olson, E.	Rice
Anderson, R.	Delmont	Jacobs	Limmer	Olson, K.	Rodosovich
Asch	Dempsey	Jaros	Lindner	Olson, M.	Rukavina
Battaglia	Dorn	Jefferson	Long	Onnen	Sarna
Bauerly	Erhardt	Johnson, A.	Lourey	Opatz	Seagren
Beard	Evans	Johnson, R.	Luther	Orenstein	Sekhon
Bergson	Finseth	Johnson, V.	Lynch	Orfield	Simoneau
Bertram	Frerichs	Kahn	Macklin	Osthoff	Skoglund
Bettermann	Garcia	Kalis	Mahon	Ostrom	Smith
Bishop	Girard	Kelley	Mariani	Ozment	Solberg
Brown, C.	Goodno	Kelso	McCollum	Pauly	Stanius
Brown, K.	Greenfield	Klinzing	Molnau	Pawlenty	Steensma
Carlson	Greiling	Knickerbocker	Morrison	Pelowski	Sviggum
Carruthers	Gruenes	Knight	Mosel	Perlt	Swenson
Clark	Gutknecht	Koppendrayer	Munger	Peterson	Tomassoni
Commers	Hasskamp	Krinkie	Murphy	Pugh	Tompkins
Cooper	Haukoos	Krueger	Neary	Reding	Trimble
Davids	Holsten	Lasley	Nelson	Rest	Tunheim
Dawkins	Hugoson	Leppik	Ness	Rhodes	Van Dellen

Van Engen Vellenga Vickerman Wagenius Waltman Weaver Wejcman Wenzel Winter Wolf Worke Worke Workman Spk. Anderson, I.

The bill was passed, as amended, and its title agreed to.

## SPECIAL ORDERS

Carruthers moved that the bills on Special Orders for today be continued. The motion prevailed.

# **GENERAL ORDERS**

Carruthers moved that the bills on General Orders for today be continued. The motion prevailed.

## MOTIONS AND RESOLUTIONS

McGuire moved that the names of Vellenga, Simoneau, Greenfield and Stanius be added as authors on H. F. No. 2296. The motion prevailed.

Waltman moved that the name of Olson, M., be added as an author on H. F. No. 2369. The motion prevailed.

Peterson moved that the name of Milbert be added as an author on H. F. No. 2731. The motion prevailed.

Asch moved that the name of Johnson, A., be added as an author on H. F. No. 2775. The motion prevailed.

Milbert moved that the name of Pugh be stricken and the name of Hasskamp be added as an author on H. F. No. 2825. The motion prevailed.

Stanius moved that the name of Holsten be added as an author on H. F. No. 2998. The motion prevailed.

Simoneau moved that the name of Hausman be added as an author on H. F. No. 3188. The motion prevailed.

Simoneau moved that H. F. No. 2192 be recalled from the Committee on Health and Human Services and be rereferred to the Committee on Judiciary. The motion prevailed.

Jennings moved that H. F. No. 2068 be returned to its author. The motion prevailed.

Dehler moved that H. F. No. 2246 be returned to its author. The motion prevailed.

Carruthers moved that H. F. No. 2978 be returned to its author. The motion prevailed.

Olson, K., introduced:

House Resolution No. 10, A house resolution congratulating Martin County West High School on being named the best school in Minnesota by Redbook Magazine.

The resolution was referred to the Committee on Rules and Legislative Administration.

Olson, K., introduced:

House Resolution No. 11, A house resolution congratulating Dr. Harold C. Stratte on his 100th birthday, April 2, 1994.

The resolution was referred to the Committee on Rules and Legislative Administration.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 760:

Wolf, Jennings and Dorn.

#### ADJOURNMENT

Carruthers moved that when the House adjourns today it adjourn until 1:30 p.m., Tuesday, April 5, 1994. The motion prevailed.

Carruthers moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:30 p.m., Tuesday, April 5, 1994.

EDWARD A. BURDICK, Chief Clerk, House of Representatives