THIRTY-SECOND DAY

St. Paul, Minnesota, Thursday, April 7, 1983

The Senate met at 10:00 a.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Deacon Ronald Getz.

The roll was called, and the following Senators answered to their names:

Adkins Anderson Belanger Benson Berg Berglin Bernhagen Bertram Brataas	Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J.	Kronebusch Laidig Langseth Lantry Lessard Luther McQuaid Mehrkens Merriam	Pehler Peterson, C.C. Peterson, D.C. Peterson, D.L. Peterson, R.W. Petty Pogemiller Purfcerst Ramstad	Solon Spear Storm Stumpf Taylor Ulland Vega Waldorf Wegscheid
	Hughes	Luther	Petty	
	Isačkson	McQuaid	Pogemiller	Vega
Bertram	Johnson, D.E.	Mehrkens	Purfcerst	Waldorf
Brataas	Johnson, D.J.	Merriam	Ramstad	Wegscheid
Dahl	Jude	Moe, D.M.	Reichgott	Willet
Davis	Kamrath	Moe, R.D.	Renneke	
DeCramer	Knaak	Nelson	Samuelson	
Dicklich	Knutson	Novak	Schmitz	
Diessner	Kroening	Olson	Sieloff	

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

MEMBERS EXCUSED

Mr. Chmielewski was excused from the Session of today. Mr. Kamrath was excused from the Session of today at 11:00 a.m. Mr. Laidig was excused from the Session of today from 11:00 a.m. to 12:30 p.m. Mr. Berg was excused from the Session of today at 11:30 a.m. Mr. Peterson, R.W. was excused from the Session of today at 12:00 noon. Mr. Mehrkens was excused from the Session of today from 12:00 noon to 12:45 p.m.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received.

The Honorable Harry A. Sieben, Jr. Speaker of the House of Representatives

The Honorable Jerome M. Hughes President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1983 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.	1983	1983
15	_	16	April 6	April 6
	371	17	April 6	April 6

Sincerely,

Joan Anderson Growe Secretary of State

April 6, 1983

The Honorable Jerome M. Hughes President of the Senate

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 31, 221, 224, 270, 152 and 421.

Sincerely,

Rudy Perpich, Governor

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of reports pertaining to appointments. The motion prevailed.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 531: A resolution memorializing the President and Congress of the United States to provide medical care for former members of the military forces who were exposed to atomic radiation in the course of their duties.

Reports the same back with the recommendation that the resolution do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 751: A resolution memorializing the Commission on Wartime Relocation and Internment of Civilians to recommend to the United States

Congress to provide adequate compensation to internees.

Reports the same back with the recommendation that the resolution do pass and be re-referred to the Committee on Rules and Administration. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 839: A bill for an act relating to veterans; clarifying eligibility for certain educational programs; standardize the definition of "veteran"; improve management of grant program; coordinate program with federal law; amending Minnesota Statutes 1982, section 197.75; proposing new law coded in Minnesota Statutes, chapter 197; repealing Minnesota Statutes 1982, sections 197.09; 197.10; and 197.11.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Education. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 759: A bill for an act relating to veterans; providing funds for an emergency shelter for veterans and their families; appropriating money.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 9, delete "\$5,000" and insert "\$10,000"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was re-

S.F. No. 1009: A bill for an act relating to transportation; defining certain terms relating to motor vehicle carriers; delineating exemptions; prescribing rules for operation of carriers; providing for investigation of carriers; providing for regulation of carriers of hazardous materials; providing for granting of certificates for operation; setting procedures for establishing rate schedules; providing for fees; providing for annual registration; requiring certificates of insurance; allowing permits to be assigned or transferred under certain conditions; providing hearing procedures regarding rate schedules; requiring shipping documents; providing for regulation of interstate carriers; authorizing suspension of operating authority under certain conditions; requiring refunds for overcharges; providing enforcement powers; providing penalties; providing for annual renewal of identification stamps; regulating local cartage carriers; delaying transfer of duties, functions, and powers from the public utilities commission to the board until established and appointed; amending Minnesota Statutes 1982, sections 168.013, subdivision 1e; 174.22, subdivision 2; 221.011, subdivisions 3, 9, 11, 12, 14, 15, 16, 19, 21, and 24, and by adding subdivisions; 221.021; 221.031; 221.041; 221.071; 221.111; 221.121; 221.131; 221.141, subdivision 1, and by adding a subdivision; 221.151; 221.161; 221.171;

221.181; 221.221; 221.251; 221.291; 221.296, subdivisions 2, 3, and 4; and 221.64; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, sections 221.011, subdivisions 4 and 22; 221.032; 221.141, subdivision 2; 221.292; 221.294; and 221.296, subdivision 1.

Reports the same back with the recommendation that the bill be amended as follows:

Page 5, line 13, delete "having a capacity of seven to 16 persons and" and after "used" insert "in a ridesharing arrangement and used"

Page 5, line 16, after "authority" insert ":

(a) when the vehicle is operated by a person who does not drive the vehicle for that person's principal occupation but is driving it only to or from that person's principal place of employment or to or from a transit stop authorized by a local transit authority; or

(b) when the vehicle is operated for personal use at other times by an authorized driver"

Page 6, line 16, before the period, insert "transporting passengers and their luggage"

Page 8, line 19, delete "having a"

Page 8, line 20, delete "capacity of seven to 16 persons and" and after "used" insert "in a ridesharing arrangement and used"

Page 10, line 6, delete "under conditions prescribed by the board"

Page 13, line 8, delete "18" and insert "20"

Page 19, line 32, after "Trailers" insert "and semi-trailers"

Page 21, lines 5 and 6, reinstate the stricken "secure and cause to be filed"

Page 21, line 6, delete "file"

Page 27, line 35, before "No" insert "Subdivision 1. [COMPENSATION FIXED.]"

Page 28, after line 8, insert:

"Subd. 2. [EXCEPTION.] A person engaged in the transportation of household goods for the federal government or an agency of the federal government or the transportation of household goods for the state government or an agency of the state government where competitive bids are required by law is exempt from subdivision 1."

Page 28, line 12, delete "carry in the vehicle a bill of lading which conforms" and insert "conform"

Page 28, line 14, delete everything before the period and insert "with respect to shipping documents"

Page 28, line 15, delete "MATERIAL" and insert "WASTE"

Page 28, line 20, delete "this section" and insert " subdivision 2"

Page 29, lines 14 and 18, after "fees" insert "or renew permits"

Page 29, line 31, after "registration" insert "or permit renewal"

Page 31, lines 20 and 21, reinstate the stricken "or under other appropriate circumstances"

Page 31, lines 25 to 36, delete the new language

Page 35, line 30, delete "33" and insert "35"

Amend the title as follows:

Page 1, line 20, delete "delaying transfer of" and insert "assigning"

Page 1, line 21, delete "from" and insert "to" and delete "to" and insert "until"

Page 1, line 22, before "board" insert "transportation regulation" and delete "until" and insert "is"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was referred

S.F. No. 740: A bill for an act relating to manufactured homes; clarifying the prohibition of net listing agreements; adding an appeals provision; correcting cross-references; amending Minnesota Statutes 1982, section 327B.01, subdivisions 11 and 14; 327B.04, subdivision 4; 327B.05, subdivisions 1 and 2, and by adding a subdivision; and 327B.09, subdivisions 1 and 4.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 28, strike "and"

Page 2, line 33, strike the period and insert "; and"

Page 2, after line 33, insert:

"(e) the applicant has provided evidence of having had at least two years' prior experience in the sale of manufactured homes, working for a licensed dealer."

Page 5, after line 10, insert:

"Sec. 7. Minnesota Statutes 1982, section 327B.07, subdivision 1, is amended to read:

Subdivision 1. [LIABILITY.] Each dealer is responsible for the activities of any person employed by or acting on behalf of that dealer when the activities occur in connection with the sale or attempted sale of a manufactured home. Each officer of a corporation licensed as a dealer is responsible for the activities of any person employed by or acting on behalf of the corporation when such activities occur in connection with the sale or attempted sale of a manufactured home."

Page 6, line 10, delete "8" and insert "9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 8, after the semicolon, insert "327B.07, subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Vega from the Committee on Energy and Housing, to which was referred

S.F. No. 497: A bill for an act relating to energy; establishing a residential rental property weatherization disclosure program; requiring the filing of a certificate of compliance with minimum energy efficiency standards for renter-occupied residences; providing for the abatement of certain court actions; allowing a penalty in certain cases; amending Minnesota Statutes 1982, section 116J.27, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

Subd. 3a. [RESIDENTIAL RENTAL PROPERTY WEATHERIZATION DISCLOSURE PROGRAM.] On or before January 1, 1985, the owner of a renter-occupied residence shall file with the county recorder of the county in which the residence is located a certificate of compliance with all applicable energy efficiency standards prescribed by subdivisions 1 and 3. The certificate shall be obtained from a building evaluator following an inspection of the residence conducted after January 1, 1984, and recorded on a form provided by the commissioner. A building evaluator certified according to the standards prescribed in subdivision 6, or pursuant to section 116J.31, is qualified to inspect the residence and to issue the certificate required by this subdivision. For the purposes of this subdivision, building evaluators shall include building officials as qualified by Minnesota Statutes, section 16.861, subdivision 2. After inspection, if the building evaluator determines that the energy efficiency standards prescribed in subdivisions 1 and 3 have been met, he or she shall issue and sign a certificate of compliance. No building evaluator may make energy efficiency improvements or profit directly or indirectly from the provision of energy efficiency improvements to a building that he or she has inspected. The commissioner shall adopt a form for the certificate, and the form shall include at least the following information: (a) name, address, and social security or Minnesota tax identification number of the owner of the residence; (b) street address of the residence; (c) date of the inspection by the building evaluator; (d) name of the building evaluator who performed the inspection; (e) date the certificate is signed by the building evaluator; and (f) a statement that a copy of the certificate should be filed with the county recorder. The county recorder shall maintain a file by street address of the certificates filed pursuant to this subdivision. The certificates shall be released to the public according to section 13.03. If a certificate is not on file for a residence, upon request of any person, the county recorder

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shall provide without charge a written statement that a certificate is not on file as of the date of execution of the statement. The statement is prima facie evidence in a court action of the facts it contains. The county recorder may charge a fee to owners who file certificates under this subdivision in an amount sufficient to defray the costs of administering the residential rental property weatherization disclosure program. This subdivision does not apply to low income housing projects owned by a housing and redevelopment authority, as defined in section 462.421, subdivision 2.

Sec. 2. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

Subd. 4a. [ABATEMENT OF CERTAIN ACTIONS.] In a civil action to recover possession on the basis of nonpayment of rent or holding over after termination of the tenancy by notice to quit. or in a civil action to recover rent, or other damages arising from the rental of property subject to subdivision 3, a defendant may plead a failure to file the certificate required by subdivision 3a in order to abate the action, if the action was commenced before the certificate was filed. All proceedings in the action shall be stayed until the certificate is filed pursuant to subdivision 3a; and the defendant, whether or not he or she prevails in the action, may tax \$50 costs, in addition to other costs allowed by law. In actions to recover possession on the basis of nonpayment of rent, the court may condition the stay upon payment into court of the rent as it becomes due, and the defendant may elect to tax the \$50 costs allowed by this subdivision by reducing the rent to be paid into court by \$50.

Sec. 3. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

Subd. 4b. [CIVIL DAMAGES IN CERTAIN ACTIONS.] A tenant who occupies or occupied, after January 1, 1986, property subject to subdivision 3 and who makes a claim in a civil action against the owner before the certificate required under subdivision 3a is filed, shall be entitled to recover \$200 from the owner. For purposes of this subdivision, the term "owner" has the meaning given in section 566.18, subdivision 3.

Sec. 4. [116J.305] [RENTAL PROPERTY CONSERVATION EN-FORCEMENT.]

Subdivision 1. [GENERALLY.] If the owner of a rental residential property fails to comply with the weatherstripping, caulking, storm window and storm door energy efficiency standards prescribed by section 116J.27, subdivision 3, within the period set forth in this section, the tenant may remedy the noncompliance and deduct the actual expense from the rent in accordance with this section.

Subd. 2. [DEFINITIONS.] As used in this section, the terms defined in this subdivision shall have the meanings given them.

(a) "Owner" means an owner as defined in section 566.18, subdivision 3.

(b) "Tenant" means a tenant as defined in section 566.18, subdivision 2.

Subd. 3. [TIME FOR COMPLIANCE BY OWNER.] For the purpose of this section only, the owner's period of time to remedy noncompliance with the weatherstripping, caulking, storm window and storm door energy efficiency standards prescribed by section 116J.27, subdivision 3, shall be 30

days after a written statement describing noncompliance and indicating the tenant's intention to remedy the noncompliance has been deposited in the United States mail with first class postage prepaid, properly addressed to the owner, his agent, his caretaker, or the person to whom rent is paid, or, if not mailed, when the statement is otherwise personally received by one of those persons.

Subd. 4. [ACTIONS INVOLVING NONPAYMENT OF RENT.] In a proceeding for restitution of the premises on the ground of nonpayment of rent or in any other proceeding in which the tenant's rental obligation is an issue:

(a) If the tenant proves that the owner failed to comply within the time set forth in subdivision 3, and that thereafter the tenant paid for remedying the noncompliance, the court shall abate the tenant's rental obligation by the amount so paid, unless the owner establishes by clear and convincing evidence that the tenant acted both unreasonably and in bad faith.

(b) If the tenant proves that the owner failed to comply and the tenant paid for remedying the noncompliance, but fails to prove that the owner was given the period of time to remedy the noncompliance set forth in subdivision 3, or if the owner proves that during the time set forth in subdivision 3 the tenant unreasonably refused the owner or his agent entry to the premises for the purpose of remedying the noncompliance, the court shall, upon a finding that the tenant acted in good faith, abate the tenant's rental obligation by the amount which the owner proves would have been the reasonable cost to him of remedying the noncompliance. In a proceeding for restitution of the premises, the court shall enter an order establishing a reasonable payment schedule for the difference, if any, between the reasonable cost to the owner of remedying the noncompliance and the amount actually deducted. If the tenant fails to comply with the payment schedule, the owner may, upon three days' written notice to the tenant, move for an order for judgment of restitution of the premises.

(c) In a proceeding for restitution of the premises, if the tenant fails to prove that the condition which he remedied constituted noncompliance with section 116J.27, subdivision 3, the court shall, upon a finding that the tenant acted in good faith, enter an order establishing a reasonable payment schedule for the unpaid rent. If the tenant fails to comply with the payment schedule, the owner may, upon three days' written notice to the tenant, move for an order for judgment of restitution of the premises.

Subd. 5. [TENDER NOT REQUIRED.] The court may not require that the amount alleged by the tenant to have been expended under this section be tendered to the court or to the owner as a condition to the assertion of rights under this section. The court may require the tenant to produce receipts concerning the amount so expended as a condition to the assertion of rights under this section. The court may continue a proceeding for not more than five days in order to allow the tenant an opportunity to produce receipts.

Subd. 6. [LIMITATION.] In a calendar year, a tenant may not deduct under this section an amount greater than the total of two months' rent.

Subd. 7. [LIMITATIONS; WAIVER PROHIBITED; RIGHTS AS ADDI-TIONAL.] The rights afforded to the tenant under this section:

(a) shall not extend to conditions caused by the willful, malicious, or neg-

ligent conduct of the tenant or of a person under his direction or control;

(b) may not be waived or modified; and

(c) are in addition to and shall not limit other rights available to the tenant; including the right to damages or to additional abatement of the rental obligation based upon the owner's noncompliance and the right to restoration of possession of the premises afforded by section 504.02.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 and 4 are effective the day following final enactment. Sections 2 and 3 are effective January 1, 1985.

Delete the title and insert:

"A bill for an act relating to energy; establishing a residential rental property weatherization disclosure program; requiring the filing of a certificate of compliance with minimum energy efficiency standards for renteroccupied residences; providing for the abatement of certain court actions: allowing a penalty in certain cases; providing for a tenant remedy of noncompliance with energy efficiency standards; amending Minnesota Statutes 1982, section 116J.27, by adding subdivisions; proposing new law coded in Minnesota Statutes, chapter 116J.

And when so amended the bill do pass. Amendments adopted, Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to which was referred

S.F. No. 843: A bill for an act relating to veterans; authorizing the commissioner of veterans affairs to accept gifts; revising the procedure for purchasing veterans grave markers; authorizing an imprest cash fund at veterans homes; providing for the disposal of abandoned property of veterans at veterans homes; amending Minnesota Statutes 1982, section 197.23; proposing new law coded in Minnesota Statutes, chapter 198; and repealing Minnesota Statutes 1982, section 198.055,

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 26, delete "from funds provided by counties and others" and delete "For each" and insert "The commissioner shall provide the available funds for each"

Page 2, line 27, delete the comma and insert "in"

Page 2, line 28, delete "must be" and insert "in"

Page 2, line 29, delete "as the" and delete "of" and insert "as" and after "funds" insert "that may be"

Page 3, after line 14, insert:

"Sec. 5. Minnesota Statutes 1982, section 268.14, subdivision 5, is amended to read:

Subd. 5. [VETERANS REPRESENTATIVES.] (a) As may be determined

by the commissioner, based on a demonstrated need for the service, there shall be assigned by the commissioner to the staff of each full functioning employment service office a veterans employment representative whose activities shall be devoted to discharging the duties prescribed of a veterans employment representative. The position of veterans employment representative shall be filled by one or more employees of the department of economic security who are veterans as defined in section 197.447. Pursuant to United States Code, title 38, section 2003A, representatives shall be assigned only those duties directly related to meeting the employment needs of eligible veterans, with priority for the provision of services in the following order:

(1) Services to disabled veterans of the Vietnam era who are participating in or have completed a program of vocational rehabilitation under United States Code, title 38, chapter 31;

(2) Services to other disabled veterans;

(3) Services to other eligible veterans, taking into account applicable rates of unemployment and the employment emphasis in United States Code, title 38, chapter 42.

(b) Each representative shall carry out the following functions for the purpose of providing services to eligible veterans:

(1) Development of job training opportunities for veterans through contacts with employers, especially small and medium sized private sector employers;

(2) Promotion and development of apprenticeship and other on the job training positions;

(3) Outreach activities to locate veterans through contacts with local veterans organizations, the Veterans Administration, the state system of public employment offices, and community-based organizations;

(4) Appropriate assistance to community-based groups, organizations, and prime sponsors under the comprehensive employment and training act;

(5) Appropriate assistance to local employment service office employees with responsibility for veterans;

(6) Consultation and coordination with other appropriate representatives of federal, state, and local programs to promote employment opportunities for and provide maximum employment assistance to veterans;

(7) Promotion and development of entry level and career job opportunities for veterans."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "section" and insert "sections" and after the semicolon, insert "and 268.14, subdivision 5;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Lessard from the Committee on Veterans and General Legislation, to

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which was referred

S.F. No. 915: A bill for an act relating to public safety; providing that the capitol complex security division of the department of public safety shall be responsible for the detection of crime in the capitol complex; providing benefits to survivors of security guards or guard supervisors employed by the capitol complex security division who are killed in the line of duty: exempting employees of the capitol complex security division from uniform color requirements; amending Minnesota Statutes 1982, sections 299E.01, subdivision 2; 352E.01, subdivision 2; and 626.88, subdivision 1; repealing Minnesota Statutes 1982, section 626.88, subdivision 3.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1982, section 299C.46, subdivision 3, is amended to read:

Subd. 3. The datacommunications network shall be used exclusively for criminal justice agencies of the state in connection with enforcement of the criminal or traffic laws of the state, and for the capitol complex security division, limited to article inquiries and entries, motor vehicle identification, communication to law enforcement agencies, and statistical information.

The commissioner of public safety, after consultation with representatives of participating criminal justice agencies, may establish a monthly operational charge to be paid by each participating criminal justice agency and the capitol complex security division in the event that money available to the commissioner for this purpose is not adequate to pay these costs.

The commissioner of public safety is authorized to arrange for the connection of the datacommunications network with the criminal justice information system of the federal government, any adjacent state, or Canada."

Page 3, after line 26, insert:

"Sec. 5. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 11, delete "299E.01, subdivision 2" and insert "299C.46. subdivision 3"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

H.F. No. 609: A bill for an act relating to commerce; motor vehicle sales and distribution; requiring certain payments to be made upon termination of motor vehicle franchises; amending Minnesota Statutes 1982, section 80E.09, subdivision 1.

Reports the same back with the recommendation that the bill do pass.

Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 793: A bill for an act relating to economic development; authorizing certain incorporators to establish two innovation center public corporations to assist in the development of the state's high technology businesses, products, and systems by providing certain services and assistance; establishing the purposes, powers, and duties of the corporation; providing for directors, articles, and by-laws; appropriating money; proposing new law coded as Minnesota Statutes, chapter 301B.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, lines 21, 23, 30, and 33, delete "to"

Page 3, line 31, delete "any such" and insert "these"

Page 4, line 1, delete "such" and "as" and "may"

Page 4, line 2, delete "deem" and insert "deems"

Page 4, line 2, delete ", together" and "such"

Page 4, line 3, delete "as may be" and insert "that are"

Page 4, line 10, delete "as may be"

Page 4, lines 11, 15, and 23, delete "to"

Page 4, line 13, delete "any such" and insert "that"

Page 5, line 7, after "duration" insert a comma

Page 6, line 27, delete "such" and insert "an"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was referred

S.F. No. 597: A bill for an act relating to financial institutions; credit unions; expanding the class of persons who may become members; allowing certain small groups to join an existing credit union or form a separate credit union; amending Minnesota Statutes 1982, section 52.05.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 8, insert:

"Section 1. Minnesota Statutes 1982, section 52.01, is amended to read:

52.01 [ORGANIZATION.]

Any seven residents of the state may apply to the commissioner of banks for permission to organize a credit union.

A credit union is a cooperative society, incorporated for the two-fold pur-

pose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes.

A credit union is organized in the following manner:

(1) The applicants execute, in duplicate, a certificate of organization by the terms of which they agree to be bound, which shall state:

(a) The name and location of the proposed credit union;

(b) The names and addresses of the subscribers to the certificate and the number of shares subscribed by each;

(c) The par value of the shares of the credit union, which shall not exceed \$10 each;

(2) The applicants submit the following in the form prescribed by the commissioner of banks:

(a) A statement of the common bond of the proposed credit union;

(b) The number of potential members:

(c) The geographic dispersion of the potential members;

(d) Evidence of interest, including willingness of potential members to assume responsibility for leadership and service;

(e) A two-year forecast of probable levels of assets, shares and deposits, and income and expense;

(f) The availability of other credit union services to the potential members;

(g) Other information the commissioner requires;

(2) (3) They next prepare and adopt by laws for the general governance of the credit union consistent with the provisions of this chapter, and execute the same them in duplicate;

(3) (4) The certificate and the bylaws, both executed in duplicate, are forwarded to the commissioner of banks; and there shall be paid to the commissioner an with a \$100 application fee of \$100;

(4) (5) The commissioner of banks shall, within 60 days of the receipt of the certificate, *the information required by paragraph* (2), the bylaws, and a commitment for insurance of accounts as required by section 52.24, subdivision 2, determine whether they comply with the provisions of this chapter, and whether or not the organization of the credit union in question would benefit the *its* members of it, *be economically feasible*, and be consistent with the purposes of this chapter;

(5) (6) Thereupon the commissioner of banks shall notify the applicants of his decision; If it is favorable, the commissioner shall issue a certificate of approval, attached to the duplicate certificate of organization, and return the same, together them with the duplicate bylaws, to the applicants; If it is unfavorable, the applicants may, within 60 days after said the decision, have the right to appeal for a review in a court of competent jurisdiction;

(6) (7) The applicants shall thereupon file the duplicate of the certificate of organization, with the certificate of approval attached thereto, with the county recorder of the county within which the credit union is to do business

secretary of state, who shall make a record of the certificate and return it, with a certificate of record attached thereto, to the commissioner of $banks_{\overline{s}}$ for permanent records; and

(7) (8) Thereupon the applicants shall become and be a credit union, incorporated in accordance with the provisions of this chapter.

In order to simplify the organization of credit unions, the commissioner of banks shall cause to be prepared an *prepare* approved form *forms* of certificate of organization and a form of bylaws, consistent with this chapter, which may be used by credit union incorporators for their guidance, and on written application of seven residents of the state, shall supply them₇ without charge₇ with a blank certificate of organization and a copy of the form of suggested bylaws."

Page 2, lines 7 to 12, delete the new language and insert:

"Any 25 residents of the state representing a group may apply to the commissioner, advising him of the common bond of the group and its number of potential members, for a determination whether it is feasible for the group to form a credit union. Upon a determination that it is not feasible to organize because the number of potential members is too small, the applicants will be certified by the commissioner as eligible to petition for membership in an existing credit union geographically situated to adequately service the group. If the credit union so petitioned resolves to accept the group into membership, it shall follow the bylaw amendment and approval procedure set forth in section 52.02.

Sec. 3. Minnesota Statutes 1982, section 168.67, is amended to read:

168.67 [SALES FINANCE COMPANIES; LICENSES, FEES, RE-FUNDS.]

(a) No person shall engage in the business of a sales finance company in this state without a license therefor as provided in sections 168.66 to 168.77 provided, however, that no bank, trust company, savings bank, Θ savings and loan association, *or credit union*, whether state or federally chartered, industrial loan and thrift company, or small loan company authorized to do business in this state shall be required to obtain a license under sections 168.66 to 168.77.

(b) The application for a license shall be in writing, under oath and in the form prescribed by the administrator. The application shall contain the name of the applicant; date of incorporation, if incorporated; the address where the business is or is to be conducted and similar information as to any branch office of the applicant; the name and resident address of the owner or partners, or, if a corporation or association, of the directors, trustees and principal officers, and other pertinent information the administrator requires.

(c) The licensee fee for the fiscal year beginning July 1 and ending June 30 of the following year, or any part thereof shall be the sum of \$150 for the principal place of business of the licensee, and the sum of \$75 for each branch of the licensee, maintained in this state. Any licensee who proves to the satisfaction of the administrator, by affidavit or other proof satisfactory to the administrator, that during the twelve calendar months of the immedi-

ately preceding fiscal year, for which his license has been paid that he has not held retail installment contracts exceeding \$15,000 in amount, shall be entitled to a refund of that portion of each license fee paid in excess of \$25. The administrator shall certify to the commissioner of finance that the licensee is entitled to a refund, and payment thereof shall be made by the state treasurer. The amount necessary to pay for the refundment of the license fee is appropriated out of the general fund. All license fees received by the administrator under sections 168.66 to 168.77 shall be deposited with the state treasurer.

(d) Each license shall specify the location of the office or branch and must be conspicuously displayed there. In case the location be changed, the administrator shall endorse the change of location on the license.

(e) Upon the filing of such application, and the payment of the fee, the administrator shall issue a license to the applicant to engage in the business of a sales finance company under and in accordance with the provisions of sections 168.66 to 168.77 for a period which shall expire the last day of June next following the date of its issuance. The license shall not be transferable or assignable. No licensee shall transact any business provided for by sections 168.66 to 168.77 under any other name.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "requiring applicants to form a credit union to submit certain information to the commissioner of banks;"

Page 1, line 6, delete "section" and insert "sections 52.01;"

Page 1, line 6, after "52.05" insert "; and 168.67"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 776: A bill for an act relating to state government; reorganizing functions related to water; abolishing the water planning board, the southern Minnesota rivers basin board, and the water resources board; transferring duties to the environmental quality board; appropriating money; amending Minnesota Statutes 1982, sections 40.072, subdivision 3; 112.35, subdivision 4; 473.877, subdivision 2; and 473.878, subdivisions 5, 7, and 8; proposing new law coded in Minnesota Statutes, chapter 116C; repealing Minnesota Statutes 1982, sections 105.71; 105.72; 105.73; 105.74; 105.75; 105.751; 105.76; 105.77; 105.78; 105.79; and chapter 114A.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [116C.80] [COORDINATION OF WATER RESOURCE MANAGEMENT AND PLANNING; DEFINITIONS.]

Subdivision 1. [APPLICATION.] For the purposes of sections 1 and 2 the terms defined in this section have the meanings given them.

Subd. 2. [SOUTHERN MINNESOTA RIVERS BASIN.] "Southern Minnesota rivers basin" means the area within the watersheds of rivers and streams tributary to the Minnesota river, and the areas within the watersheds of rivers tributary to the Mississippi river on the westerly side of the Mississippi south of its confluence with the Minnesota river.

Subd. 3. [BOARD.] "Board" means the environmental quality board.

Sec. 2. [DUTIES OF BOARD.]

Subdivision 1. [WATER PLANNING.] The board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) initiate, coordinate, and continue to develop comprehensive longrange water resources planning in furtherance of the plan adopted by the water planning board entitled "A Framework for a Water and Related Land Resources Strategy for Minnesota, 1979;"

(3) coordinate water planning activities of local, regional, and federal bodies with state water planning and integrate these plans with state strategies; and

(4) administer federal water resources planning with multi-agency interests.

Subd. 2. [SOUTHERN MINNESOTA RIVERS BASIN.] The board shall guide the creation and implementation of a comprehensive environmental conservation and development plan for the southern Minnesota rivers basin. The board shall coordinate state and local interests with respect to the study in southwestern Minnesota under Public Law 87-639. The board shall appoint an advisory council to advise the board concerning its responsibilities under this subdivision. The council shall consist of eleven members who are residents of the basin and appointed by the governor. The council is subject to the provisions of section 15.059. The council shall expire June 30, 1987. The council shall make recommendations to the board by June 30, 1985, concerning the establishment of a statewide advisory council to advise the board on water resources planning, regulation, and management.

Subd. 3. [GOVERNOR'S REPRESENTATIVE.] The board chairperson shall represent the governor on interstate water resources organizations.

Sec. 3. [BOARD ABOLISHED.]

The southern Minnesota rivers basin board established by section 114A.04 is abolished.

Sec. 4. [PERSONNEL.]

The authorized complement of the environmental quality board is increased by six due to its increase in duties under section 2. Classified and unclassified state employees involved in the implementation and administration of the duties of the water planning board and the southern Minnesota rivers basin board shall be transferred, except for the position of chairperson of the water planning board, to the environmental quality board in the classified service of the state without competitive examination and shall be placed in the proper classification by the commissioner of employee relations with compensation as provided for the classifications. Incumbents of positions placed in the classified service shall receive status and length of service credit as would have accrued to them if they had originally been appointed to the classified service. Length of service shall not include seniority under the provisions of a collective bargaining agreement negotiated pursuant to sections 179.61 to 179.76, until the effective date of classified service. Annual leave and sick leave shall be transferred and accrued in accordance with section 43A.18.

Sec. 5. Minnesota Statutes 1982, section 116C.03, subdivision 2, is amended to read:

Subd. 2. The board shall include as permanent members the commissioner of the department of energy, planning and development, the director of the pollution control agency, the commissioner of natural resources, the commissioner of agriculture, the commissioner of health, the commissioner of transportation, and a representative of the governor's office designated by the governor. The governor shall appoint five members from the general public to the board, subject to the advice and consent of the senate.

At least two of the five public members shall have knowledge of and be conversant in water management issues in the state.

Sec. 6. Minnesota Statutes 1982, section 473.878, subdivision 2, is amended to read:

Subd. 2. [RESPONSIBLE UNITS.] Where a watershed management organization exists, the plan for the watershed shall be prepared and adopted by the organization. If a watershed management organization is not established by December 31, 1983, for any minor watershed unit located wholly outside of Hennepin and Ramsey counties, the county or counties containing the watershed unit shall prepare and adopt the watershed plan and shall have the planning, review, and permitting authority of a watershed management organization specified in section 473.877. If a watershed management organization is not established by December 31, 1983, for any minor watershed unit within the metropolitan area and wholly or partly within Hennepin or Ramsey counties, the county or counties containing the watershed unit shall petition for the establishment of a watershed district under chapter 112, provided, however, that a district established pursuant to such a petition shall not cross a primary river nor a river forming the boundary between a metropolitan county and a county outside the metropolitan area, shall have boundaries which are based upon negotiations among all local government units which may have territory within the district and adjacent watersheds and shall not cross county boundaries to include territory whose distinguishing characteristic is multiple drainage points into a primary river. A watershed management organization may request a county to prepare all or part of a plan. A county may delegate the preparation of all or part of a plan to the county soil and water conservation district. Upon request of a statutory or home rule charter city or town, a county may delegate the preparation of all or part of a plan to the city or town. Notwithstanding any contrary provisions of this subdivision, until July 1, 1984, no county shall petition for establishment of a watershed district or assume any authority under this subdivision for a minor watershed unit if the metropolitan council finds by December 31, 1983, that reasonable progress is being made to negotiate a joint powers agreement in order to form a watershed management organization for that watershed unit.

Sec. 7. [TRANSITIONAL PROVISION.]

The members of the southern Minnesota rivers basin board as constituted before enactment of this act shall be the first members of the southern Minnesota rivers basin advisory council under section 2, subdivision 4. The environmental quality board may adjust the terms of the first members of the advisory council to conform to the requirements of Minnesota Statutes, section 15.059.

Sec. 8. [APPROPRIATION.]

There is appropriated to the environmental quality board from the general fund the sum of \$..... for the purpose of the duties assigned to the board by this act.

Sec. 9. [REPEALER.]

Minnesota Statutes 1982, sections 114A.01; 114A.02; 114A.03; 114A.04; 114A.05; 114A.06; 114A.07; 114A.08; and 114A.09 are repealed.

Sec. 10. [EFFECTIVE DATE.]

This act is effective July 1, 1983."

Delete the title and insert:

"A bill for an act relating to state government; reorganizing functions related to water; abolishing the water planning board and the southern Minnesota rivers basin board; transferring duties to the environmental quality board; appropriating money; amending Minnesota Statutes 1982, sections 116C.03, subdivision 2; 473.878, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116C; repealing Minnesota Statutes 1982, chapter 114A."

And when so amended the bill do pass and be re-referred to the Committee on Governmental Operations. Amendments adopted. Report adopted.

Mr. Dieterich from the Committee on Public Utilities and State Regulated Industries, to which was re-referred

S.F. No. 828: A bill for an act relating to energy; providing an omnibus energy policy; appropriating money; amending Minnesota Statutes 1982, sections 16.02, by adding a subdivision; 116J.27, subdivisions 2, 6, and by adding a subdivision; 116J.31; 116J.36; 216B.164, subdivisions 2, 3, 6, and 8; 453.54, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 116J and 216B; repealing Minnesota Statutes 1982, section 116J.27, subdivisions 5 and 7.

Reports the same back with the recommendation that the bill be amended as follows:

Page 15, delete lines 1 to 9

Page 15, after line 9, insert:

"Sec. 16. Minnesota Statutes 1982, section 216B.164, subdivision 5, is amended to read:

Subd. 5. [DISPUTES.] In the event of disputes between an electric utility and a qualifying facility, either party may request a determination of the issue by the commission. In any such dispute determination, the burden of proof shall be on the utility except as otherwise expressly provided in this section. The commission, in its order resolving each dispute, may require payments to the prevailing party of that party's costs, disbursements, and reasonable attorneys' fees."

Page 15, line 19, delete "only"

Page 15, line 22, delete "and only if" and insert "with"

Page 15, line 22, delete "personnel are"

Page 15, line 23, delete everything before the period and insert "remaining responsible for its personnel"

Page 15, after line 32, insert:

"(d) The commission may promulgate temporary rules for the purpose of implementing this section. The temporary rules are subject to sections 14.29 to 14.36 of the Administrative Procedure Act."

Page 16, after line 9, insert:

"Sec. 19. Minnesota Statutes 1982, section 216B.164, is amended by adding a subdivision to read:

Subd. 9. [MUNICIPAL ELECTRIC UTILITIES.] For purposes of this section only, except subdivisions 5 and 7, and with respect to municipal electric utilities only, the term "commission" means the governing body of each municipal electric utility that adopts and has in effect rules implementing this section which are consistent with the rules adopted by the Minnesota public utilities commission under subdivision 6. As used in this subdivision, the governing body of a municipal electric utility means the city council of that municipality; except that, if another board, commission, or body is empowered by law or resolution of the city council or by its charter to establish and regulate rates and days for the distribution of electric energy within the service area of the city, that board, commission, or body shall be considered the governing body of the municipal electric utility."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, after the second comma insert "5,"

Page 1, line 7, after "8" insert ", and by adding a subdivision"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was re-

ferred

S.F. No. 891: A bill for an act relating to transportation; providing for a unique registration category and special license plates for commuter vans; defining ridesharing arrangement and other terms; clarifying taxation, licensing, and vehicle use requirements in ridesharing arrangements; excluding certain ridesharing arrangements from the provisions of chapter 176 governing workers' compensation; clarifying employers' liability under workers' compensation for a ridesharing arrangement; excluding participation in a ridesharing arrangement from overtime compensation and the payment of minimum wages as defined in chapter 177; excluding payments other than salary to drivers in ridesharing arrangements from the definition of gross income; excluding motor vehicles participating in ridesharing arrangements from the definition of commercial motor vehicle; deleting the requirement to transfer rideshare program development from the commissioner of transportation; amending Minnesota Statutes 1982, sections 169.01, by adding a subdivision; 174.257, by adding subdivisions; 176.041; 176.051, by adding subdivisions; 290.08, by adding a subdivision; 296.17; and Laws 1981, chapter 363, section 55, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 168 and 177.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, after line 28, insert:

"Section 1. Minnesota Statutes 1982, section 16.753, subdivision 3, is amended to read:

Subd. 3. [PERMITTED USES.] A state vehicle may be used by a state employee to travel to or from the employee's residence:

(a) On a day on which it may be necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working; or

(b) If the employee has been assigned the use of a state vehicle for authorized state business on an extended basis, and the employee's primary place of work is not the state work station to which he is permanently assigned; Θ

(c) If the employee has been assigned the use of a state vehicle for authorized state business away from the work station to which he is permanently assigned, and the number of miles travelled, or the time needed to conduct the business, will be minimized if the employee uses a state vehicle to travel to the employee's residence before or after travelling to the place of state business. Use of a state vehicle pursuant to this subdivision shall require the prior approval of the agency head, or the designee of the agency head. Within 15 days of the end of each three-month period, beginning July 1, 1981, the head of each state agency or department shall report to the commissioner of administration on each case in which a state vehicle is used by an employee of that agency to travel to or from the employee's residence. The commissioner shall specify the form of this report and the information to be included. If no state vehicles have been used for this travel, the head of the agency shall report this to the commissioner; or

(d) If the employee is authorized to participate in a ridesharing program

established by the commissioner pursuant to section 174.257."

Page 1, line 36, delete "to an owner of" and insert "for"

Page 4, line 7, delete "2" and insert "3"

Page 4, line 13, delete "shall" and insert "may"

Page 4, line 16, after the period, insert "The commissioner of administration shall by September 1, 1983, establish a demonstration program for using state-owned vehicles, other than commuter vans, for use in ridesharing arrangements for state employees."

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

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

Page 7, lines 5 and 25, delete "2" and insert "3"

Page 8, lines 9 and 21, delete "2" and insert "3"

Page 9, delete line 19 and insert "Sections I to 10 and section 13 are"

Page 9, line 20, delete "10" and insert "11"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "permitting the use of state vehicles in ridesharing arrangements;"

Page 1, line 21, after "sections" insert "16.753, subdivision 3;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 781: A bill for an act relating to drivers licenses; prohibiting the operation of a motor vehicle in this state by either a resident or nonresident whose license has been revoked, suspended, or cancelled until Minnesota driving privileges are reinstated; amending Minnesota Statutes 1982, section 171.20, subdivision 2; repealing Minnesota Statutes 1982, section 171.181, subdivision 2.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, line 14, strike "Any" and insert "A"

Page 1, line 20, before "suspension" strike "such a" and insert "the"

Page 1, line 20, before "revocation" strike "such" and insert "the"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Purfeerst from the Committee on Transportation, to which was referred

S.F. No. 812: A bill for an act relating to highway traffic regulations;

clarifying certain bumper requirements; restricting the height of bumpers on certain vehicles; amending Minnesota Statutes 1982, section 169.73.

Reports the same back with the recommendation that the bill do pass. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 918: A bill for an act relating to public welfare, clarifying provisions dealing with the medical assistance drug formulary; amending Minnesota Statutes 1982, section 256B.02, subdivision 8.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Finance. Report adopted.

Mr. Solon from the Committee on Economic Development and Commerce, to which was re-referred the following appointment as reported in the Journal for February 7, 1983:

IRON RANGE RESOURCES AND REHABILITATION COMMISSIONER

Gary Lamppa

Reports the same back with the recommendation that the appointment be confirmed.

Mr. Moe, R.D. moved that the foregoing committee report be laid on the table. The motion prevailed.

Mr. Merriam from the Committee on Agriculture and Natural Resources, to which was referred

S.F. No. 596: A bill for an act establishing an agricultural resource energy loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 290.01, by adding a subdivision; 297A.44, subdivision 1; and 362A.01, subdivision 1; 362A.05; and 473F.02, subdivision 3; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Reports the same back with the recommendation that the bill be amended as follows:

Page 2, line 23, delete "and" and "energy,"

Page 2, line 24, delete "planning and development" and insert "commerce, and the director of the pollution control agency"

Page 4, line 26, insert "6" in the blank

Page 5, line 4, insert "95" in the blank

Page 5, line 11, insert "80" in the blank

Page 6, line 8, after "prior" insert "written"

Page 7, line 25, delete "nonfailure" and insert "failure"

Page 7, line 27, delete "projects" and insert "project" and after "significant" insert "adverse"

Page 8, line 8, delete "and"

Page 8, line 11, after "state" insert "; and (vi) funds are available for allocation to the account established for the project in the guaranty fund, and are continuously allocated to the account in accordance with the provisions of section 4, subdivision 3, in an amount equal to the amount of interest on the advances until actually reimbursed to the state by the borrower"

Page 8, line 22, after "paid" insert "to the state"

Page 10, after line 18, insert:

"Subd. 2. [ENVIRONMENTAL ASSESSMENT.] Notwithstanding any other law or rule, the board shall be the responsible governmental unit for the completion of an environmental assessment worksheet with respect to each project considered for a loan guaranty in the agricultural resource energy loan guaranty program, and for considering comments on and determining the need for an environmental impact statement in accordance with section 116D.04, subdivision 2a, or other law. Notwithstanding the provisions of any other law or rule, an environmental impact statement shall not be required to be prepared, unless so determined by the board, with respect to an agricultural resource energy project which will have a capacity to utilize 300,000 dry tons or less per year of input, or, if designed for production of alcohol fuels, will have a capacity to produce 60,000,000 or less gallons per year of alcohol."

Page 10, line 19, delete "2" and insert "3"

Page 10, line 26, after "policies," insert "and it has determined the adequacy of the environmental impact statement if one is required,"

Page 11, line 5, after the semicolon, insert "provided that bonds authorized by the legislature need not be issued until and unless the proceeds allocated to a project account must be deposited therein to comply with clause (2) or (3);"

Page 11, line 14, after "3" insert ", which binds the state to cause state bonds to be offered for sale at the times and in the amounts required, with amounts on hand in the project account, to pay all amounts to become due and payable under the loan guaranty, within the authorization and allocation referred to in clause (1), and when sold, to issue the bonds and apply the proceeds to make these payments"

Page 11, line 31, delete "or paying principal and interest on"

Page 11, line 32, delete "bonds issued by the state,"

Page 12, line 9, after "16A" insert ", except that the commissioner may sell them and determine their interest rate by direct negotiation,"

Page 14, line 9, delete "2" and insert "3"

Page 15. after line 6, insert:

"Sec. 7. Minnesota Statutes 1982, section 116B.03, subdivision 1, is amended to read:

Subdivision 1. Any person residing within the state; the attorney general; any political subdivision of the state; any instrumentality or agency of the state or of a political subdivision thereof; or any partnership, corporation, association, organization, or other entity having shareholders, members, partners or employees residing within the state may maintain a civil action in the district court for declaratory or equitable relief in the name of the state of Minnesota against any person, for the protection of the air, water, land, or other natural resources located within the state, whether publicly or privately owned, from pollution, impairment, or destruction; provided, however, that no action shall be allowable hereunder for acts taken by a person on land leased or owned by said person pursuant to a permit or license issued by the owner of the land to said person which do not and can not reasonably be expected to pollute, impair, or destroy any other air, water, land, or other natural resources located within the state; provided further that no action shall be allowable under this section for conduct taken by a person pursuant to any environmental quality standard, limitation, regulation, rule, order, license, stipulation agreement or permit issued by the pollution control agency, department of natural resources, department of health or department of agriculture, or by the agricultural resource energy loan guaranty board for conduct taken by a person in the construction or operation of an agricultural resource energy project for which the state has made a conditional or final commitment for a loan guaranty pursuant to section 4, subdivision 3.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, after "sections" insert "116B.03, subdivision 1;"

And when so amended the bill do pass and be re-referred to the Committee on Energy and Housing. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 713: A bill for an act relating to corrections; clarifying the powers of the commissioner of corrections; authorizing the use of necessary force to prevent escape; removing archaic language; amending Minnesota Statutes 1982, sections 241.23; 242.31, subdivisions 1 and 3; 243.17, subdivision 1; 243.52; 243.58; 243.62; and 624.714, subdivision 13.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, before line 11, insert:

"Section 1. Minnesota Statutes 1982, section 241.01, subdivision 3a, is amended to read:

Subd. 3a. [COMMISSIONER, POWERS AND DUTIES.] The commissioner of corrections shall have has the following powers and duties:

(a) To accept persons committed to him by the courts of this state for care, custody, and rehabilitation.

(b) To determine the place of confinement of committed persons in a cor-

rectional facility or other facility of the department of corrections and to prescribe reasonable conditions - and rules-, and regulations for their employment, conduct, instruction, and discipline within or without outside the facility. Inmates shall not exercise custodial functions or have authority over other inmates or serve on the board of directors or hold any executive position in any corporation, private industry or educational program located on the grounds of, or conducted within, a state correctional facility without written permission from the chief executive officer of the facility.

(c) To administer the money and property of the department.

(d) To administer, maintain, and inspect all state correctional facilities.

(e) To transfer authorized positions and personnel between state correctional facilities as necessary to properly staff facilities and programs.

(f) To utilize state correctional facilities in the manner he determines deemed to be most efficient and beneficial in the accomplishment of these to accomplish the purposes of this section, but not to close the Minnesota correctional facility-Stillwater or the Minnesota correctional facility-St. Cloud without legislative approval. The commissioner may place juveniles and adults at the same state minimum security correctional facilities, if there is total separation of and no regular contact between juveniles and adults, except contact incidental to admission, classification, and mental and physical health care.

(g) To organize the department and employ personnel he deems necessary to discharge the functions of the department, including a chief executive officer for each facility under his control who shall serve in the unclassified civil service and may, under the provisions of section 43A.33, be removed only for cause, and two internal affairs officers for security who shall be in the unclassified civil service.

(h) To define the duties of these employees and to delegate to them any of his powers, duties and responsibilities, subject to his control and the conditions he prescribes.

(i) To annually develop a comprehensive set of goals and objectives designed to clearly establish the priorities of the department of corrections. This report shall be submitted to the governor and the state legislature commencing January 1, 1976. The commissioner shall have the power to may establish ad hoc advisory committees."

Page 2, lines 15 and 21, strike ", whereupon" and insert "; upon receipt,'

Page 2, line 20, strike "thereof" and insert "of the order"

Page 2, line 24, strike "thereafter"

Page 2, line 25, after "instituted" insert "at a later date"

Page 2, line 26, strike "shall include" and insert " includes," and after "to" insert a comma

Pages 2 and 3, delete section 4 and insert:

"Sec. 5. Minnesota Statutes 1982, section 243.17, subdivision 1, is amended to read:

Subdivision 1. [ALLOWED EXPENSES.] The necessary expenses of sheriffs and other peace officers incurred in conveying convicted persons and children adjudicated delinquent and committed to the custody of the commissioner of corrections to the Minnesota correctional facility Stillwater or the Minnesota correctional facility-St. Cloud the appropriate adult or juvenile correctional facility as designated by the commissioner of corrections, including per diem and expenses of guards, shall be approved allowed by the commissioner of finance and paid out of the state treasury. The commissioner of finance may allow for such expenses and pay for the necessary expenses incurred by the sheriff or, deputy, or other peace officer in going to and returning from the Minnesota correctional facility-Stillwater or the Minnesota correctional facility-St. Cloud correctional facility and \$10 per day for each guard, and such sum as is necessary for railroad fare and actual traveling expenses. Not more than one guard shall be allowed for one prisoner, but one additional guard shall be allowed for every two additional prisoners. In any county wherein the sheriff is paid upon a fee basis, he shall also receive \$10 for each day necessarily spent in conveying prisoners to the Minnesota correctional facility Stillwater or the Minnesota correctional facility St. Cloud. All bills shall be rendered in writing, fully itemized, verified, and accompanied by the receipt of the chief executive officer of the Minnesota correctional facility Stillwater or the Minnesota correctional facility St. Cloud facility for the delivery of such convict or convicts the convicted or adjudicated persons, in a form prescribed by the commissioner of finance."

Page 3, line 30, strike "injure" and insert "damage"

Page 3, lines 34 and 35, strike "as may appear" and insert "that appears"

Page 4, line 7, strike "Upon the escape of" and insert "If" and after "inmate" insert "escapes"

Page 4, line 21, strike "shall be" and insert "is"

Page 4, line 26, strike "whereby" and insert "in which"

Page 4, after line 28, insert:

"Sec. 9. Minnesota Statutes 1982, section 609.135, subdivision 1, is amended to read:

Subdivision 1. Except when a sentence of life imprisonment is required by law, or when a mandatory minimum term of imprisonment is required by section 609.11, any court may stay imposition or execution of sentence and place the defendant on probation with or without supervision and on the terms the court prescribes, including restitution when practicable. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in any case by some other suitable and consenting person.

A court may not stay the revocation of the driver's license of a person convicted of violating the provisions of section 169.121."

Page 5, line 1, delete "8" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "limiting certain inmate functions?

Page 1, line 4, after the semicolon, insert "providing for the costs of transporting juvenile delinquents committed to the commissioner of corrections; providing for supervision of gross misdemeanant probations;"

Page 1, line 5, after "sections" insert "241.01, subdivision 3a;"

Page 1, line 7, before "and" insert "609.135, subdivision 1;"

And when so amended the bill do pass. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 265: A bill for an act relating to public welfare; permitting reimbursement under the medical assistance program for developmental achievement and semi-independent living services provided to certain mentally retarded and cerebral palsied persons; amending Minnesota Statutes 1982, sections 256B.02, subdivisions 7 and 8; and 256B.03, by adding subdivisions.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 252.24, subdivision 1, is amended to read:

Subdivision 1. [SELECTION OF DEVELOPMENTAL ACHIEVEMENT CENTERS.] The county board shall administer developmental achievement services, including training and habilitation services provided by licensed developmental achievement centers to residents of intermediate care facilities for the mentally retarded. The county board shall ensure that transportation is provided for persons who fulfill the eligibility requirements of section 252.23, clause (1), utilizing the most efficient and reasonable means available. The county board may contract for developmental achievement services and transportation from a center which is licensed under the provisions of sections 245.781 to 245.813, 252.28, and 257.175, and in the board's opinion, best provides daytime developmental achievement services for mentally retarded and cerebral palsied persons within the appropriation and medical assistance resources made available for this purpose. Daytime developmental achievement services administered by the county board shall comply with standards established by the commissioner pursuant to subdivision 2 and applicable federal regulations.

Sec. 2. Minnesota Statutes 1982, section 252.28, is amended to read:

252.28 [COMMISSIONER OF PUBLIC WELFARE; DUTIES.]

Subdivision 1. The commissioner of public welfare may shall determine. and may redetermine every fourth year, the need, location, size, and program of public and private residential and day care facilities and services for mentally retarded children and adults.

Subd. 2. The commissioner of public welfare shall:

(1) Establish uniform rules, regulations and program standards for each type of residential and day facility or service for more than four mentally retarded persons, including state institutions under control of the commissioner and serving mentally retarded persons.

(2) Grant licenses according to the provisions of Laws 1976, Chapter 243, Sections 2 to 13.

Subd. 3. (1) No new license shall be granted pursuant to this section when the issuance of the license would substantially contribute to an excessive concentration of community residential facilities within any town, municipality or county of the state.

(2) In determining whether a license shall be issued pursuant to this subdivision, the commissioner of public welfare shall specifically consider the population, size, land use plan, availability of community services and the number and size of existing public and private community residential facilities in the town, municipality or county in which a licensee seeks to operate a residence. Under no circumstances may the commissioner newly license any facility pursuant to this section except as provided in section 245.812. The commissioner of public welfare shall establish uniform rules and regulations to implement the provisions of this subdivision.

(3) Licenses for community facilities and services shall be issued pursuant to section 245.821.

Subd. 4. The commissioner shall identify beds targeted for decertification, and shall encourage providers in voluntary decertification efforts. The commissioner shall not recommend to the commissioner of health the decertification of beds determined not to be needed for two years following the implementation of an approved home and community-based services waiver.

Sec. 3. [252.291] [LIMITATION ON DETERMINATION OF NEED.]

Subdivision 1. [MORATORIUM.] Notwithstanding section 252.28, subdivision 1, or any other law or rule to the contrary, the commissioner of public welfare shall deny any request for a determination of need and refuse to grant a license pursuant to section 245.782 for any new intermediate care facility for mentally retarded persons or for an increase in the licensed capacity of an existing facility except as provided in subdivision 2. In no event shall the total of certified intermediate care beds for mentally retarded persons in community facilities and state hospitals exceed 7,500 beds. "Certified bed" means an intermediate care bed for the mentally retarded certified by the commissioner of health for the purposes of the medical assistance program under United States Code, title 42, sections 1395 et seq. and 1396 et seq.

Subd. 2. [EXCEPTIONS.] The commissioner of public welfare in coordination with the commissioner of health may approve a new intermediate care facility for mentally retarded persons only in the following circumstances:

(a) when the facility is developed in accordance with a request for proposal system established pursuant to subdivision 3, clause (c), or

(b) when the facility is necessary to serve the needs of identifiable mentally retarded persons who are seriously behaviorally disordered or who are physically or sensorily impaired, or

(c) to license beds in new facilities where need was determined by the commissioner prior to the effective date of this section.

Subd. 3. [DUTIES OF COMMISSIONER.] The commissioner shall:

(a) establish standard admission criteria for state hospitals and county utilization targets to limit and reduce the number of intermediate care beds in state hospitals and community facilities in accordance with approved waivers under Title XIX of the Social Security Act to assure that appropriate services are provided in the least restrictive setting;

(b) eliminate state hospital beds by consolidating program units and closing other units as necessary to reduce costs and assure quality programming, provided that a staff redeployment plan is in place before the consolidation:

(c) provide technical assistance so that county boards may establish a request for proposal system for meeting individual service plan objectives through home and community-based services, alternative community services, or, if no other alternative will meet the needs of identifiable individuals for whom the county is financially responsible, a new intermediate care facility for mentally retarded persons; and

(d) establish a client tracking and evaluation system as required under applicable federal waiver regulations, Code of Federal Regulations, title 42. sections 431, 435, 440, and 441.

Subd. 4. [MONITORING.] The commissioner of public welfare, in coordination with the commissioner of health, shall implement mechanisms to monitor and analyze the effect of the bed moratorium in the different geographic areas of the state. The commissioner of public welfare shall submit to the legislature annually no later than January 15, an assessment of the impact of the moratorium by geographic areas.

Subd. 5. [RULEMAKING.] The commissioner of public welfare is authorized to adopt permanent and temporary rules to establish uniform rules to implement this section.

Subd. 6. [REPEALER.] The provisions of this section shall be repealed if the home and community-based waiver under the Social Security Act, Title XIX, Section 1915(c) is not approved by December 31, 1984.

Sec. 4. Minnesota Statutes 1982, section 256B.02, subdivision 8, is amended to read:

Subd. 8. "Medical assistance" or "medical care" means payment of part or all of the cost of the following care and services for eligible individuals whose income and resources are insufficient to meet all of such cost:

(1) Inpatient hospital services.

(2) Skilled nursing home services and services of intermediate care facilities, including training and habilitation services for mentally retarded individuals residing in intermediate care facilities for the mentally retarded.

(3) Physicians' services.

- (4) Outpatient hospital or clinic services.
- (5) Home health care services.
- (6) Private duty nursing services.
- (7) Physical therapy and related services.
- (8) Dental services, excluding cast metal restorations.
- (9) Laboratory and x-ray services.

(10) The following if prescribed by a licensed practitioner: drugs, eyeglasses, dentures, and prosthetic devices. The commissioner shall designate a formulary committee which shall advise the commissioner on the names of drugs for which payment shall be made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of public welfare, 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 public welfare, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. The formulary shall not include: drugs for which there is no federal funding; over the counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; nutritional products; anorectics; and drugs for which medical value has not been established. Payment to drug vendors shall not be modified before the formulary is established. The commissioner may promulgate conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

The basis for determining the amount of payment shall be the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. Establishment of this fee shall not be subject to the requirements of the administrative procedure act. 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" on the prescription as required by section 151.21, subdivision 2.

Notwithstanding the above provisions, implementation of any change in the fixed dispensing fee which has not been subject to the administrative procedure act shall be limited to not more than 180 days, unless, during that time, the commissioner shall have initiated rulemaking through the administrative procedure act. (11) Diagnostic, screening, and preventive services.

(12) Health care pre-payment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act.

(13) Abortion services, but only if one of the following conditions is met:

(a) The abortion is a medical necessity. "Medical necessity" means (1) the signed written statement of two physicians indicating the abortion is medically necessary to prevent the death of the mother, and (2) the patient has given her consent to the abortion in writing unless the patient is physically or legally incapable of providing informed consent to the procedure, in which case consent will be given as otherwise provided by law;

(b) The pregnancy is the result of criminal sexual conduct as defined in section 609.342, clauses (c), (d), (e)(i), and (f), and the incident is reported within 48 hours after the incident occurs to a valid law enforcement agency for investigation, unless the victim is physically unable to report the criminal sexual conduct, in which case the report shall be made within 48 hours after the victim becomes physically able to report the criminal sexual conduct: or

(c) The pregnancy is the result of incest, but only if the incident and relative are reported to a valid law enforcement agency for investigation prior to the abortion.

(14) Transportation costs incurred solely for obtaining emergency medical care or transportation costs incurred by non-ambulatory persons in obtaining emergency or non-emergency medical care when paid directly to an ambulance company, common carrier, or other recognized providers of transportation services. For the purpose of this clause, a person who is incapable of transport by taxicab or bus shall be considered to be non-ambulatory.

(15) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining non-emergency medical care.

(16) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law.

(17) Home and community-based services provided under an approved service plan of care for persons who, without the services, would, as determined through case management screening, require institutional care in an intermediate care facility for mentally retarded.

Sec. 5. [256B.092] [CASE MANAGEMENT OF MENTALLY RE-TARDED PERSONS]

Subdivision 1. [COUNTY OF FINANCIAL RESPONSIBILITY. DUTIES.] Before any services shall be rendered to mentally retarded persons in need of social service and medical assistance, the county of financial responsibility shall conduct a diagnosis in order to determine whether the person is or may be mentally retarded. If a client is diagnosed mentally retarded, that county must conduct a need assessment, develop an individual service plan, and authorize placement for services. If the county of financial responsibility places a client in another county for services, the placement shall be made in cooperation with the host county of service, and arrangements shall be made between the two counties for ongoing social service, including annual reviews of the client's individual service plan. The host county may not make changes in the service plan without approval by the county of financial responsibility.

Subd. 2. [MEDICAL ASSISTANCE.] To assure quality case management to those county clients who are eligible for medical assistance, the commissioner shall: (a) provide consultation on the case management process; (b) assist county agencies in the screening and annual reviews of clients to assure that appropriate levels of service are provided; (c) provide consultation on service planning and development of services with appropriate options; (d) provide training and technical assistance to county case managers; and (e) authorize payment for medical assistance services.

Subd. 3. [TERMINATION OF SERVICES.] County agency case managers, under rules of the commissioner, shall authorize and terminate services of community and state hospital providers in accordance with individual service plans. Services not needed shall not be authorized by county agencies nor funded by the commissioner.

Subd. 4. [ALTERNATIVE HOME AND COMMUNITY-BASED SER-VICES.] The commissioner shall make payments to county boards participating in the medical assistance program to pay costs of providing alternative home and community-based services to medical assistance eligible mentally retarded persons screened under subdivision 7. Payment is available under this subdivision only for persons who, if not provided these services, would require the level of care provided in an intermediate care facility for mentally retarded persons.

Subd. 5. [FEDERAL WAIVERS.] The commissioner shall apply for any federal waivers necessary to secure, to the extent allowed by law, federal financial participation under Title XIX of the Social Security Act, for the provision of services to persons who, in the absence of the services, would need the level of care provided in a state hospital or a community intermediate care facility for mentally retarded persons. The commissioner may seek amendments to the waivers or apply for additional waivers under Title XIX of the Social Security Act to contain costs. The commissioner shall ensure that grants for payment for the cost of providing home and community-based alternative services under the federal waiver plan shall not exceed the cost of intermediate care services that would have been provided without the waivered services.

Subd. 6. [RULES.] The commissioner shall adopt temporary rules to establish required controls, documentation, and reporting of services provided in order to assure proper administration of the approved waiver plan.

Subd. 7. [SCREENING TEAMS ESTABLISHED.] Each county agency shall establish a screening team which, under the direction of the county case manager, shall make an evaluation of need for home or community-based services of persons who are entitled to the level of care provided by an intermediate care facility for mentally retarded persons or for whom there is a reasonable indication that they might need the services in the near future. The screening team shall consist of the case manager, the client, a parent or guardian, a qualified mental retardation professional (as defined in the Code of Federal Regulations, title 42, section 442.401) assigned by the commissioner. The case manager shall consult with the client's physician or other persons as necessary to make this evaluation. Other persons may be invited to attend meetings of the screening team. No member of the screening team shall have any direct or indirect financial interest or service provider interest in the case.

Subd. 8. [SCREENING TEAM DUTIES.] The screening team shall:

(a) review diagnostic data;

(b) review health, social, and developmental assessment data;

(c) identify the level of services needed to maintain the person in the most normal and least restrictive setting that is consistent with treatment needs;

(d) identify other noninstitutional public assistance or social service that may prevent or delay long-term residential placement;

(e) determine whether a client is in serious need of long-term residential care;

(f) make recommendations to the county board and the commissioner regarding placement and payment for (1) social service or public assistance support to maintain a client in the client's own home or other place of residence, (2) training and habilitation service, vocational rehabilitation, employment training activities, (3) community residential placement, (4) state hospital placement, or (5) a home and community-based alternative to (3) or (4);

(g) make recommendations to the court as may be needed to assist the court in making commitments of mentally retarded persons; and

(h) inform clients that appeal may be made to the commissioner pursuant to section 256.045.

Sec. 6. [256B.50] [RATES FOR COMMUNITY-BASED SERVICES FOR THE MENTALLY RETARDED.]

Subdivision 1. [DEFINITIONS.] (1) For the purposes of this section, the following terms have the meanings given them.

(2) "Commissioner" means the commissioner of public welfare.

(3) "Facility" means a facility licensed as a mental retardation residential facility under section 252.28, licensed as a supervised living facility under chapter 144, and certified as an intermediate care facility for the mentally retarded.

(4) A "waivered service" means a home for community-based service authorized under the Social Security Act, Title XIX, section 1915(c), and defined in the Minnesota state plan for the provision of medical assistance services. Waivered services include, at a minimum, case management, family training and support, developmental training homes, supervised living arrangements, semi-independent living services, respite care and training and habilitation services.

(5) "Training and habilitation services" are those health and social ser-

vices needed to insure optimal functioning of persons who are mentally retarded or have related conditions. Training and habilitation services shall be provided by an organization which is separate from the organization which provides the residential services.

Subd. 2. [AUTHORITY.] The commissioner shall establish procedures and rules for determining rates for care of residents of intermediate care facilities for the mentally retarded which qualify as vendors of medical assistance, waivered services, and for provision of training and habilitation services. Approved rates shall be established on the basis of methods and standards that the commissioner finds adequate to provide for the costs that must be incurred for the quality care of residents in efficiently and economically operated facilities and services. The procedures shall specify the costs that are allowable for payment through medical assistance. The commissioner may use experts from outside the department in the establishment of the procedures.

Subd. 3. [RATES FOR INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED.] In establishing rates for care of residents in intermediate care facilities for mentally retarded persons the commissioner shall consider the recommendations contained in the February 11, 1983, report of the legislative auditor on community residential programs for the mentally retarded and the recommendations contained in the 1982 report of the department of public welfare rule 52 task force.

Subd. 4. [WAIVERED SERVICES.] In establishing rates for waivered services the commissioner shall consider the need for flexibility in the provision of those services to meet individual needs identified by the screening team.

Subd. 5. [TRAINING AND HABILITATION SERVICES.] (a) Except as provided in subdivision 6, rates for training and habilitation services provided by a developmental achievement center either as a waivered service or to residents of an intermediate care facility for mentally retarded persons shall be established and paid in acccordance with this subdivision.

(b) Prior to July 1, 1983, the county board shall submit to the commissioner for approval a per diem rate for each developmental achievement center it administers pursuant to section 252.24, subdivision 1, for the period from July 1, 1983, through December 31, 1983, which shall be the rate established for that developmental achievement center for 1983 or 106 percent of the 1982 per diem rate, whichever is less.

(c) The base per diem rate established July 1, 1983, may be increased by the county in subsequent calendar years in an amount up to the percentage increase allowed by the legislature in per diem charges made by intermediate care facilities for mentally retarded persons.

(d) The county board in which an intermediate care facility for mentally retarded persons is located shall contract annually with that facility and with the appropriate developmental achievement center for provision of training and habilitation services for each resident of the facility for whom the services are required by the resident's individual service plan. This contract shall specify the payment rate, the training and habilitation services to be provided, and the performance standards for program provision. A similar

contract shall be entered into between the county and the developmental achievement center for persons receiving training and habilitation services from that center as a waivered service.

(e) The commissioner shall reimburse up to 210 days of training and habilitation services at developmental achievement centers which provided less than or equal to that amount in calendar year 1982. For developmental achievement centers providing more than 210 days of service in 1982, the commissioner shall not pay in excess of the number of days provided by those programs in 1982.

(f) Medical assistance payments for training and habilitation service shall be made to the county board financially responsible for the client. The developmental achievement center shall submit invoices to the medical assistance program following procedures established by the medical assistance program.

Subd. 6. INEW DEVELOPMENTAL ACHIVEMENT PROGRAMS. **RATES.**] The commissioner, upon the recommendation of the local county board, shall determine the rate for new developmental achievement programs. The payment rate shall not exceed 125 percent of the average payment rate in the region.

Subd. 7. [ALTERNATIVE RATES FOR TRAINING AND HABILITA-TION SERVICES.] Alternative methods may be proposed by the counties or the commissioner for provision of training and habilitation services during daytime hours apart from a residential facility to persons for whom needs identified in their individual service plan are not met by the training and habilitation services provided at a developmental achievement center. The commissioner shall establish procedures for approval of the proposals and for payment of reasonable rates which shall not exceed the average rate allowed in that county for training and habilitation services pursuant to subdivision 5. Nothing in this subdivision prohibits a county from contracting with a developmental achievement center for such purposes.

Subd. 8. [PAYMENT FOR PERSONS WITH SPECIAL NEEDS.] The commissioner shall establish by December 31, 1983, procedures to be followed by the counties to seek authorization from the commissioner for payment for waivered services or training and habilitation services for very dependent persons with special needs in an amount in excess of the rates allowed pursuant to subdivisions 2, 4, 5, and 6 and procedures to be followed for rate limitation exemptions for intermediate care facilities for mentally retarded persons. No excess payment or limitation exemption shall be authorized unless the need for the service is documented in the individual service plan of the person or persons to be served, the type and duration of the services needed are stated, and there is a reasonable basis for estimated cost of the services.

The commissioner shall evaluate the services provided pursuant to this subdivision through program and fiscal audits.

Subd. 9. [REPORTING REQUIREMENTS.] The developmental achievement center shall submit to the county and the commissioner no later than March 31 of each year an annual report which includes the actual program revenues and expenditures, client information, and program information.

The information shall be submitted on forms prescribed by the commissioner.

Subd. 10. [TEMPORARY RULES.] To implement subdivisions 1 to 9, the commissioner shall adopt temporary and permanent rules in accordance with chapter 14.

Sec. 7. [FEDERAL REQUIREMENTS.]

If any provision of sections 3, 4, 5, or 6 is determined by the United States government to be in conflict with existing or future requirements of the United States government with respect to federal participation in medical assistance, the federal requirements shall prevail.

Sec. 8. Minnesota Statutes 1982, section 256E.06, is amended by adding a subdivision to read:

Subd. 2a. [STATE TRANSFER OF FUNDS.] Notwithstanding subdivisions 1 and 2 the commissioner is authorized to transfer, prior to distribution of state aids to the counties, up to \$16,000,000 from the biennial appropriation beginning July 1, 1983, to the medical assistance state account to fund training and habilitation services provided to residents of intermediate care facilities for mentally retarded persons as required by federal regulations. Upon federal approval of the state plan, county boards will not be responsible for the funding of developmental achievement center services as a social service to intermediate care facilities for mentally retarded residents. County board responsibility for the services shall be assumed under section 256B.20. County boards continue to be responsible for funding developmental achievement center services for those persons not covered under the Title XIX medical assistance program.

Sec. 9. [APPROPRIATION.]

Up to \$400,000 is appropriated from the general fund to the department of public welfare to match federal money available for costs establishing a client information system and positions needed to administer the mental retardation program. Up to 15 line item positions are authorized for the implementation of provisions of the case management plan, the home and community-based services waiver program, assisting county agencies in screening of clients for medical assistance services, technical assistance in developing community-based alternatives, and management of the mental retardation medical assistance program.

Sec. 10. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to public welfare; establishing limitation on the number of beds in the state program for mentally retarded persons; establishing reimbursement rates for residential and training and habilitation services; transferring certain appropriations to medical assistance; establishing case management services and screening teams; amending Minnesota Statutes 1982, sections 252.24, subdivision 1; 252.28; 256B.02, subdivision 8; and 256E.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 252 and 256B."

And when so amended the bill do pass and be re-referred to the Committee

on Finance. Amendments adopted. Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 159: A bill for an act relating to occupations and professions; regulating chiropractic practice; providing rulemaking authority for the board of chiropractic examiners; amending Minnesota Statutes 1982, sections 148.01; 148.06; and 148.08, and by adding a subdivision.

Reports the same back with the recommendation that the bill be amended as follows:

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1982, section 148.01, is amended to read:

148.01 [CHIROPRACTIC.]

Subdivision 1. For the purposes of sections 148.01 to 148.10, "chiropractic" is hereby defined as being the science of adjusting any abnormal articulations of the human body, especially those of the spinal column, for the purpose of giving freedom of action to impinged nerves that may cause pain or deranged function.

Subd. 2. The practice of chiropractic is hereby declared not to be the practice of medicine, surgery, or osteopathy.

Subd. 3. Chiropractic practice includes those non-invasive means of clinical, physical, and laboratory measures and analytical x-ray of the bones of the skeleton which are necessary to make a determination of the presence or absence of a chiropractic condition. The practice of chiropractic may include procedures which are used to prepare the patient for chiropractic adjustment or to complement the chiropractic adjustment. The procedures may not be used as independent therapies or separately from chiropractic adjustment. No device which utilizes heat or sound shall be used in the treatment of a chiropractic condition unless it has been approved by the Federal Communications Commission. No device shall be used above the neck of the patient. Any chiropractor who utilizes procedures in violation of this subdivision shall be guilty of professional misconduct unprofessional conduct and subject to disciplinary procedures pursuant according to section 148.10."

Page 4, after line 13, insert:

"Sec. 4. [LEGISLATIVE STUDY COMMISSION.]

A legislative study commission is created to study and report on the utilization of venipuncture for diagnostic purposes in the practice of chiropractic and medicine. The commission shall report its findings to the legislature on December 1, 1984. The commission shall consist of two members of the house of representatives appointed by the speaker of the house and two members of the senate appointed by the majority leader of the senate. There shall also be two doctors of chiropractic and two doctors of medicine, all appointed by their respective licensing boards."

Page 4, line 15, delete "3" and insert "4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before "amending" insert "creating a legislative study commission:"

And when so amended the bill do pass. Amendments adopted, Report adopted.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 617: A bill for an act relating to health; providing for the distribution of federal funds for maternal and child health care; amending Minnesota Statutes 1982, sections 145.881, subdivision 1; and 145.882; proposing new law coded in Minnesota Statutes, chapter 145.

Reports the same back with the recommendation that the bill be amended as follows:

Page 1, delete section 1

Page 2, strike lines 3 to 7 and delete the new language in line 5

Page 2, delete lines 8 to 16 and insert:

"Subdivision 1. [APPORTIONMENT OF CHANGES IN FEDERAL FUNDING.] Any decrease in the amount of federal funding to the state for the maternal and child health block grant shall be apportioned to reflect a proportional decrease for each recipient until June 30, 1985. Any increase in the amount of federal funding to the state shall be distributed for services to children with handicaps and to special projects as provided in sections 2 to 7

Subd. 2. [DISTRIBUTION OF BLOCK GRANT MONEY.] Except as provided in subdivision 1, the maternal and child health care block grant money shall be distributed to the same recipients that received funds during the previous year until June 30, 1985. After June 30, 1985, all maternal and child health block grant money, except for money used for indirect costs under the block grant program, shall be distributed as state grants as provided in sections 3 to 8.

At least 42 percent of all maternal and child health block grant money shall be distributed to special projects.

The commissioner shall not use more than 15 percent of the maternal and child health block grant money, excluding money distributed to special projects, for indirect costs. "Indirect costs" means operating costs attributable to directly providing services and include but are not limited to the costs of accounting, budgeting control administrative services, and building rental."

Page 2, line 17, delete "[SPECIAL PROJECTS.]" and insert "[GRANT ELIGIBILITY.]"

Page 2, delete lines 18 to 27 and insert:

"Recipients of maternal and child health money in state fiscal year 1983

shall continue to be funded until June 30, 1985, if they comply with provisions of sections 145.881, 145.882 and 2 to 7. These recipients are eligible to apply for state grants under sections 2 to 7."

Page 2, line 35, delete everything after "program"

Page 3, line 1, delete "primary" and after "providing" insert "essential"

Page 3, line 3, after "income" insert "and high risk"

Page 3, line 8, delete "and" and insert "or"

Page 3, line 9, after "*ill*" insert "*children*" and after "*and*" insert "*for*" and delete everything after "*children*"

Page 3, line 10, delete everything before the period

Page 3, line 21, after the period, insert "The commissioner shall establish the low income level for eligibility for services to children with handicaps."

Page 3, line 23, delete everything after "patient"

Page 3, delete lines 24 to 36

Page 4, delete lines 1 to 3 and insert "with a condition which significantly increases the probability of disease, injury, death or other adverse healthrelated problem. Determination that a condition results in high risk shall be based on well-validated, scientific studies."

Page 4, after line 3, insert:

"Subd. 7. [SPECIAL PROJECT.] "Special project" means a qualified program that receives maternal and child health block grant money and is administered by a public or private nonprofit agency other than the Minnesota department of health.

Subd. 8. [MATERNAL AND CHILD HEALTH BLOCK GRANT MONEY.] "Maternal and child health block grant money" means the money received by the state from the federal maternal and child health block grant during the state's fiscal year. Any carryover money from a prior state fiscal year in excess of 25 percent of a federal block grant award shall be distributed as state grants as provided in sections 2 to 7."

Page 5, linc 9, before "The" insert "Primary review of all grant applications shall be conducted by the Minnesota department of health technical staff. All technically completed applications will be forwarded for secondary review to the maternal and child health advisory task force and, at the discretion of the commissioner, an impartial panel established by the commissioner. Members of the impartial panel shall be professionals with expertise in maternal and child health care. No member of the panel shall be an employee of a public or private nonprofit agency receiving or applying for maternal and child health block grant money."

Page 5, line 11, after "task force" insert "and, if established, the impartial panel" and after the period, delete "Grant"

Page 5, delete lines 12 and 13

Page 5, after line 18, insert:

"Sec. 9. [RULES.]

The commissioner of health shall promulgate temporary and permanent rules to implement sections 1 to 8."

Page 5, line 19, delete "9" and insert "10"

Page 5, line 20, delete "8" and insert "9"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Amendments adopted. Report adopted.

Mr. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 406 for comparison with companion Senate File, reports the following House File was found not identical with its companion Senate File as follows:

GENERAL ORDERS CONSENT CALENDAR CALENDAR H.F. No. S.F. No. H.F. No. S.F. No. H.F.No. S.F.No. 406 328

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 406 be amended as follows:

Page 2, line 5, delete "1" and insert "549.04"

Amend the title as follows:

Page 1, line 5, delete "sections" and insert "section"

Page 1, line 5, delete "; and 580.17"

And when so amended H.F. No. 406 will be identical to S.F. No. 328, and further recommends that H.F. No. 406 be given its second reading and substituted for S.F. No. 328, and that the Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

Mr. Moc, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 633 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERSCONSENT CALENDARCALENDARH.F. No.S.F. No.H.F. No.S.F. No.633676

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 49, this report was prepared and submitted by the Sccretary of the Scnate on behalf of the Committee on Rules and Administration. Report adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 1009, 740, 497, 843, 915, 597, 891, 781, 812, 713 and 159 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 609, 406 and 633 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Laidig moved that the name of Mr. Storm be added as a co-author to S.F. No. 738. The motion prevailed.

Mrs. Adkins moved that the name of Mr. Bernhagen be added as a co-author to S.F. No. 891. The motion prevailed.

Mr. Pehler moved that the name of Mr. Frederick be added as a co-author to S.F. No. 951. The motion prevailed.

Mrs. Lantry moved that the name of Mr. Frank be added as a co-author to S.F. No. 1035. The motion prevailed.

Ms. Berglin moved that the name of Ms. Peterson, D.C. be added as a co-author to S.F. No. 1084. The motion prevailed.

Mr. Pehler introduced—

Senate Resolution No. 47: A Senate resolution relating to the proclamation of Handicapped Awareness Week in the St. Cloud area.

Referred to the Committee on Rules and Administration.

Mr. Chmielewski moved that the name of Mr. Diessner be added as a co-author to S.F. No. 1082. The motion prevailed.

Ms. Berglin, for Mr. Chmielewski, moved that S.F. No. 994 be withdrawn from the Committee on Health and Human Services and re-referred to the Committee on Finance. The motion prevailed.

CONSENT CALENDAR

H.F. No. 624: A bill for an act relating to retirement; highway patrol; restating the definition of average monthly salary; amending Minnesota Statutes 1982, section 352B.08, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins Anderson Belanger Benson Berg Berghagen Bernhagen Bertram Brataas Dahl Davis DeCramer	Diessner Dieterich Frank Frederick Frederickson Freeman Hughes Isackson Johnson, D.E. Johnson, D.J. Jude Kamrath	Knutson Kronebusch Laidig Langseth Lantry Luther McQuaid Mehrkens Merriam Moe, D. M. Moe, R. D.	Novak Olson Pehler Peterson,C.C. Peterson,D.C. Peterson,R.W. Petry Pogemiller Purfeerst Ramstad Reichgott	Samuelson Schmitz Sieloff Spear Storm Stumpf Taylor Ulland Vega Waldorf Wegscheid Willet
Davis DeCramer Dicklich	Kamrath Knaak	Moe, R. D. Nelson		

So the bill passed and its title was agreed to.

GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

S.F. Nos. 554, 282, 148, 358, 627, 339, 513, 332, 568, 639, 598, 645, 495, 338, 546, 7, 530, 280, 673, 723, 714, 699 and H.F. Nos. 25, 176, 342, 171, 529, 30, 325, 231, 552, 576 and 413, which the committee recommends to pass.

S.F. Nos. 504 and 85 which the committee recommends be re-referred to the Committee on Finance.

H.F. No. 365, which the committee recommends to pass, subject to the following motions:

Ms. Berglin moved that the amendment made to H.F. No. 365 by the Committee on Rules and Administration in the report adopted April 6, 1983, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

Ms. Berglin moved to amend H. F. No. 365 as follows:

Page 5, line 29, after "to" insert "appropriate"

Page 5, line 30, after "needs" insert ". Appropriate care for residents means care designed to enable residents"

Page 6, after line 6, insert: "Patients and residents who receive services from an outside provider are entitled, upon request, to be told the identity of the provider."

Page 6, line 7, delete "Patients and" and delete "upon request"

Page 6, line 9, delete "patients or"

Page 6, line 21, after the comma insert "risks,"

Page 6, line 26, after "include" insert ", for residents,"

Page 7, line 13, delete "including"

Page 7, line 14, delete everything before "be" and insert " based on the

information required in subdivision 9. Patients and residents shall"

Page 7, line 15, after "or" insert "major"

Page 8, line 17, delete "Patients and"

Page 8, line 18, after "when" insert "personal" and delete ", other than medical"

Page 8, line 19, delete "records,"

Page 12, line 13, after "subdivisions" insert "8," and after "29," insert "and those portions of other subdivisions that apply only to residents,"

Page 13, after line 5, insert:

"Sec. 3. Minnesota Statutes 1982, section 145.93, subdivision 3, is amended to read:

Subd. 3. [GRANT AWARD; DESIGNATION; PAYMENTS UNDER GRANT.] Each Every odd-numbered year the commissioner shall give reasonable public notice of the availability of moneys money appropriated pursuant to Laws 1980, Chapter 577, Section 2 or otherwise available for the purposes of this section. After consulting with the advisory council, the commissioner shall select as grantee a nonprofit corporation or unit of government which applies for the moneys and best fulfills the criteria specified in subdivision 4. The grantee selected shall be designated the Minnesota poison information center. Moneys Money appropriated under Laws 1980, Chapter 577, Section 2 or otherwise available for the purposes of this section shall be paid to the grantee quarterly beginning on July 1."

Amend the title as follows:

Page 1, line 5, delete "and" and after "144.652" insert "; and 145.93, subdivision 3"

The motion prevailed. So the amendment was adopted.

S.F. No. 621, which the committee recommends to pass with the following amendment offered by Mr. Wegscheid:

Page 3, after line 24, insert:

"Sec. 6. Minnesota Statutes 1982, section 16.851, subdivision 3, is amended to read:

Subd. 3. Nothing in the state building code shall require that each door entering a sleeping *or patient's* room from a corridor in a nursing home *or hospital* with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "regulating the state building code's application to hospitals;"

Page 1, line 11, delete "and"

Page 1, line 11, after "5" insert "; and 16.851, subdivision 3"

The motion prevailed. So the amendment was adopted.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

INTRODUCTION AND FIRST READING OF SENATE BILLS

The following bills were read the first time and referred to the committees indicated.

Messrs. Luther, Diessner, Dicklich and Chmielewski introduced-

S.F. No. 1110: A bill for an act relating to state employees; providing for the burden of proof in grievance procedures; amending Minnesota Statutes 1982, section 43A.33, subdivision 2.

Referred to the Committee on Employment.

Mr. Schmitz introduced-

S.F. No. 1111: A bill for an act relating to counties; providing for the publication and other distribution of county accounts; amending Minnesota Statutes 1982, sections 375.12, subdivision 2; and 375.17.

Referred to the Committee on Local and Urban Government.

Messrs. Merriam and Bernhagen introduced-

S.F. No. 1112: A bill for an act relating to drainage; reducing the bond required for appeal of benefits or damages in a drainage assessment proceeding; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

Referred to the Committee on Agriculture and Natural Resources.

Messrs. Jude; Moe, R.D. and Renneke introduced-

S.F. No. 1113: A bill for an act relating to employee relations; requiring the commissioner to allow the donation of vacation time by highway patrol employees; amending Minnesota Statutes 1982, section 43A.04, by adding a subdivision.

Referred to the Committee on Employment.

Mr. Jude introduced-

S.F. No. 1114: A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; authorizing land acquisition in relation thereto.

Referred to the Committee on Agriculture and Natural Resources.

Mr. Jude, by request, introduced-

S.F. No. 1115: A bill for an act relating to mental health; authorizing county boards to allocate mental health funds; providing the commissioner of public welfare with rulemaking and standard-setting authority for mental

health services; providing for the establishment of community mental health centers; defining community mental health center; authorizing funding for mental health services; providing for the establishment of mental health center boards; establishing additional responsibilities of the commissioner of public welfare for mental health services; authorizing the commissioner of public welfare to receive and expend federal mental health funds and establish a statewide plan for all services and facilities for the mentally ill; providing medical assistance coverage for outpatient mental health services; amending Minnesota Statutes 1982, sections 245.61; 245.62; 245.63; 245.66; 245.69, subdivision 1; 245.71; 245.711, subdivision 2; and 256B.02, subdivision 8; repealing Minnesota Statutes 1982, sections 245.64 and 245.70.

Referred to the Committee on Health and Human Services.

Mr. Peterson, R.W. introduced-

S.F. No. 1116: A bill for an act relating to natural resources; increasing certain water appropriation processing fees; appropriating money; amending Minnesota Statutes 1982, section 105.41, subdivision 5.

Referred to the Committee on Finance.

Messrs. Langseth and Purfeerst introduced-

S.F. No. 1117: A bill for an act relating to transportation; increasing certain fees; amending Minnesota Statutes 1982, sections 169.86, subdivision 5; 169.862; 173.13, subdivision 4; 360.018, subdivision 1; and 360.63, subdivision 2.

Referred to the Committee on Transportation.

Messrs. Solon, Ulland and Chmielewski introduced-

S.F. No. 1118: A bill for an act relating to the cities of Duluth and Hermantown; providing for joint determination of the need for ambulance service.

Referred to the Committee on Local and Urban Government.

Mr. Moe, D.M. introduced—

S.F. No. 1119: A bill for an act relating to motor vehicles; allowing the holder of personalized license plates to retain the same number after the personalized plates have been damaged, lost, or stolen; amending Minnesota Statutes 1982, section 168.12, subdivision 2a.

Referred to the Committee on Transportation.

Messrs. Pogemiller, Willet, Pehler, Laidig and Kroening introduced-

S.F. No. 1120: A bill for an act relating to communications; establishing the Minnesota state information systems and communications council; prescribing its powers and duties; transferring duties of other state agencies; providing for potential purchase of certain equipment by state employees; appropriating money; amending Minnesota Statutes 1982, sections 10A.01, subdivision 18; 16.02, subdivision 2a; 16.125, subdivision 2; 16.90, subdivision 1; 16.911; 16.94; 16.95; 121.934, subdivision 7; 238.01; and 238.04, subdivisions 1 and 7; proposing new law coded in Minnesota Statutes, chapters 16; 16B; and 116J; repealing Minnesota Statutes 1982, sections 16.90, subdivisions 3 and 4; 16.91; 16.955; 116J.42, subdivision 8; and 238.05, subdivision 1.

Referred to the Committee on Governmental Operations.

Messrs. Lessard; Willet; Johnson, D.J.; Pehler and Moe, R.D. introduced---

S.F. No. 1121: A bill for an act relating to forestry; formulating a state forest land preservation and conservation policy; imposing duties on state agencies in actions adversely affecting forest lands; removing dollar and term limits on state timber permits; extending certain timber permits; authorizing limited excess weights for timber transport vehicles; removing the exclusive use requirement from timber lands for property taxation purposes; amending Minnesota Statutes 1982, sections 14.11, by adding a subdivision; 90.101, subdivision 1; 90.151, subdivision 1; 169.825, by adding a subdivision; 273.13, subdivision 8a; and Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 88.

Referred to the Committee on Agriculture and Natural Resources.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:00 a.m., Monday, April 11, 1983. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate