

THIRTY-SECOND DAY

St. Paul, Minnesota, Monday, April 13, 1987

The Senate met at 2:00 p.m. and was called to order by the President.

CALL OF THE SENATE

Mr. Luther imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Joseph Kremer.

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

Adkins	DeCramer	Knutson	Moe, R.D.	Schmitz
Anderson	Dicklich	Kroening	Morse	Solon
Beckman	Diessner	Laidig	Novak	Spear
Belanger	Frank	Langseth	Olson	Storm
Berg	Frederick	Lantry	Pehler	Stumpf
Berglin	Frederickson, D.J.	Larson	Peterson, D.C.	Taylor
Bernhagen	Frederickson, D.R.	Lessard	Peterson, R.W.	Vickerman
Bertram	Freeman	Luther	Piper	Waldorf
Brandl	Gustafson	Marty	Pogemiller	Wegscheid
Brataas	Hughes	McQuaid	Purfeerst	Willet
Chmielewski	Johnson, D.E.	Mehrkins	Ramstad	
Cohen	Johnson, D.J.	Merriam	Reichgott	
Dahl	Jude	Metzen	Renneke	
Davis	Knaak	Moe, D.M.	Samuelson	

The President declared a quorum present.

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

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the adoption by the House of the following Senate Concurrent Resolution, herewith returned:

Senate Concurrent Resolution No. 9: A Senate concurrent resolution relating to adjournment for more than three days.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 9, 1987

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 690, 692, 806, 841, 941,

1031, 1034, 391, 427, 590, 96, 955, 1049, 269, 755, 1024 and 1197.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 9, 1987

FIRST READING OF HOUSE BILLS

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

H.F. No. 690: A bill for an act relating to traffic regulations; requiring a blood or urine test when there is probable cause to believe there is impairment by a controlled substance; requiring alternative test to be offered under certain conditions; amending Minnesota Statutes 1986, section 169.123, subdivisions 2 and 2a.

Referred to the Committee on Judiciary.

H.F. No. 692: A bill for an act relating to public safety; providing for access to criminal justice datacommunications network and defining purposes for its use; providing access to motor vehicle excise tax data; amending Minnesota Statutes 1986, sections 297B.12; 299C.46, subdivision 3; and 299C.48.

Referred to the Committee on Judiciary.

H.F. No. 806: A bill for an act relating to human services; requiring certain written reports of abuse within 72 hours; requiring county attorneys to be on child protection teams; requiring specific investigations of certain abuse cases; amending Minnesota Statutes 1986, sections 626.556, subdivisions 7, 10, and 10a; and 626.558, subdivisions 1, 2, and 3.

Referred to the Committee on Judiciary.

H.F. No. 841: A bill for an act relating to utilities; providing for prevention of unlawful meter bypass, tampering, and use; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Judiciary.

H.F. No. 941: A bill for an act relating to crimes; prohibiting killing or injuring a police dog involved in law enforcement investigation or apprehension; prescribing penalties; amending Minnesota Statutes 1986, section 609.595, by adding a subdivision.

Referred to the Committee on Judiciary.

H.F. No. 1031: A bill for an act relating to liens; labor and material; regulating the attachment of these liens; providing that visible staking of the premises does not constitute the actual and visible beginning of the improvement; amending Minnesota Statutes 1986, section 514.05.

Referred to the Committee on Judiciary.

H.F. No. 1034: A bill for an act relating to crimes; repealing the requirement that the department of public safety must keep a record of all first convictions for the crime of possessing a small amount of marijuana; amending Minnesota Statutes 1986, section 152.15, subdivision 2.

Referred to the Committee on Judiciary.

H.F. No. 391: A bill for an act relating to crimes; increasing penalties for distributing controlled substances to a minor or employing a minor to distribute controlled substances; defining measurement and purity requirements of controlled substances for criminal and tax law purposes; amending Minnesota Statutes 1986, sections 152.15, subdivisions 1 and 4; 297D.01, subdivision 3; and 297D.07.

Referred to the Committee on Judiciary.

H.F. No. 427: A bill for an act relating to public safety; providing that violation of local DWI ordinance is counted for purposes of driver's license revocation; providing that courts must report juvenile traffic violations to the department of public safety; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 171.16, subdivision 5; 171.17; and 260.161, by adding a subdivision; repealing Minnesota Statutes 1986, section 260.193, subdivision 9.

Referred to the Committee on Judiciary.

H.F. No. 590: A bill for an act relating to crimes; sentencing; allowing a two year stay of sentence in misdemeanor cases involving driving under the influence and fifth degree assault; amending Minnesota Statutes 1986, section 609.135, by adding a subdivision.

Referred to the Committee on Judiciary.

H.F. No. 96: A bill for an act relating to the state high school league; requiring the league to arrange certain conference memberships; providing standards; amending Minnesota Statutes 1986, section 129.121, subdivision 1, and by adding a subdivision.

Referred to the Committee on Education.

H.F. No. 955: A bill for an act relating to port authority powers for the city of Roseville; amending Laws 1985, chapter 301, section 3.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1049: A bill for an act relating to labor; regulating the administration of the occupational safety and health act; clarifying employee rights to sue; amending Minnesota Statutes 1986, sections 182.659, subdivisions 6 and 8; 182.661, by adding a subdivision; 182.666, subdivisions 1, 2, 4, 5, and 6; and 182.669, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1074, now on General Orders.

H.F. No. 269: A bill for an act relating to traffic regulations; extending prohibition against wearing headphones while operating motor vehicle to include bicycles; amending Minnesota Statutes 1986, section 169.471, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 102, now on General Orders.

H.F. No. 755: A bill for an act relating to the metropolitan government; authorizing municipalities in the metropolitan area to adopt ordinances related to aircraft noise; proposing coding for new law in Minnesota Statutes, chapter 473.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 904, now on General Orders.

H.F. No. 1024: A bill for an act relating to human rights; regulating access to public accommodation by certain persons and guide dogs; amending Minnesota Statutes 1986, sections 256C.02; and 363.03, subdivision 10.

Referred to the Committee on Judiciary.

H.F. No. 1197: A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1986, chapters 84A; 105; 112; 274; 276; 352; 352B; 365; 430; and 447.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 1203, 1382 and reports pertaining to appointments. The motion prevailed.

Mr. Willet from the Committee on Environment and Natural Resources, to which was re-referred

S.F. No. 508: A bill for an act relating to transportation; requiring a license for the transportation of hazardous waste; providing for license administration, suspension, and revocation; requiring rulemaking; providing penalties; specifying articles that may be carried as household goods; revising fees for certain motor carrier permits and certificates; amending Minnesota Statutes 1986, sections 221.011, subdivision 31; 221.033, by adding a subdivision; 221.061; 221.121, subdivision 7, and by adding a subdivision; 221.131, subdivisions 2 and 3; 221.291, subdivision 3; 221.296, subdivision 5; and 221.60, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 221.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

TRANSPORTATION OF HAZARDOUS WASTE

Section 1. [221.035] [HAZARDOUS WASTE TRANSPORTER LICENSE.]

Subdivision 1. [LICENSE REQUIREMENT.] (a) A person may not transport hazardous waste that is required to have a manifest under Minnesota Rules, part 7045.0261, or is required to have shipping papers under Minnesota Rules, part 7045.0125, without a license issued under this section.

(b) If the applicant complies with the requirements of this section, the commissioner shall issue the license and shall issue a vehicle identification decal for each single unit vehicle or trailer that the licensee will use to transport hazardous waste. The applicant shall pay a fee of \$500 for a three-year license and an annual fee of \$25 for each vehicle identification decal. The license must be maintained at the licensee's principal place of business. The name and address of the licensee must be displayed on both sides of each unit of the vehicle. The vehicle identification decal must be

displayed on the single unit vehicle or trailer to which it is assigned, as prescribed by the commissioner. The decal is effective only when the license is effective. The license must be renewed in the third year following the date of the issuance of the license. The licensee must obtain new decals each year. The license may not be transferred to another person.

(c) An applicant for a license under this section, who is not otherwise subject to section 221.141, shall file a certificate of insurance with the commissioner as provided in section 221.141. The certificate must state that the insurer has issued to the applicant a policy that by endorsement provides public liability insurance in the amount required by Code of Federal Regulations, title 49, part 387.

Subd. 2. [OPERATION REQUIREMENTS.] A vehicle operated under a license issued under this section must be operated in compliance with the rules of the commissioner adopted under this chapter governing:

- (1) driver qualifications;*
- (2) safety of operation;*
- (3) equipment, parts, and accessories;*
- (4) inspection, repair, and maintenance; and*
- (5) maximum hours of service.*

Subd. 3. [LICENSE SUSPENSION AND REVOCATION.] (a) The commissioner may after notice and opportunity for hearing under chapter 14 suspend or revoke a license issued under this section if the commissioner determines that a licensee's actions constitute a serious or repeated violation of a statute or rule governing the transportation of hazardous waste. Factors to be considered by the commissioner in determining whether to suspend or revoke a license include:

- (1) the danger of exposing the public to toxic or hazardous substances;*
- (2) the condition of vehicles used by the licensee to transport hazardous waste; and*
- (3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified.*

(b) The commissioner shall revoke by order, without a hearing, the license of a licensee who fails to renew a license or fails to maintain insurance as required by this section. Revocation under this paragraph shall continue until the licensee renews the license and provides the commissioner with proof of insurance required under this section.

Subd. 4. [RULEMAKING AUTHORITY.] The commissioner shall adopt rules to implement this section. The commissioner may adopt rules to require licensed transporters to report to the commissioner.

Sec. 2. [221.036] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [AUTHORITY TO ISSUE PENALTY ORDERS.] The commissioner may issue an order requiring violations to be corrected and administratively assessing monetary penalties for a violation of section 1, of a material term or condition of a license issued under section 1, or of a rule or order of the commissioner relating to the transportation of haz-

ardous waste. An order shall be issued as provided in this section.

Subd. 2. [ELECTION OF PENALTIES.] *The commissioner may not both assess an administrative penalty under this section and seek a criminal sanction under section 221.291, subdivision 3, for violations arising out of the same inspection or audit.*

Subd. 3. [AMOUNT OF PENALTY; CONSIDERATIONS.] *(a) The commissioner may issue an order assessing a penalty up to a maximum of \$10,000 for all violations identified during a single inspection or audit.*

(b) In determining the amount of a penalty, the commissioner shall consider:

(1) the willfulness of the violation;

(2) the gravity of the violation, including damage to humans, animals, air, water, land, or other natural resources of the state;

(3) the history of past violations, including the similarity of the most recent violation and the violation to be penalized, the time elapsed since the last violation, the number of previous violations, and the response of the person to the most recent violation identified;

(4) the economic benefit gained by the person by allowing or committing the violation; and

(5) other factors as justice may require, if the commissioner specifically identifies the additional factors in the commissioner's order.

Subd. 4. [CONTENTS OF ORDER.] *An order assessing an administrative penalty under this section shall include:*

(1) a concise statement of the facts alleged to constitute a violation;

(2) a reference to the section of the statute, rule, order, or material term or condition of a license that has been violated;

(3) a statement of the amount of the administrative penalty to be imposed and the factors upon which the penalty is based; and

(4) a statement of the person's right to review of the order.

Subd. 5. [CORRECTIVE ORDER.] *(a) The commissioner may issue an order assessing a penalty and requiring the violations cited in the order to be corrected within 30 calendar days from the date the order was received.*

(b) The person to whom the order was issued shall provide information to the commissioner before the 31st day after the order was received demonstrating that the violation has been corrected or that appropriate steps toward correcting the violation have been taken. The commissioner shall determine whether the violation has been corrected and notify the person subject to the order of the commissioner's determination.

Subd. 6. [PENALTY.] *(a) Except as provided in paragraph (b), if the commissioner determines that the violation has been corrected or appropriate steps have been taken to correct the action, the penalty must be forgiven. Unless the person requests review of the order under subdivision 7, 8, or 9 before the penalty is due, the penalty in the order is due and payable:*

(1) on the 31st day after the order was received, if the person subject

to the order fails to provide information to the commissioner showing that the violation has been corrected or that appropriate steps have been taken toward correcting the violation; or

(2) on the 20th day after the receipt of a notice by the person subject to the order of the commissioner's determination under subdivision 5, paragraph (b), that information supplied to the commissioner is not sufficient to show that the violation has been corrected or that appropriate steps have been taken toward correcting the violation.

(b) For a repeated or serious violation, the commissioner may issue an order with a penalty that will not be forgiven after the corrective action is taken. The penalty is due by 30 days after the order was received unless review of the order under subdivision 7, 8, or 9 has been sought.

(c) Interest at the rate established in section 549.09 begins to accrue on penalties on the date that the penalty is due and payable if no request for review is filed under subdivision 7, 8, or 9.

Subd. 7. [EXPEDITED ADMINISTRATIVE HEARING.] (a) Within 30 days after the date on which an order was received, or within 20 days after the receipt of a notice that the commissioner has determined that a violation has not been corrected or appropriate steps have not been taken, the person subject to an order under this section may request an expedited hearing. The person to whom the order is directed and the commissioner are the parties to the expedited hearing to review the order and the penalty. The commissioner must notify the person to whom the order is directed of the time and place of the hearing at least 20 days before the hearing. The expedited hearing must be held within 30 days after a request for hearing has been filed with the commissioner unless the parties agree to a later date.

(b) All written arguments must be submitted within ten days following the close of the hearing. The hearing shall be conducted under the conference contested case rules of the office of administrative hearings, as modified by this subdivision. The office of administrative hearings may, in consultation with the department, adopt rules specifically applicable to cases under this section.

(c) The administrative law judge shall issue a report making recommendations about the order to the commissioner within 30 days following the close of the record. The administrative law judge may not recommend a change in the amount of the proposed penalty unless the administrative law judge determines that, based on the factors in subdivision 3, the amount of the penalty is unreasonable.

(d) If the administrative law judge makes a finding that the hearing was requested solely for purposes of delay or that the hearing request was frivolous, the commissioner may add to the amount of the penalty the costs charged to the department by the office of administrative hearings for the hearing.

(e) If a hearing has been held, the commissioner may not issue a final order until at least five days after receipt of the report of the administrative law judge. The person subject to the order may, within those five days, comment to the commissioner on the recommendations and the commissioner shall consider the comments. The final order may be appealed in the manner provided in sections 14.63 to 14.69.

(f) If a hearing has been held and a final order issued by the commissioner, the penalty shall be paid by the 15th day after the final order was mailed, together with interest accruing at the rate established in section 549.09 from 31 days after the original order was received.

Subd. 8. [DISTRICT COURT HEARING.] (a) Within 30 days after the receipt of an order, or within 20 days after the receipt of a notice that the commissioner has determined that a violation has not been corrected or appropriate steps have not been taken, the person subject to an order under this section may file a petition in district court for review of the order. The petition shall be filed with the court administrator with proof of service on the commissioner. The petition shall be captioned in the name of the person making the petition as petitioner and the commissioner as respondent. The petition shall state with specificity the grounds upon which the petitioner seeks rescission of the order, including the facts upon which each claim is based.

(b) At trial, the commissioner must establish by a preponderance of the evidence that a violation subject to this section and for which the petitioner is responsible occurred, that the factors listed in subdivision 3 were considered when the penalty amount was determined, and that the penalty amount is justified by those factors. In addition, if the commissioner immediately assesses a penalty as provided for under subdivision 5, paragraph (a), the commissioner must establish by a preponderance of the evidence that the immediate imposition of the penalty was justified.

Subd. 9. [MEDIATION.] In addition to review under subdivision 6 or 7, the director is authorized to enter into mediation concerning an order issued under this section if the director and the person to whom the order is issued both agree to mediation.

Subd. 10. [ELECTION OF REMEDIES.] A person subject to a corrective order under this section may not seek review of the order under both subdivisions 7 and 8.

Subd. 11. [ENFORCEMENT.] (a) The attorney general may proceed on behalf of the state to enforce penalties that are due and payable under this section in any manner provided by law for the collection of debts.

(b) The attorney general may petition the district court to file the administrative order as an order of the court. At any court hearing, the only issues parties may contest are procedural and notice issues. Once entered, the administrative order may be enforced in the same manner as a final judgment of the district court.

(c) If a person fails to pay the penalty, the attorney general may bring a civil action in district court seeking payment of the penalties, injunctive, or other appropriate relief including monetary damages, attorney fees, costs, and interest.

Subd. 12. [REVOCATION AND SUSPENSION OF PERMIT.] If a person fails to pay a penalty owed under this subdivision the agency has grounds to revoke or refuse to reissue or renew a license issued by the commissioner under section 1.

Subd. 13. [CUMULATIVE REMEDY.] The authority of the commissioner to issue a corrective order assessing penalties is in addition to other remedies available under statutory or common law. Except as provided in subdivision 2, the payment of a penalty does not preclude the use of other

enforcement provisions in connection with the violation for which the penalty was assessed.

Subd. 14. [TRUNK HIGHWAY FUND.] Penalties collected under this section must be deposited in the state treasury and credited to the trunk highway fund.

Sec. 3. Minnesota Statutes 1986, section 221.291, subdivision 3, is amended to read:

Subd. 3. [TRANSPORTATION OF HAZARDOUS MATERIALS.] A person who ships, transports, or offers for transportation hazardous waste or hazardous material or hazardous substances in violation of a provision of this chapter or a rule or order of the commissioner or board adopted or issued under this chapter which specifically applies to the transportation of hazardous material or hazardous waste or hazardous substances is guilty of a misdemeanor and upon conviction may be fined up to the maximum fine which may be imposed for a misdemeanor for each violation.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective January 1, 1988, except section 1, subdivision 4, is effective the day after enactment and rules adopted under section 1, subdivision 4, must be adopted by January 1, 1988.

ARTICLE 2

COMMON CARRIERS

Section 1. Minnesota Statutes 1986, section 221.061, is amended to read:

221.061 [OPERATION CERTIFICATE FOR REGULAR ROUTE COMMON CARRIER OR PETROLEUM CARRIER.]

A person desiring a certificate authorizing operation as a regular route common carrier or petroleum carrier, or an extension of or amendment to that certificate, shall file a petition with the board which must contain information as the board, by rule may prescribe.

Upon the filing of a petition for a certificate, the petitioner shall pay to the commissioner as a fee for issuing the certificate the sum of ~~\$75~~ \$300 and for a transfer or lease of the certificate the sum of ~~\$37.50~~ \$300.

The petition must be processed as any other petition. The board shall cause a copy and a notice of hearing thereon to be served upon a competing carrier operating into a city located on the proposed route of the petitioner and to other persons or bodies politic which the board deems interested in the petition. A competing carrier and other persons or bodies politic are hereby declared to be interested parties to the proceedings.

If, during the hearing, an amendment to the petition is proposed which appears to be in the public interest, the board may allow it when the issues and the territory are not unduly broadened by the amendment.

Sec. 2. Minnesota Statutes 1986, section 221.121, is amended by adding a subdivision to read:

Subd. 6a. [HOUSEHOLD GOODS CARRIER.] A person holding out or desiring to operate as a carrier of household goods shall follow the procedure established in subdivision 1, and shall specifically request an irregular route common carrier permit with authority to transport household

goods. The board shall grant a permit to operate as an irregular route common carrier of household goods to a person who complies with this subdivision and subdivision 1.

Sec. 3. Minnesota Statutes 1986, section 221.121, subdivision 7, is amended to read:

Subd. 7. [FEES.] The permit holder shall pay a fee of \$25 \$150 into the treasury of the state of Minnesota for each kind of permit, ~~reinstatement,~~ or extension of authority for which a petition is filed under this section.

Sec. 4. Minnesota Statutes 1986, section 221.131, subdivision 2, is amended to read:

Subd. 2. [PERMIT CARRIERS; ANNUAL VEHICLE REGISTRATION.] The permit holder shall pay an annual registration fee of \$20 on each vehicle, including pickup and delivery vehicles, operated by the holder under authority of the permit during the 12-month period or fraction of the 12-month period. Trailers and semitrailers used by a permit holder in combination with power units may not be counted as vehicles in the computation of fees under this section if the permit holder pays the fees for power units. The commissioner shall furnish a distinguishing annual identification card for each vehicle or power unit for which a fee has been paid. The identification card must at all times be carried in the vehicle or power unit to which it has been assigned. An identification card may be reassigned to another vehicle or power unit ~~without fee by the commissioner upon application of the permit holder and a transfer fee of \$10.~~ An identification card issued under the provisions of this section is valid only for the period for which the permit is effective. The name and residence of the permit holder must be stenciled or otherwise shown on the outside of both doors of each registered vehicle operated under the permit. A fee of \$3 \$10 is charged for the replacement of an unexpired identification card that has been lost or damaged.

Sec. 5. Minnesota Statutes 1986, section 221.131, subdivision 3, is amended to read:

Subd. 3. [CERTIFICATE CARRIERS; ANNUAL VEHICLE REGISTRATION.] Regular route common carriers and petroleum carriers, operating under sections 221.011 to 221.291, shall annually ~~on or before January 1 of each calendar year,~~ pay into the treasury of the state of Minnesota an annual registration fee of \$20 for each vehicle, including pickup and delivery vehicles, operated during a calendar year. The commissioner shall issue distinguishing identification cards as provided in subdivision 2.

Sec. 6. [221.132] [PREPAID TEMPORARY VEHICLE IDENTIFICATION CARDS.]

The commissioner may issue a prepaid temporary vehicle identification card to a permit or certificate holder for a fee of \$5 per card. The card must be preprinted by the commissioner with the carrier's name, address, and permit or certificate number. The card may be used by the motor carrier to whom it is issued to identify a vehicle temporarily added to its fleet. The card must be executed by the motor carrier by dating and signing the card and describing the vehicle in which it will be carried. The identification card is valid for a period of ten days from the date the motor carrier places on the card when the card is executed. The card must be used within one year from the date of issuance by the commissioner. The

card may not be used if the permit or certificate is not in full force and effect. The card may not be transferred. The commissioner may not refund the cost of unused prepaid temporary vehicle identification cards.

Sec. 7. Minnesota Statutes 1986, section 221.296, subdivision 5, is amended to read:

Subd. 5. [PERMIT FEES.] Upon filing a petition for a permit the petitioner shall pay to the commissioner as a fee for the issuance of the permit, the sum of \$50 \$150, and shall thereafter pay an annual renewal fee of \$75 plus \$5 per motor vehicle if the local cartage carrier operates less than five motor vehicles, or \$100 plus \$5 per motor vehicle if the local cartage carrier operates at least five but less than 15 motor vehicles, or \$150 plus \$5 per motor vehicle if the local cartage carrier operates 15 or more vehicles ~~provided that the \$5 per motor vehicle charge does not apply to taxicabs operated under a local cartage permit.~~ Upon issuance of the permit the commissioner shall assign the carrier a permit number, which must be painted or prominently displayed on both sides of vehicles used by the local cartage carrier under authority of the permit.

Sec. 8. Minnesota Statutes 1986, section 221.60, subdivision 2, is amended to read:

Subd. 2. [FORM AND FEES.] A motor carrier engaged in interstate commerce shall register its interstate transportation authority or exemption before February 1 of each year on a form prescribed by the commissioner. The fee for the initial registration is \$25. The fee for each identification stamp is \$5; however, a lesser fee may be collected pursuant to a reciprocal agreement authorized by section 221.65. ~~No fee may be collected from a local cartage carrier that provides interstate transportation only within the zone described in United States Code, title 49, section 10526(b)(1)(1984). A local cartage carrier shall register its interstate transportation each year when it pays the local cartage carrier permit or annual renewal fee."~~

Amend the title as follows:

Page 1, line 9, delete everything after "sections"

Page 1, line 10, delete "subdivision;"

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1412: A bill for an act relating to unemployment compensation; making various technical and housekeeping changes; defining "wages"; regulating benefits and contributions; providing for the administration of the unemployment compensation law; providing penalties; amending Minnesota Statutes 1986, sections 268.04, subdivisions 9, 12, 24, 25, 26, 29, and by adding subdivisions; 268.06, subdivisions 2, 3a, 5, 6, 8, 19, 20, 22, and 24; 268.07, subdivision 3; 268.08, subdivisions 3, 3a, and by adding a subdivision; 268.09, subdivisions 1 and 3; 268.12, subdivision 8; 268.121; 268.15, subdivision 3; 268.16, subdivision 2, and by adding subdivisions; 268.161, subdivisions 1, 8, 9, and by adding a subdivision; 268.18, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 268.65, subdivision 5; 270A.09, by adding a subdivision; and 508.25; proposing coding for new law in Minnesota Statutes, chapter 268; and repealing

Minnesota Statutes 1986, section 268.24.

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. 747: A bill for an act relating to human services; establishing a system of state-operated, community-based residential programs for persons with mental retardation; prohibiting layoffs of employees in regional treatment centers and state nursing homes; stating the policy of the state relating to services to persons with mental retardation or related conditions; creating an exception to the intermediate care facility for persons with mental retardation or related conditions moratorium; establishing requirements for determining waived service rates; appropriating money; amending Minnesota Statutes 1986, sections 16B.08, subdivision 7; 246.023, subdivision 1; 252.291, subdivision 2; and 256B.501, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 179A and 252; repealing Minnesota Statutes 1986, section 246.023, subdivisions 2 to 5.

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 1986, section 16B.08, subdivision 7, is amended to read:

Subd. 7. [SPECIFIC PURCHASES.] (a) The following may be purchased without regard to the competitive bidding requirements of this chapter:

- (1) fiber used in the manufacture of binder twine, ply twines, and rope at the state correctional facilities;
- (2) merchandise for resale at state park refectories or facility operations;
- (3) farm and garden products, which may be sold at the prevailing market price on the date of the sale;
- (4) meat for other state institutions from the vocational school maintained at Pipestone by independent school district No. 583; and
- (5) furniture from the Minnesota correctional facility-St. Cloud.

(b) *The following may be purchased or rented without regard to the competitive bidding requirements of this chapter: supplies, materials, equipment, and utility services for use by a community-based residential facility operated by the commissioner of human services.*

(c) Supplies, materials, or equipment to be used in the operation of a hospital licensed under sections 144.50 to 144.56 that are purchased under a shared service purchasing arrangement whereby more than one hospital purchases supplies, materials, or equipment with one or more other hospitals, either through one of the hospitals or through another entity, may be purchased without regard to the competitive bidding requirements of this chapter if the following conditions are met:

- (1) the hospital's governing authority authorizes the arrangement;
- (2) the shared services purchasing program purchases items available from more than one source on the basis of competitive bids or competitive

quotations of prices; and

(3) the arrangement authorizes the hospital's governing authority or its representatives to review the purchasing procedures to determine compliance with these requirements.

Sec. 2. [179A.30] [REGIONAL TREATMENT CENTER, NURSING HOME, AND COMMUNITY-BASED FACILITY EMPLOYEES.]

Subdivision 1. [EXCLUSIVE REPRESENTATIVE.] The exclusive representative of employees may meet and negotiate with the commissioner of employee relations, in consultation with the commissioner of human services, concerning possible changes in hours or work schedules that could produce cost reductions in the biennium in the regional treatment centers.

Subd. 2. [COMMISSIONER OF EMPLOYEE RELATIONS.] The commissioner of employee relations shall meet and negotiate in accordance with chapter 179A with the appropriate exclusive representative of the regional treatment center employees concerning the terms and conditions of employment that result from state-operated, community-based residential programs established under section 4.

Subd. 3. [STAFF REDUCTIONS.] Notwithstanding any other law, and provided there is no conflict with a collective bargaining agreement, regional treatment center or state nursing home position reductions may be accomplished through attrition, transfers, and retirements. No employee otherwise subject to layoff shall be laid off unless first offered a position for which the employee has been trained and is qualified, with no loss in pay.

Sec. 3. Minnesota Statutes 1986, section 246.023, subdivision 1, is amended to read:

Subdivision 1. [LEGISLATIVE POLICY.] It is recognized that closure and consolidation of ~~state hospitals~~ regional treatment centers have negative economic effects upon public employees and communities. It is the policy of the state that deinstitutionalization policies shall be carried out in a manner that ensures fair and equitable arrangements to protect the interests of employees and communities affected by deinstitutionalization of ~~state hospitals~~. To the extent possible, employees affected by position reductions in the regional treatment centers must be afforded options that assure continued employment of displaced employees.

Sec. 4. [252.035] [STATE-OPERATED, COMMUNITY-BASED RESIDENTIAL PROGRAMS.]

Subdivision 1. [RESIDENTIAL PROGRAMS ESTABLISHED.] The commissioner may establish a system of noninstitutional, state-operated, community-based residential services for persons with mental retardation or related conditions. For purposes of this section, "state-operated, community-based residential facility" means a residential program administered by the state to provide treatment and habilitation in noninstitutional community settings to persons with mental retardation or related conditions. Employees of the facilities must be state employees under chapters 43A and 179A. The establishment of state-operated, community-based residential facilities must be within the context of a comprehensive definition of the role of state-operated services in the state. The role of state-operated services must be defined within the context of a comprehensive system of

services for persons with mental retardation and related conditions. Services may include, but are not limited to, community group homes, foster care, supportive living arrangements, and respite care arrangements. The commissioner shall operate the pilot projects established under Laws 1985, First Special Session chapter 9, article 1, section 2, subdivision 6, and may, within the limits of available appropriations, establish additional state-operated, community-based services for regional treatment center residents who are persons with mental retardation. Day program services for clients living in state-operated, community-based residential facilities must not be provided by a regional treatment center or a state-operated, community-based program.

Subd. 2. [AUTHORIZATION TO BUILD OR PURCHASE.] Within the limits of available appropriations, the commissioner may build, purchase or lease suitable buildings for state-operated, community-based residential facilities. Facilities must be homelike and adaptable to the needs of persons with mental retardation or related conditions.

Subd. 3. [ALTERNATIVE FUNDING MECHANISMS.] To the extent possible, the commissioner may amend the medical assistance home and community-based waiver and, as appropriate, develop special waiver procedures for targeting services to persons currently in state regional centers.

Subd. 4. [COUNTIES.] State-operated, community-based residential facilities may be developed in conjunction with existing county responsibilities and authorities for persons with mental retardation. Assessment, placement, screening, case management responsibilities, and determination of need procedures must be consistent with county responsibilities established under law and rule. Counties may enter into shared service agreements with state-operated programs.

Sec. 5. [252.045] [REGIONAL CENTER AND COMMUNITY-BASED FACILITY EMPLOYEES.]

In accordance with section 43A.21, the commissioner shall develop procedures to assure that:

(1) there are workers employed at state regional centers and nursing homes who are skilled in the treatment of persons with severe and profound mental retardation or related conditions, behavioral problems, and medical needs, to facilitate adjustment to community living;

(2) suitable training programs exist for regional treatment center and state-operated, community-based residential facility staff; and

(3) state employees under the jurisdiction of the commissioner who are affected by a position reduction plan have the option of transferring to a community-based program; to a similar, comparable classification in another regional center setting; or to a position in another state agency.

Sec. 6. Minnesota Statutes 1986, section 252.28, is amended by adding a subdivision to read:

Subd. 5. [TRAINING PROGRAM.] The commissioner of human services, in consultation with the commissioner of employee relations and the mental retardation and related conditions advisory task force, shall develop a plan to establish a comprehensive training program for public and private employees who provide services to persons with mental retardation and related conditions.

Sec. 7. Minnesota Statutes 1986, section 252.291, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] The commissioner of human services in coordination with the commissioner of health may approve a new *state-operated or private community-based* intermediate care facility for persons with mental retardation or related conditions only in the following circumstances *and only if the size of the facility is less than seven beds*:

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

(b) when the facility is necessary to serve the needs of identifiable persons with mental retardation or related conditions 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 June 10, 1983.~~

Sec. 8. [WAGE PARITY STUDY.]

The state planning director shall conduct a study of the differences between the wages and benefits paid to employees of public and private community-based providers of care to persons with mental retardation and related conditions, and shall report the findings to the legislature by April 1, 1988.

Sec. 9. [APPROPRIATION.]

Subdivision 1. [HUMAN SERVICES.] \$_____ is appropriated from the general fund to the commissioner of human services to establish state-operated, community-based residential facilities.

Subd. 2. [STATE PLANNING AGENCY.] \$_____ is appropriated from the general fund to the director of the state planning agency to conduct a wage parity study.

Sec. 10. [REPEALER.]

Minnesota Statutes, section 246.023, subdivisions 2, 3, 4, and 5, are repealed.

Sec. 11. [EFFECTIVE DATE.]

Section 8 and section 9, subdivision 2, are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to human services; establishing a system of state-operated, community-based residential programs for persons with mental retardation; requiring that employees of regional treatment centers and state nursing homes be offered other positions prior to layoff; requiring a study; appropriating money; amending Minnesota Statutes 1986, sections 16B.08, subdivision 7; 246.023, subdivision 1; 252.28, by adding a subdivision; and 252.291, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 179A and 252; repealing Minnesota Statutes 1986, section 246.023, subdivisions 2 to 5."

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. 1149: A bill for an act relating to human services; establishing a floor for rate limitation ratios that apply to a nursing home's interim property-related cost rate; appropriating money; amending Minnesota Statutes 1986, section 256B.431, subdivision 3.

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

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

S.F. No. 895: A bill for an act relating to human services; creating a new chapter establishing a single, unitary process for the determination of residence and financial responsibility for all human service programs; amending Minnesota Statutes 1986, section 253B.23, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 256G; repealing Minnesota Statutes 1986, sections 256.73, subdivision 4; 256.76, subdivision 2; 256.79; 256B.02, subdivisions 1, 2, and 3; 256D.18; 256D.37, subdivision 3; and 256E.08, subdivision 7.

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

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

S.F. No. 732: A bill for an act relating to human services; allowing certain facilities to choose higher payment limits; requiring a study of geographic groups; amending Minnesota Statutes 1986, section 256B.431, subdivision 2b.

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

Page 2, line 14, before "*Facilities*" insert "*For rate years beginning on or after July 1, 1987, or until the new base period is established,*"

Page 2, line 20, after the period, insert "*The efficiency incentive for geographic group I nursing homes shall be calculated based on geographic group I limits. The phase-in shall be established utilizing geographic group II limits. For purposes of this provision, all definitions shall be based on Minnesota Rules, parts 9549.0050 to 9549.0059 (temporary) and 9549.0010 and 9549.0080.*"

Page 4, delete section 2

Amend the title as follows:

Page 1, line 3, delete "requiring"

Page 1, line 4, delete "a study of geographic groups;"

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. 1233: A bill for an act relating to human services; extending the deadline for community work experience program pilot projects; amending Minnesota Statutes 1986, section 256.737, subdivision 1.

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

Page 2, line 10, strike "The"

Page 2, lines 11 to 16, strike the old language and delete the new language

Page 2, after line 16, insert:

"Sec. 2. Minnesota Statutes 1986, section 256.737, subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL PROGRAMS.] In addition to the pilot programs established in subdivision 1, the commissioner ~~may approve the application of up to eight additional counties to enter into a~~ *shall establish additional community work experience program programs at the request of counties that desire to operate a program.* The programs under this subdivision are governed by subdivision 1 except as in paragraphs (a) and (b).

(a) As a condition to placing a person receiving aid to families with dependent children in a program under this subdivision, the county shall first provide the recipient the opportunity to participate in the following services:

(1) placement in suitable subsidized or unsubsidized employment; or

(2) basic educational or vocational or occupational training for an identifiable job opportunity.

(b) If the recipient refuses suitable employment and a training program, the county may require the recipient to participate in a community work experience program as a condition of eligibility."

Page 2, line 17, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 4, after "256.737" delete the comma and insert a period

Page 1, delete line 5

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

Mr. Davis from the Committee on Agriculture, to which was referred

H.F. No. 436: A bill for an act relating to agriculture; providing minimum standards for seed potatoes; proposing coding for new law in Minnesota Statutes, chapter 21.

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

Page 1, delete line 8 and insert:

"Seed potatoes"

Page 1, line 9, after "may" insert "not"

Page 1, line 10, delete "*that*" and insert "*the*"

Page 1, line 11, delete "*those*" and insert "*the*"

Page 1, line 16, delete "*also*" and delete "*used whether or not they have completed the*" and insert "*planted without*"

Page 1, line 17, delete "*process*" and delete "*been inspected in the*" and insert "*had at least*" and after "*field*" insert "*inspection*"

Page 1, line 20, delete "*, firm, or corporation*" and after "*plants*" insert "*seed*"

Page 2, line 1, delete "*Civil*"

Page 2, delete lines 2 and 3

Page 2, line 4, delete "*Minnesota*" and insert "*this state*"

Page 2, lines 5 and 6, delete "*Minnesota*"

Page 2, line 11, after "*seed*" insert "*potatoes*"

Page 2, line 14, delete "*an affidavit of compliance*" and insert "*records*"

Page 2, line 19, delete "*an individual*" and insert "*a grower*"

Page 2, line 20, delete "*reports or*"

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

Mr. Davis from the Committee on Agriculture, to which was referred

S.F. No. 1244: A bill for an act relating to agriculture; clarifying certain appropriations; prohibiting importation of certain bees; changing certain milk inspection fees and requirements; changing time for sale of certain state-owned property; eliminating certain requirements for grain buyers licenses; paying certain claims; appropriating money; amending Minnesota Statutes 1986, sections 17B.15, subdivision 1; 19.58, subdivision 1; 32.394, subdivisions 8, 8b, and 9; 41.56, subdivision 4; and 223.17, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. [APPROPRIATIONS; STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION.]

Subdivision 1. [STAFF SUPPORT.] \$1,922,500 is appropriated from the general fund to the state board of vocational technical education for the biennium ending June 30, 1989, to provide the following services:

- | | |
|--|-------------|
| (1) support staff for farm business management instructors | \$ 202,500 |
| (2) additional farm business and small business management programs | \$1,350,000 |
| (3) workshops for farmers for marketing, alternative enterprises, and financial management | \$ 200,000 |

(4) staff development workshops	\$ 50,000
(5) beginning farmer programs	\$ 120,000

Subd. 2. [FARM OPERATION FINANCIAL PLANNING.] \$112,500 is appropriated from the general fund to the state board of vocational technical education, for the fiscal year ending June 30, 1987, to provide salary and travel to hire 15 support staff knowledgeable in financial planning for farm operations to assist farm business management instructors with unusually heavy workloads due to demand by farmers for assistance with mediation, obtaining credit, application for assistance programs such as interest buy-down, and in areas where bank closures may occur.

These 15 support staff shall be assigned to the area vocational technical institutes where area vocational agricultural coordinators are located. The area vocational agricultural coordinator shall then assign them to farm business management staff in their respective areas.

Funding must be used for salary and travel for up to three months at \$7,500 for each staff person.

Sec. 2. [APPROPRIATION; FARM ADVOCATE PROGRAM.]

\$810,800 is appropriated from the general fund to the commissioner of agriculture in the fiscal years indicated for the farm advocate program for the following purposes:

	1988	1989
(a) Salary contracts	\$350,000	\$350,000
(b) Training, including FINPACK	46,000	25,000
(c) Expenses	23,300	16,500

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

Delete the title and insert:

"A bill for an act relating to agriculture; appropriating money for farm business management programs and the farm advocate program."

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1051: A bill for an act relating to independent school district No. 206, Alexandria; providing for elections of the school board.

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

Mr. Hughes from the Committee on Elections and Ethics, to which was re-referred

S.F. No. 459: A bill for an act relating to the zoo board; exempting members of the board from filing statements of economic interest; amending Minnesota Statutes 1986, section 85A.01, by adding a subdivision.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 649: A bill for an act relating to education; clarifying the authority of school boards to appoint directors of area vocational technical institutes; amending Minnesota Statutes 1986, section 136C.05, subdivision 1.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 912: A bill for an act relating to education; providing for expanded offerings at Metropolitan State University; appropriating money.

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

Mr. Pehler from the Committee on Education, to which was referred

S.F. No. 13: A bill for an act relating to libraries; permitting the joint financing of their construction among government units; allowing cities and counties to levy above limits for library construction; amending Minnesota Statutes 1986, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 134.

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

Mr. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 1379: A bill for an act relating to unemployment compensation; appropriating federal money received for unemployment compensation administration.

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

Page 2, line 17, delete "\$728,000" and insert "\$731,000"

Page 2, after line 21, insert:

"Sec. 2. [CONTINGENCY.]

In the event that funds for the upgrade of the facilities in section 1, paragraph (j), become available through passage of other legislation, \$731,000 is available for a job search and self-assessment unemployment insurance eligibility system."

Page 2, line 22, delete "2" and insert "3"

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

Mr. Spear from the Committee on Judiciary, to which was re-referred

S.F. No. 619: A bill for an act relating to human services; providing for the establishment of a mental illness information management system; proposing coding for new law in Minnesota Statutes, chapter 245.

Reports the same back with the recommendation that the bill be amended

as follows:

Page 1, line 10, delete "*Subdivision 1. [ESTABLISHMENT.]*"

Page 1, line 12, delete "*capable of*" and insert "*for*" and delete "*and providing accurate*" and insert "*data about*"

Page 1, delete lines 13 to 16

Page 1, line 17, delete "*(a) information listing*" and delete "*are suffering*" and insert "*suffer*"

Page 1, line 18, delete "*are currently*"

Page 1, line 19, delete "*receiving*" and insert "*receive*" and delete the semicolon and insert a period

Page 1, delete lines 20 to 25

Page 2, delete lines 1 to 16

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1081: A bill for an act relating to custody; providing that evidence of domestic abuse is relevant to determinations of custody; amending Minnesota Statutes 1986, sections 518.17, subdivision 1; and 518B.01, by adding a subdivision.

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

Page 2, line 9, delete "*a finding is made that*" and insert "*related to*"

Page 2, line 10, after the comma, insert "*that*"

Page 2, line 16, delete "BINDING"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 928: A bill for an act relating to medical records; providing for patient access to medical records; amending Minnesota Statutes 1986, section 144.335, subdivision 2.

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

Page 1, line 9, after "request" insert a comma

Page 1, line 14, after "provider" insert a comma

Page 1, line 15, after "patient" insert a comma

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1204: A bill for an act relating to community dispute resolution programs; authorizing the state and municipalities to make grants to pro-

grams; proposing coding for new law in Minnesota Statutes, chapter 494.

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

Page 1, line 9, delete "*Notwithstanding any other law*"

Page 1, line 10, delete "*to the contrary,*"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1097: A bill for an act relating to crimes; domestic assault; requiring courts to issue written orders for conditional release; requiring arrest on violation of conditions of release; providing for notice to alleged victims of conditions of release; amending Minnesota Statutes 1986, section 629.72, subdivision 2, and by adding subdivisions.

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

Page 1, line 21, after "*victim*" insert "*of the alleged assault*"

Page 2, line 25, after "*person*" insert "*or its designee*"

Page 2, line 26, delete "*orally*" and after "*victim*" insert "*orally*"

Page 2, line 28, delete "*and*"

Page 2, line 31, after "*appearance*" insert "*; and*

(4) the location and telephone number of the area battered women's shelter as designated by the department of corrections"

Page 2, delete line 32 and insert:

"(b) Within 24 hours after the order for conditional"

Page 2, line 34, after "*person*" insert "*or its designee*" and after "*deliver*" insert "*or mail*"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1200: A bill for an act relating to family law; appropriating money to the University of Minnesota for the Hubert H. Humphrey Institute of Public Affairs to study mediation in marriage dissolution cases.

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

Page 1, lines 10 and 11, delete "*Hubert H. Humphrey Institute of Public Affairs*" and insert "*Center for Urban and Regional Affairs Conflict and Change Project*"

Page 1, line 12, after the period, insert "*This appropriation is not available unless matching funds in the amount of \$_____ are obtained from other sources for the purpose of the study.*"

Amend the title as follows:

Page 1, lines 3 and 4, delete "Hubert H. Humphrey Institute of Public Affairs" and insert "Center for Urban and Regional Affairs Conflict and Change Project"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1088: A bill for an act relating to crimes; juveniles; limiting detention of juveniles in adult jails; amending Minnesota Statutes 1986, section 260.173, subdivision 4.

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

Page 2, line 14, delete everything before "*contact*" and insert "*prevents*"

Pages 2 and 3, delete section 2

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 1268: A bill for an act relating to energy and economic development; providing for the powers and duties of the commissioner of energy and economic development; classifying certain government data; providing definitions; authorizing certain Indian tribes to create community energy councils; authorizing governmental units to accept certain money from the state or federal government and providing for restrictions on that money; providing the purpose for which an appropriation may be spent; amending Minnesota Statutes 1986, sections 116J.09; 116J.10; 116J.19, subdivision 6; 116J.27, by adding a subdivision; 116J.36, subdivision 2; 116J.381, subdivision 2; and 471.65, subdivisions 1 and 2; Laws 1981, chapter 334, section 1, subdivision 1.

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

Page 3, line 10, delete "*emergency and permanent*" and after "*rules*" insert "*under chapter 14*"

Page 5, line 5, after the period, insert "*The commissioner may not issue a variance after August 1, 1992, except variances issued before that date may be renewed under this subdivision.*"

Page 5, delete section 4

Pages 6 and 7, delete sections 7 and 8

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, line 5, delete everything before "definitions" and insert "clarifying"

Page 1, line 7, delete everything after the semicolon

Page 1, delete line 8

Page 1, line 9, delete everything before the second "providing"

Page 1, line 12, delete everything after the second semicolon

Page 1, line 13, delete "subdivision;"

Page 1, line 14, delete "471.65, subdivisions 1 and 2;"

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. 1145: A bill for an act relating to environment; requiring vehicle weighing scales at sanitary landfills; amending Minnesota Statutes 1986, section 169.872, by adding a subdivision.

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 1986, section 169.872, subdivision 2, is amended to read:

Subd. 2. [EVIDENCE.] Except for records relating to the loading and unloading of the first haul of unprocessed or raw farm products and the transportation of raw and unfinished forest products, a record kept and maintained as provided in ~~subdivision~~ + *this section* that shows that a vehicle has exceeded a gross weight limit imposed by this chapter is relevant evidence of a violation of this chapter. The foregoing provisions do not limit the introduction of other competent evidence bearing upon the question of whether or not there is a violation of the prescribed maximum weight limitation permitted by this chapter.

Sec. 2. Minnesota Statutes 1986, section 169.872, subdivision 3, is amended to read:

Subd. 3. [PENALTY.] A person who fails to keep, maintain, or open for inspection and copying, those documents as required in subdivision 1 is guilty of a misdemeanor. A person who does not accurately record the information required to be contained in those documents required in ~~subdivision~~ + *this section* is guilty of a misdemeanor.

Sec. 3. Minnesota Statutes 1986, section 169.872, is amended by adding a subdivision to read:

Subd. 1a. [SCALES REQUIRED.] (a) The following facilities must be equipped with scales for weighing loaded vehicles:

- (1) a waste facility that is used for the disposal of solid waste;*
- (2) a resource recovery facility, as defined in section 115A.03, subdivision 28; and*
- (3) a transfer station, as defined in section 115A.03, subdivision 33.*

A person loading or unloading a vehicle at one of these facilities shall weigh the loaded vehicle and record the weight as provided in subdivision 1.

(b) This subdivision does not apply to a facility on which the pollution control agency has served a notice of closing.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective December 31, 1987."

Amend the title as follows:

Page 1, line 3, delete "sanitary landfills" and insert "solid waste disposal facilities, resource recovery facilities, and waste transfer stations"

Page 1, line 4, after the second comma, insert "subdivisions 2 and 3, and"

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. 1100: A bill for an act relating to metropolitan government; regulating participation in a transportation program; providing conditions for incurrence of debt for certain purposes; removing fare restrictions; amending Minnesota Statutes 1986, section 473.388, subdivision 2; 473.39; and 473.446, subdivision 1; repealing Minnesota Statutes 1986, section 473.436, subdivisions 6 and 7; and Laws 1985, First Special Session chapter 10, section 122.

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

Page 2, line 9, delete "January" and insert "July"

Page 3, delete lines 15 to 23 and insert:

"Subd. 1a. [~~AMOUNT; I-394 FACILITIES OBLIGATIONS.~~] (a) The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount not exceeding ~~\$8,500,000~~ \$17,000,000 for ~~expenditure~~ financial assistance to the commission, as prescribed in the implementation plan of the board and the capital program of the commission. ~~Of this~~

(b) The council may issue certificates of indebtedness, bonds, or other obligations under this section in an amount, ~~no more than~~ not exceeding \$1,500,000 ~~may be spent~~ for land acquisition and capital improvements for park and ride lots and transit transfer stations planned for the interstate highway described in section 161.123, clause (2), commonly known as I-394. These facilities may be constructed and maintained by"

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "allowing the metropolitan council to incur debt to provide assistance to the metropolitan transit commission;"

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 referred

S.F. No. 343: A bill for an act relating to transportation; requiring the licensing of limousine services by the registrar of motor vehicles; providing for conditions of licensure and operation of limousines; requiring bonds; providing penalties; amending Minnesota Statutes 1986, sections 169.01,

subdivision 50; and 169.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 326.

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 1986, section 168.011, is amended by adding a subdivision to read:

Subd. 35. [LIMOUSINE.] "Limousine" means a passenger automobile for hire, other than a taxicab or a van, that is regularly engaged in the business of transporting persons and that has a rear seating capacity of not more than nine passengers.

Sec. 2. [168.1261] [LIMOUSINE; LICENSE PLATES.]

Subdivision 1. [UNIQUE REGISTRATION CATEGORY.] A unique vehicle registration category is established for limousines as defined in section 1.

Subd. 2. [LICENSE PLATES.] The registrar shall issue limousine license plates upon the applicant's compliance with laws relating to registration and licensing of motor vehicles and drivers. The applicant must provide the registrar with proof that a passenger tax and a \$10 fee have been paid for each limousine receiving limousine license plates. The limousine license plates must be designed to specifically identify the vehicle as a limousine. Limousine license plates may not be transferred upon sale of the limousine, but may be transferred to another limousine owned by the same person upon notifying the registrar and paying a \$5 transfer fee.

Subd. 3. [INSURANCE.] The application must include a certificate of insurance verifying that a valid commercial insurance policy is in effect and giving the name of the insurance company and the number of the insurance policy. The policy must provide stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is granted, of not less than \$100,000 because of bodily injury to one person in any one accident and, subject to said limit for one person, of not less than \$300,000 because of injury to two or more persons in any one accident. The insurance company must notify the commissioner if the policy is canceled or if the policy no longer provides the coverage required by this subdivision.

Sec. 3. Minnesota Statutes 1986, section 169.71, subdivision 4, is amended to read:

Subd. 4. No person shall drive or operate any motor vehicle required to be registered in the state of Minnesota upon any street or highway under the following conditions:

(a) when the windshield is composed of, covered by, or treated with any material which has the effect of making the windshield more reflective or in any other way reducing light transmittance through the windshield;

(b) when any window on the vehicle is composed of, covered by, or treated with any material that has a highly reflective or mirrored appearance;

(c) when any side window or rear window is composed of or treated with any material so as to obstruct or substantially reduce the driver's clear view through the window or has a light transmittance of less than 50 percent

plus or minus three percent in the visible light range or a luminous reflectance of more than 20 percent plus or minus three percent; or

(d) when any material has been applied after August 1, 1985, to any motor vehicle window without an accompanying permanent marking which indicates the percent of transmittance and the percent of reflectance afforded by the material. The marking must be in a manner so as not to obscure vision and be readable when installed on the vehicle.

This subdivision does not apply to glazing materials which:

(a) have not been modified since the original installation, nor to original replacement windows and windshields, that were originally installed or replaced in conformance with Federal Motor Vehicle Safety Standard 205;

(b) ~~were~~ are required to satisfy prescription needs of the driver of the vehicle ~~and~~ if the driver is in possession of ~~such~~ the prescription; or

(c) ~~were~~ are applied to:

(1) the rear windows of a pickup truck as defined in section 168.011, subdivision 29, ~~or to~~;

(2) the rear windows or the side windows on either side behind the driver's seat of a van as defined in section 168.011, subdivision 28, ~~or~~;

(3) ~~the side and rear windows of any a vehicle used to transport human remains by a funeral establishments establishment holding a permit under the provisions of~~ section 149.08; or

(4) ~~the side and rear windows of a limousine as defined in section 1.~~

Delete the title and insert:

"A bill for an act relating to transportation; authorizing the issuance of limousine license plates; allowing limousines to have tinted windows; amending Minnesota Statutes 1986, sections 168.011, by adding a subdivision; and 169.71, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 168."

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. 1369: A bill for an act relating to traffic regulations; repealing authorization of emergency speed limit by executive order; repealing Minnesota Statutes 1986, section 169.141.

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 1986, section 169.14, subdivision 2, is amended to read:

Subd. 2. [SPEED LIMITS.] ~~Where no special hazard exists the following speeds shall be lawful, but any speeds~~ Except as otherwise provided in this section, a speed in excess of ~~such the following maximum speed limits shall be prima facie evidence that the speed is not reasonable or prudent and that it is unlawful; except that the speed limit within any municipality shall be a maximum limit and any speed in excess thereof shall be unlawful:~~

- (1) 30 miles per hour in an urban district;
- (2) 65 miles per hour in other locations during the daytime on portions of interstate highways that are located outside of urbanized areas with a population of greater than 50,000, as determined by the commissioner;
- (3) 55 miles per hour in such other locations during the nighttime on all other highways; and
- (4) ten miles per hour in alleys.

"Daytime" means from a half hour before sunrise to a half hour after sunset, except at any time when due to weather or other conditions there is not sufficient light to render clearly discernible persons and vehicles at a distance of 500 feet. "Nighttime" means at any other hour or at any time when due to weather or other conditions there is not sufficient light to render clearly discernible persons and vehicles at a distance of 500 feet.

Sec. 2. Minnesota Statutes 1986, section 169.99, subdivision 1b, is amended to read:

Subd. 1b. The uniform traffic ticket must provide a blank or space wherein where an officer who issues a citation for a violation of section ~~169.14~~ 169.14 must specify whether the speed was greater than ten miles per hour in excess of the speed designated under that section.

Sec. 3. Minnesota Statutes 1986, section 171.12, subdivision 6, is amended to read:

Subd. 6. [CERTAIN CONVICTIONS NOT RECORDED.] The department shall not keep on the record of a driver any conviction for a violation of ~~section 169.14~~ the speed limit imposed by section 169.14, subdivision 2, clauses (1), (3), and (4), unless the violation consisted of a speed greater than ten miles per hour in excess of the lawful speed designated under that section.

Sec. 4. [REPEALER.]

Minnesota Statutes 1986, section 169.141, is repealed.

Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 4 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to traffic safety; speed limit; increasing the speed limit on rural interstate highways to 65 miles per hour; allowing speed violation to be recorded on driver's record if violation occurs on a rural interstate; repealing governor's authority to establish speed limits; amending Minnesota Statutes 1986, sections 169.14, subdivision 2; 169.99, subdivision 1b; and 171.12, subdivision 6; repealing Minnesota Statutes 1986, section 169.141."

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 632: A bill for an act relating to the city of Little Falls; authorizing the issuance of general obligation bonds to refund certain tax increment

bonds of the city; authorizing the city to use the unexpended proceeds of the refunded bonds for other municipal purposes.

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1226: A bill for an act relating to economic development; providing for the selection of board members of community development corporations; amending Minnesota Statutes 1986, section 116M.04, subdivision 6.

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 1986, section 116M.04, subdivision 7, is amended to read:

Subd. 7. The authority shall approve a grant to a community development corporation only for a project carried on within the designated community, except when the corporation demonstrates that a project carried on outside will have a significant impact inside the designated community. *The authority may approve a grant to a community development corporation for a project carried on under a joint venture agreement between the community development corporation and a regional development commission.*"

Delete the title and insert:

"A bill for an act relating to economic development; authorizing certain project grants to community development corporations; amending Minnesota Statutes 1986, section 116M.04, subdivision 7."

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

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

S.F. No. 1313: A bill for an act relating to insurance; liquor liability assigned risk plan; regulating assigned risk plan premiums; amending Minnesota Statutes 1986, section 340A.409, subdivision 3.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1157: A bill for an act relating to local government; authorizing the organization of a Crow Wing-Cass county airport authority; providing for the appointment of directors; providing for the financing and operations of the authority.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1301: A bill for an act relating to waste control; appropriating money to reimburse Farmington for excess charges.

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

Mr. Schmitz from the Committee on Local and Urban Government, to which was referred

S.F. No. 1289: A bill for an act relating to law enforcement; providing for a program of law enforcement grants to local government units; appropriating money.

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

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

S.F. No. 858: A bill for an act relating to health and environment; providing for asbestos regulation; directing the commissioner of health to regulate and license persons or entities enclosing, removing, or encapsulating asbestos; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 160.

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

Delete everything after the enacting clause and insert:

"Section 1. [326.70] [TITLE.]

Sections 1 to 13 may be cited as the "asbestos abatement act."

Sec. 2. [326.71] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 13.

Subd. 2. [ASBESTOS.] "Asbestos" means the asbestiform varieties of chrysotile (serpentine), crocidolite (riebeckite), amosite (cummingtonite-grunerite), anthophyllite, tremolite, and actinolite.

Subd. 3. [ASBESTOS-CONTAINING MATERIAL.] "Asbestos-containing material" means material that contains more than one percent asbestos by weight.

Subd. 4. [ASBESTOS-RELATED WORK.] "Asbestos-related work" means the enclosure, removal, or encapsulation of asbestos-containing material in a quantity that meets or exceeds the United States Environmental Protection Agency's requirement of 260 lineal feet of friable asbestos on pipes or 160 square feet of friable asbestos on other facility components.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of health and the commissioner's authorized delegates.

Subd. 6. [CONTRACTING ENTITY.] "Contracting entity" means a public or private body, board, natural person, corporation, partnership, proprietorship, joint venture, fund, authority, or similar entity that con-

tracts with an employer or person to do asbestos-related work for the benefit of the contracting entity.

Subd. 7. [EMPLOYEE.] "Employee" means a person who works directly or indirectly for an employer.

Subd. 8. [EMPLOYER.] "Employer" means an individual, body, board, corporation, partnership, proprietorship, joint venture, fund, authority, or similar entity directly or indirectly employing an employee. This term applies to private employers and to the state, its political subdivisions, and any boards, commissions, schools, institutions, or authorities created or recognized by them.

Sec. 3. [326.72] [ASBESTOS LICENSE.]

Subdivision 1. [WHEN LICENSE REQUIRED.] An employer or other person within the state intending to directly perform or cause to be performed through subcontracting or similar delegation any asbestos-related work either for financial gain or with respect to the employer's or person's own property shall first apply for and obtain a license from the commissioner. The license shall be in writing, be dated when issued, contain an expiration date, be signed by the commissioner, and give the name and address of the employer or person to whom it is issued.

Subd. 2. [DISPLAY OF LICENSE.] Licensees shall post a sign with the words, in letters four or more inches high, "licensed by the state of Minnesota for asbestos work" in a conspicuous place outside of the asbestos abatement work area. The actual license or a copy certified by the commissioner shall be readily available at the work site for inspection by the commissioner, other public officials charged with the health, safety, and welfare of the state's citizens, and the contracting entity.

Sec. 4. [326.73] [EMPLOYEE ASBESTOS CERTIFICATIONS.]

Before an employee performs asbestos-related work, the employee shall first obtain a certificate from the commissioner certifying that the employee is qualified to perform the work. No certificate shall be issued unless the employee has taken a course of training in asbestos control and removal, passed an examination in those subjects, and demonstrated to the commissioner the ability to perform asbestos-related work safely in accordance with the current state-of-the-art technology. The commissioner shall specify the course of training necessary. The certificate issued by the commissioner shall be in writing, be dated when issued, contain an expiration date, be signed by the commissioner, and contain the name and address of the employee to whom it is issued. The certificate shall be carried by the employee and be readily available for inspection by the commissioner, other public officials charged with the health, safety, and welfare of the state's citizens, and the contracting entity.

Sec. 5. [326.74] [REPORTING ASBESTOS WORK.]

A licensed employer, at least five calendar days before engaging in asbestos-related work, shall give written notice to the commissioner of the project. The notice shall contain the following information:

- (1) a brief description of the work to be performed;
- (2) the name of the contracting entity;
- (3) the location and address of the project work site;

- (4) the approximate duration of the project;
- (5) the approximate amount of the asbestos involved in the project;
- (6) the name of any project manager; and
- (7) other information required by the commissioner.

Sec. 6. [326.75] [FEES.]

Subdivision 1. [LICENSING FEE.] An employer or other person required to be licensed under section 3 shall, before receipt of the license and before causing asbestos-related work to be performed, pay the commissioner an annual license fee of \$100.

Subd. 2. [CERTIFICATION FEE.] Employees required to be certified under section 3 shall, before performing asbestos-related work, pay the commissioner a certification fee of \$50.

Subd. 3. [PERMIT FEE.] Before beginning asbestos-related work, a licensee shall pay a project permit fee to the commissioner equal to one percent of the total costs of the asbestos-related work. Proceeds of the fee are continually appropriated to the commissioner and shall be used by the commissioner to pay for necessary project inspections and air testing.

Subd. 4. [DEPOSIT OF FEES.] Fees collected under this section shall be deposited in the asbestos abatement revolving fund created by section 13.

Sec. 7. [326.76] [DUTIES OF CONTRACTING ENTITIES.]

A contracting entity intending to have asbestos-related work performed for its benefit shall include in the specifications and contracts for the work a requirement that the work be performed by contractors and subcontractors licensed by the commissioner under sections 1 to 13. No contracting entity shall allow asbestos-related work to be performed for its benefit unless it has seen that the employer has a valid license. A contracting entity's failure to comply with this section does not relieve an employer from any of its responsibilities under sections 1 to 13.

Sec. 8. [326.77] [INDOOR AIR STANDARD.]

(a) The commissioner may adopt rules establishing an indoor air standard for asbestos.

(b) Until the rules become effective, asbestos remaining in the air following the completion of an abatement project shall not exceed .01 fibers greater than five microns in length per cubic centimeter of air.

Sec. 9. [326.78] [DUTIES OF THE COMMISSIONER.]

Subdivision 1. [RULEMAKING.] The commissioner shall, before July 1, 1988, adopt and begin enforcement of rules necessary to implement sections 1 to 13. The rules adopted shall not be duplicative of rules adopted by the commissioner of the department of labor and industry. The rules shall include rules in the following areas:

- (1) application, enclosure, removal, and encapsulation procedures;*
- (2) license and certificate qualification requirements;*
- (3) examinations for obtaining a license and certificate;*
- (4) training necessary for employee certification;*

- (5) *qualifications for managers of asbestos abatement projects;*
- (6) *abatement specifications;*
- (7) *any contractor bonding and insurance requirements deemed necessary by the commissioner;*
- (8) *license and certificate issuance and revocation procedures;*
- (9) *suspension or revocation of licenses or certificates;*
- (10) *license and certificate suspension and revocation criteria;*
- (11) *cleanup standards;*
- (12) *continuing education requirements; and*
- (13) *other rules necessary to implement sections 1 to 13.*

Subd. 2. [ISSUANCE OF LICENSES AND CERTIFICATES.] The commissioner may issue licenses to employers and certificates to employees who meet the criteria in sections 1 to 13 and the commissioner's rules. Licenses and certificates shall be valid for at least 12 months.

Subd. 3. [DELEGATION.] The commissioner may, in writing, delegate the inspection and enforcement authority granted in sections 1 to 13 to other state agencies regulating asbestos.

Subd. 4. [ACCESS TO INFORMATION AND PROPERTY.] (a) Any person who the commissioner has reason to believe is engaged in asbestos-related work, or who is the owner of real property where the asbestos-related work is being undertaken, when requested by the commissioner, or any member, employee, or agent thereof who is authorized by the commissioner, shall furnish the commissioner any information that the person may have or may reasonably obtain that is relevant to the asbestos-related work.

(b) The commissioner or any person authorized by the commissioner, upon presentation of credentials, and with reason to believe that violation of this act may be occurring, may:

(1) examine and copy any books, papers, records, memoranda, or data related to the asbestos-related project of any person who has a duty to provide information to the department under paragraph (a); and

(2) enter upon any public or private property to take action authorized by this section including obtaining information from any person who has a duty to provide the information under paragraph (a), and conducting surveys or investigations.

Subd. 5. [SUBPOENAS.] In matters under investigation by or pending before the commissioner under sections 1 to 13, the commissioner may issue subpoenas and compel the attendance of witnesses and the production of papers, books, records, documents, and other relevant evidentiary material. A person failing or refusing to comply with the subpoena or order may, upon application by the commissioner to the district court in any district, be ordered by the court to comply with the order or subpoena. The commissioner may also administer oaths and affirmations to witnesses. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person anywhere within the state by an officer authorized to serve subpoenas in civil actions, with the same

fees and mileage costs paid, and in the manner as prescribed by law, for process of the state district courts. Fees and mileage and other costs of persons subpoenaed by the commissioner shall be paid in the manner prescribed for proceedings in district court.

Subd. 6. [CEASE AND DESIST ORDER.] (a) The commissioner may issue an order requiring an employer to cease asbestos-related work if the commissioner determines that a condition exists that poses an immediate danger to the public health. For purposes of this subdivision, an immediate danger to the public health exists if the commissioner determines that:

(1) air quality standards are being exceeded;

(2) asbestos-related work is being undertaken in a manner violative of applicable state or federal law;

(3) the employer or an employee working at the project site is not licensed or certified, or in possession of a current license or certificate, as the case may be; or

(4) the employer has not reported the project under section 5.

(b) The order is effective for a maximum of 60 days. Following issuance of the order, the commissioner shall provide the contractor or individual with an opportunity for a hearing under the contested case provisions of chapter 14. At the hearing, the commissioner shall decide whether to rescind, modify, or reissue the previously made order. A modified or reissued order is effective for a maximum of 60 days from the date of modification or reissuance.

Subd. 7. [ORDER FOR CORRECTIVE ACTION.] After notice and opportunity for hearing under the contested case provisions of chapter 13, the commissioner may issue an order requiring anyone violating sections 1 to 13 or a rule of the commissioner to take corrective action as the commissioner determines will accomplish the purpose of the project and prevent future violation. The order shall contain a date by which the violation must be corrected.

Subd. 8. [INJUNCTIVE RELIEF] In addition to any other remedy provided by law, the commissioner may bring an action for injunctive relief in the district court in Ramsey county or, at the commissioner's discretion, in the district court in the county in which an asbestos-related work is being undertaken to halt the work or an activity connected with it. A temporary restraining order or other injunctive relief may be granted by the court in the proceeding if continuation of the work or an activity connected with it would result in an imminent risk of harm to any person.

Sec. 10. [326.79] [MISDEMEANOR PENALTY.]

A person who:

(1) hinders or delays the commissioner or the commissioner's authorized representative in the performance of the duty to enforce sections 1 to 13;

(2) undertakes asbestos-related work without a license or with a revoked, expired, or suspended license;

(3) refuses to make a license or certificate accessible to either the commissioner or the commissioner's authorized representative;

(4) uses an employee who does not have a certificate to do asbestos-related work;

(5) fails to report asbestos-related work as required by section 5;

(6) undertakes asbestos-related work for which the person is not qualified under department rules; or

(7) makes a material false statement related to a license, certificate, report, or other document required under sections 1 to 13

is guilty of a misdemeanor and may be sentenced to payment of a fine of not more than \$700, imprisonment for not more than 30 days, or both, for each violation.

Sec. 11. [326.80] [SUSPENSIONS; REVOCATIONS.]

As an alternative, or in addition to, the criminal penalties provided in section 10, the commissioner or the commissioner's designee may suspend or revoke a license or certificate for repeated or serious violations of sections 1 to 13 in accordance with procedures adopted by rule by the commissioner and the contested case procedures of chapter 14.

Sec. 12. [326.81] [DISCRIMINATION; SANCTIONS.]

An employer who discriminates against or otherwise sanctions an employee who complains to or cooperates with the commissioner in administering sections 1 to 13 is guilty of a misdemeanor.

Sec. 13. [326.82] [ASBESTOS ABATEMENT REVOLVING FUND.]

Subdivision 1. [CREATION; APPROPRIATION.] The asbestos abatement revolving fund is created as a separate account in the state treasury. The fund consists of the fees collected under section 6. The money in the fund is continually appropriated to the commissioner for the purposes of sections 1 to 13.

Subd. 2. [UNOBLIGATED EXCESS TRANSFERRED.] When the unobligated money in the asbestos abatement revolving fund exceeds \$500,000 at the end of any fiscal year, the unobligated amount in excess of that amount shall be transferred to the general fund.

Sec. 14. [APPROPRIATION.]

\$180,000 is appropriated from the general fund to the commissioner of health for the purposes of sections 1 to 13, to be available until June 30, 1989.

Sec. 15. [EFFECTIVE DATE.]

Sections 8, paragraph (a); 9; 10; and 14 are effective the day following final enactment. Sections 1 to 7; 8, paragraph (b); and 11 to 13 are effective on the date on which rules adopted by the commissioner under section 9 become effective."

Delete the title and insert:

"A bill for an act relating to health; providing for asbestos regulation; directing the commissioner of health to regulate and license persons or entities enclosing, removing, or encapsulating asbestos; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326."

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. 1113: A bill for an act relating to human services; regulating the licensure of programs for the care of children or of adults with certain disabilities; providing penalties; replacing the existing licensure law; proposing coding for new law as Minnesota Statutes, chapter 245A; repealing Minnesota Statutes 1986, sections 245.781; 245.782; 245.783; 245.791; 245.792; 245.801; 245.802; 245.803; 245.804; 245.805; 245.811; 245.812; 245.88; 245.881; 245.882; 245.883; 245.884; and 245.885.

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

Page 2, line 33, delete "*rehabilitation*" and insert "*rehabilitation*"

Page 3, line 1, after "*illness*" insert "*with no significant physical or medical problem that necessitates nursing home care*"

Page 3, line 7, after the period, insert "*Nonresidential programs include home and community-based services and semi-independent living services for persons with mental retardation that are provided in or outside of a person's own home.*"

Page 3, line 23, after "*home*" insert "*, boarding care home,*"

Page 3, line 24, delete "*more than*" and after "*five*" insert "*or more*"

Page 3, line 25, after "*illness*" insert "*with no significant physical or medical problem that necessitates nursing home care*"

Page 3, line 31, after "*funds*" insert "*under chapter 254B. Residential programs include home and community-based services and semi-independent living services for persons with mental retardation that are provided in or outside of a person's own home*"

Page 4, line 30, delete "*, except as specified in section 2, subdivisions 10 and*"

Page 4, line 31, delete "*14*"

Page 4, line 32, delete "*boarding care homes*" and insert "*board and lodge facilities*"

Page 4, line 33, delete "*unless they*" and insert "*that*"

Page 4, line 35, delete "*and*"

Page 5, line 4, delete "*or*"

Page 5, line 6, delete the period and insert a semicolon

Page 5, after line 6, insert:

"(12) programs not located in family or group family day care homes whose primary purpose is to provide activities outside of the regular school day for children age five and older, until such time as appropriate rules have been adopted by the commissioner;

(13) head start nonresidential programs which operate for less than 31 days in each calendar year; or

(14) non-certified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation."

Page 8, line 22, delete "*under the*"

Page 8, line 23, delete "*Minnesota government data practices act*"

Page 10, line 12, delete everything after "*to*" and insert "*a contested case hearing under chapter 14*"

Page 10, line 13, delete everything before the period

Page 10, line 33, delete "*commissioner*" and insert "*department of human services*"

Page 11, line 24, delete everything after "*to*" and insert "*a contested case hearing under chapter 14*"

Page 11, line 25, delete everything before the period

Page 11, line 28, after the period, insert "*A timely appeal shall stay forfeiture of the fine until the commissioner issues a final order under section 8, subdivision 5.*"

Page 12, line 25, delete "*immediately*" and insert "*propose to*"

Page 13, line 3, delete everything after "*to*" and insert "*a contested case hearing under chapter 14*"

Page 13, line 4, delete everything before "*must*"

Page 13, line 22, delete everything after "*to*" and insert "*a contested case hearing under chapter 14*"

Page 13, line 23, delete everything before the period

Page 13, line 32, delete everything after "*shall*" and insert "*issue a notice of and order for hearing to the appellant under chapter 14.*"

Page 13, delete lines 33 and 34

Page 14, line 7, after "*license*" insert "*for family day care or foster care*"

Page 14, line 12, after "*proof*" insert "*in hearings involving suspension, immediate suspension, revocation, or making probationary a family day care or foster care license*"

Page 14, line 13, delete "*appellant*" and insert "*license holder*"

Page 14, delete lines 14 to 16 and insert "*the license holder was in full compliance with those laws or rules that the commissioner alleges the license holder violated, at the time that the commissioner alleges the violations of law or rules occurred.*"

Page 14, line 17, delete "*appellant*" and insert "*applicant*"

Page 14, after line 21, insert:

"(c) *At all other hearings under this section, the commissioner bears the burden of proof to demonstrate, by a preponderance of the evidence, that the violations of law or rule alleged by the commissioner occurred.*"

Page 15, delete lines 8 to 13

Page 23, line 26, delete "*18*" and insert "*12*"

Page 26, after line 6, insert:

"Sec. 17. [STUDY.]

The commissioner shall study current zoning and land use laws and practices to determine any impediments that may exist to the full implementation of the policy set forth in section 11, subdivision 1. By January 1, 1988, the commissioner shall report the findings of the study and make proposals that will ensure full implementation of this policy."

Page 26, line 13, delete "17" and insert "18"

Renumber the sections in sequence

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. 1008: A bill for an act relating to occupations and professions; providing for the regulation of the practice of chiropractic; providing for peer review of services and fees; providing grounds for license revocation; prescribing penalties; appropriating money; amending Minnesota Statutes 1986, sections 148.06, subdivision 1; 148.07, subdivision 2; 148.08, subdivision 3; 148.10, subdivisions 1, 3, and by adding a subdivision; and 319A.02, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1986, section 148.101.

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

Page 1, lines 27 and 28, reinstate the stricken language

Page 6, line 21, after the period, insert "*Unless otherwise required by law, written records need not be retained for more than seven years and*"

Page 8, line 22, delete "; and" and insert ". As used in this clause, *'advertise'* means solicitation by the licensee by means of handbills, posters, circulars, motion pictures, radio, newspapers, television, or in any other manner. In addition to the board's power to punish for violations of this clause, violation of this clause is also a misdemeanor."

Page 8, line 23, after "(h)" insert "Accepting for services rendered assigned payments from any third-party payor as payment in full, if the effect is to eliminate the need of payment by the patient of any required deductible or copayment applicable in the patient's health benefit plan, except as hereinafter provided; or collecting a fee or charge for a service or treatment different from the fee or charge the licensee submits to a third-party payor for that service or treatment, except as hereinafter provided. This clause is intended to prohibit offerings to the public of the above listed practices and those actual practices as well, except that in instances where the intent is not to collect an excessive remuneration from the third-party payor but rather to provide services at a reduced rate to a patient unable to afford the deductible or copayment, the services may be performed for a lesser charge or fee. The burden of proof for establishing that this is the case shall be on the licensee; and

(i)"

Page 8, delete lines 24 to 29

Page 9, line 30, delete "A state or local"

Page 9, delete lines 31 and 32

Page 9, line 33, delete everything before "If"

Page 9, line 34, delete "*the society has received*" and insert "*a state or local chiropractic society receives*"

Page 9, line 36, delete "*on which it has not taken any disciplinary action*"

Page 10, line 1, delete "*and the reason why it has*"

Page 10, line 2, delete "*not taken action on it*"

Page 12, line 22, delete "*either or both of the following: (1)*"

Page 12, line 23, delete "*adjustment; (2) chiropractic manipulation;*"

Page 12, line 26, delete "*persons*" and insert "*person*"

Page 12, line 27, delete "*use*" and insert "*uses*" and delete "*are*" and insert "*is*"

Page 12, line 30, delete "*or*"

Page 13, delete lines 34 to 36

Page 14, delete lines 1 to 4 and insert:

"(c) *'Unconscionable fees'* means charges submitted for services performed that are unnecessary or unreasonable charges in the judgment of the peer review committee. In determining the unconscionability of costs, the committee must consider, among other appropriate factors, charges by health care providers other than chiropractors for the same or similar services."

Page 14, line 30, delete "*It is the intent of the legislature*"

Page 14, delete lines 31 to 35 and insert "*The board shall review directly or by contract information relating to certain chiropractic providers for the purposes identified in section 145.61.*"

Page 15, line 9, delete the second "*the*" and insert "*its findings under subdivision 2.*"

Page 15, delete line 10

Page 15, line 11, delete everything before "*The*"

Page 15, line 33, delete "*submitted to it*" and insert "*reviewed*"

Page 17, line 10, after the period, insert "*The peer review committee shall file with the board a complaint against a health care provider if it determines that reasonable cause exists to believe the health care provider has violated any portion of this chapter or rules adopted under it, for which a licensed chiropractor may be disciplined. The peer review committee shall transmit all complaint information it possesses to the board.*"

Page 17, line 12, after the period, insert "*The patient records obtained by the board pursuant to this section must be used solely for the purposes of the board relating to peer review or the disciplinary process.*"

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. 784: A bill for an act relating to human services; increasing the state share of costs for certain assistance programs; amending Minnesota Statutes 1986, sections 256.82, subdivision 1; 256B.19, subdivision 1; and 256D.03, subdivisions 2 and 6.

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

Pages 1 and 2, delete sections 1 and 2

Page 2, line 36, delete "Sec. 3" and insert "Section 1"

Page 3, line 7, strike "65" and insert "90"

Page 3, line 19, delete "4" and insert "2"

Amend the title as follows:

Page 1, line 4, delete "sections 256.82, subdivision"

Page 1, line 5, delete "1; 256B.19, subdivision 1; and" and insert "section"

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

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

S.F. No. 1270: A bill for an act relating to child abuse; authorizing the department of human services to establish a 24-hour toll-free hotline; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

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

Delete everything after the enacting clause and insert:

"Section 1. [626.562] [CHILD ABUSE TOLL-FREE PROFESSIONAL CONSULTATION TELEPHONE LINES.]

Subdivision 1. [ESTABLISHMENT OF TELEPHONE LINES.] The commissioner of human services shall contract for at least one toll-free 24-hour telephone line for the purpose of providing consultative and training services for physicians, therapists, child protection workers, and other professionals involved in child protection. Services provided shall include emergency and longer-term consultation on individual child protection cases.

Subd. 2. [CONTRACT AUTHORITY.] The commissioner shall contract for the establishment of the telephone services described in subdivision 1. The commissioner shall consult with the state interagency child abuse team in determining the ability of any agency to provide services.

Subd. 3. [CONFIDENTIALITY; CHILD ABUSE REPORTING.] Unless the caller is a physician, therapist, child protection worker, or other professional involved in child protection, the contracting agency may not ask for the identity of any caller as a prerequisite to disseminating information. A communication with any telephone line established under this section by a person mandated to report abuse or neglect under section 626.556

does not satisfy the person's obligations to report under that section.

Sec. 2. [APPROPRIATION.]

\$ _____ is appropriated from the general fund to the commissioner of human services for the purpose of implementing and administering the toll-free telephone lines as provided in section 1."

Amend the title as follows:

Page 1, line 4, delete "hotline" and insert "professional consultation telephone line"

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 Commerce, to which was referred

S.F. No. 995: A bill for an act relating to commerce; industrial loan and thrift companies; removing a restriction on the sale and issuance of certificates of indebtedness; prescribing the qualifications of the directors of certain companies; regulated loans; specifying the loan fees and charges that may be imposed by regulated lenders; amending Minnesota Statutes 1986, sections 53.04, subdivisions 3a and 5; 53.06; 56.12; 56.125, subdivision 3; 56.131, subdivision 2; and 56.14.

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

Page 3, after line 25, insert:

"Sec. 3. Minnesota Statutes 1986, section 53.05, is amended to read:

53.05 [POWERS, LIMITATION.]

No industrial loan and thrift company may do any of the following:

(1) carry demand banking accounts; use the word "savings" unless the institution's investment certificates, savings accounts, and savings deposits are insured by the federal deposit insurance corporation and then only if the word is not followed by the words "and loan" in its corporate name; use the word "bank" or "banking" in its corporate name; operate as a savings bank;

(2) have outstanding at any one time certificates of indebtedness, savings accounts, and savings deposits, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the contributed capital and appropriated reserves of the company until July 1, 1985, or the date an industrial loan and thrift company obtains a commitment for insurance or guarantee of accounts acceptable to the commissioner as required by section 53.10, whichever is earlier, and thereafter 15 times the sum of contributed capital and appropriated reserves of the company;

(3) accept trusts, except as provided in section 47.75, subdivision 1, or act as guardian, administrator, or judicial trustee in any form;

(4) deposit any of its funds in any banking corporation, unless that corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance;

(5) change any allocation of capital made pursuant to section 53.03 or

reduce or withdraw in any way any portion of the contributed capital and appropriated reserves without prior written approval of the commissioner of commerce;

(6) take any instrument in which blanks are left to be filled in after execution;

(7) lend money in excess of ten percent of its contributed capital and appropriated reserves to a person primarily liable, *except that an industrial loan and thrift operating under this chapter with consent or holding a certificate of authorization which includes the right to sell and issue for investment certificates of indebtedness, savings accounts, and savings deposits may not lend money in excess of 15 percent of its contributed capital and appropriated reserves to a person primarily liable.* "Contributed capital and appropriated reserves" means the total of the company's contributed capital and appropriated reserves at all its authorized locations.

If a loan has been made to a person primarily liable and payments have been made on a certificate of indebtedness securing it, the amount of the payments may be added to the limitation contained in this clause for the purpose of determining whether additional loans may be made to that person; or

(8) issue cashier's checks pursuant to section 48.151, unless and at all times the aggregate liability to all creditors on these instruments is protected by a special fund in cash or due from banks to be used solely for payment of the cashier's checks."

Page 4, line 22, after "chapter" insert "*, except that this limitation does not apply to an open-end loan under section 56.125*"

Page 4, line 24, after "section" insert "*and section 56.125, subdivision 2*"

Page 6, after line 6, insert:

"Sec. 6. Minnesota Statutes 1986, section 56.125, subdivision 2, is amended to read:

Subd. 2. [REAL ESTATE AS SECURITY.] A licensee may take a lien upon real estate as security for any open-end loan ~~at or after such time as the outstanding balance first exceeds \$2,700. A subsequent reduction in the balance below \$2,700 has no effect on the lien.~~ A licensee may retain the security interest until it terminates the open-end account. If there is no outstanding balance in the account and there is no commitment by the licensee to a line of credit ~~in excess of \$2,700~~, the licensee shall, within 20 days following written demand by the borrower, deliver to the borrower a release of the mortgage on any real property taken as security for the open-end loan agreement. A real estate mortgage authorized for a financial institution secures all advances and obligations thereunder from the date of recording."

Page 9, line 13, delete "7" and insert "9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "increasing lending limits;"

Page 1, line 9, before "53.06;" insert "53.05;"

Page 1, line 10, delete the first "subdivision" and insert "subdivisions 2 and"

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

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

H.F. No. 235 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 ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
235		24			

and that the above 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. Report adopted.

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

H.F. No. 656 for comparison with companion Senate File, reports the following House File was found not identical with 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.
656		736			

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 656 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 656 and insert the language after the enacting clause of S.F. No. 736, the first engrossment; further, delete the title of H.F. No. 656 and insert the title of S.F. No. 736, the first engrossment.

And when so amended H.F. No. 656 will be identical to S.F. No. 736, and further recommends that H.F. No. 656 be given its second reading and substituted for S.F. No. 736, 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. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1119 for comparison with companion Senate File, reports the following House File was found not identical with 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.

1119

1005

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1119 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1119 and insert the language after the enacting clause of S.F. No. 1005, the first engrossment; further, delete the title of H.F. No. 1119 and insert the title of S.F. No. 1005, the first engrossment.

And when so amended H.F. No. 1119 will be identical to S.F. No. 1005, and further recommends that H.F. No. 1119 be given its second reading and substituted for S.F. No. 1005, 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. Bertram from the Committee on Veterans, to which was referred the following appointment as reported in the Journal for March 12, 1987:

DEPARTMENT OF VETERANS AFFAIRS**COMMISSIONER**

William Gregg

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. Lessard from the Committee on General Legislation and Public Gaming, to which was referred

S.F. No. 1325: A bill for an act relating to the Minnesota humanities commission; requiring it to establish a humanities resource center; appropriating money; amending Minnesota Statutes 1986, section 138.91, by adding a subdivision.

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

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

S.F. No. 791: A bill for an act relating to animals; authorizing access by certain humane officers to animal research institutions; proposing coding for new law in Minnesota Statutes, chapter 343.

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

Delete everything after the enacting clause and insert:

"Section 1. [343.13] [ACCESS TO INSTITUTIONS.]

Upon reasonable belief that any animal protection laws are being vio-

lated, and during the normal business hours of an institution, as defined in section 35.71, a practicing veterinarian accompanied by a member of the county humane society in the county where the facilities being inspected are located may enter the institution to view its facilities and the way animals are treated by persons at the institution. The member of the county humane society or the veterinarian inspecting the facility may photograph or otherwise document conditions at the institution the member or veterinarian considers to be in violation of animal protection laws."

Amend the title as follows:

Page 1, line 3, delete "humane officers" and insert "members of a county humane society"

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

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

S.F. No. 1230: A bill for an act relating to the Minnesota state historical society; providing for preservation and interpretation of public areas of the state capitol; amending Minnesota Statutes 1986, section 138.67; proposing coding for new law in Minnesota Statutes, chapter 138.

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

Page 1, delete section 1

Page 1, line 18, delete "3" and insert "2"

Page 2, line 14, delete everything after "and" and insert "a room as designated by the joint rules of the house of representatives and the senate."

Page 2, line 18, delete the second "of" and insert "for visitors to"

Renumber the sections in sequence

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 1273: A bill for an act relating to public safety; providing that local governing body may appoint local board of appeal for order issued under the state fire code; providing for finding on cost-benefit ratio obtained by complying with order; providing for notice; providing for liability of owners of dwellings for nonfunctioning smoke detectors; providing penalties; amending Minnesota Statutes 1986, sections 299F.011, subdivisions 5, 6, and by adding a subdivision; and 299F.362, subdivisions 5 and 6.

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 1986, section 299F.011, is amended by adding a subdivision to read:

Subd. 5a. [LOCAL BOARD OF APPEAL.] Local governing bodies may

appoint boards of appeal to hear and rule on appeals from orders issued under the fire code. An appeal from a local board of appeal may be made to the local governing body. If a board of appeal is not appointed, the appeals of orders must be made directly to the governing body. Local boards of appeal and governing bodies are not liable for damages in connection with granting variances, abatements, denials, or modifications of orders from the fire code that are made in good faith.

Sec. 2. Minnesota Statutes 1986, section 299F011, is amended by adding a subdivision to read:

Subd. 5b. When considering appeals for variances from the fire code, the local appeal board or governing body, the state fire marshal, a state administrative law judge, and a court shall take into consideration the benefit to be obtained by complying with the fire marshal's orders and the effect on affordable housing.

Sec. 3. Minnesota Statutes 1986, section 299F011, subdivision 6, is amended to read:

Subd. 6. A person who violates a provision of the uniform fire code shall be guilty of a misdemeanor. No person shall be convicted for violating the uniform fire code unless the person shall have been given notice of the violation in writing and reasonable time to comply. The notice must contain a statement explaining the right to appeal the orders.

Sec. 4. Minnesota Statutes 1986, section 299F362, subdivision 5, is amended to read:

Subd. 5. [MAINTENANCE RESPONSIBILITIES.] For all occupancies covered by this section where the occupant is not the owner of the dwelling unit or the guest room, the owner is responsible for maintenance of the smoke detectors. An owner may file inspection and maintenance reports every six months with the local fire marshal for establishing evidence of inspection and maintenance of smoke detectors.

Sec. 5. Minnesota Statutes 1986, section 299F362, subdivision 6, is amended to read:

Subd. 6. [~~PENALTY~~ PENALTIES.] (a) Any person who violates any provision of this section shall be subject to the same penalty incurred for violation of the uniform fire code, as specified in section 299F011, subdivision 6.

(b) An occupant who willfully disables a smoke detector or causes it to be nonfunctioning, resulting in damage or injury to persons or property, is guilty of a misdemeanor."

Delete the title and insert:

"A bill for an act relating to public safety; providing that local governing body may appoint local board of appeal for order issued under the state fire code; providing for notice; providing for smoke detector maintenance; providing penalties; amending Minnesota Statutes 1986, sections 299F011, subdivision 6, and by adding subdivisions; and 299F362, subdivisions 5 and 6."

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 1203: A bill for an act relating to state government; reorganizing the department of agriculture, the department of energy and economic development, and the department of public service, and providing for the powers and duties of the three departments; changing the name of the department of energy and economic development to the department of trade and economic development; designating the department of jobs and training as the administrative agency for certain juvenile justice and delinquency prevention purposes; providing grants for youth intervention programs; transforming the Minnesota world trade center board into a public corporation; changing the membership of its governing board; establishing the world trade center institute as a joint venture of the corporation and the Minnesota trade office; authorizing the corporation and the world trade center office to contract for certain services and programs; transferring assets and liabilities of the world trade center board to the corporation; appropriating money; amending Minnesota Statutes 1986, sections 15.057; 17.03, subdivision 1; 18.023, subdivision 11; 18.024, subdivision 1; 43A.08, subdivision 1; 44A.01; 44A.02; 44A.031; 44A.08; 104.35, subdivisions 2 and 3; 115A.12, subdivision 2; 116C.03, subdivision 2; 116J.01; 116J.03; 116J.58, subdivision 2; 116J.60; and 116J.63, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 17; 44A; 116J; and 268; proposing coding for new law as Minnesota Statutes, chapter 216C; repealing Minnesota Statutes 1986, sections 4.09; 17.03, subdivision 5; 44A.03; 44A.04; 44A.05; 44A.06; 44A.07; 116J.404; and 116J.405.

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

Page 5, line 8, after the semicolon, insert "and"

Page 5, line 14, delete "; and" and insert a period

Page 5, delete lines 15 to 22

Page 5, line 25, delete "section 8" and insert "this section"

Renumber the subdivisions in sequence

Pages 7 and 8, delete section 11

Page 9, delete sections 13 and 14 and insert:

"Sec. 12. Minnesota Statutes 1986, section 17.101, subdivision 1, is amended to read:

~~Subdivision 1. (DEPARTMENTAL DUTIES.)~~ For the purposes of expanding, improving, and developing the markets for products of Minnesota agriculture, the commissioner shall encourage and promote the marketing of these products by means of:

(a) advertising Minnesota agricultural products;

(b) assisting state agricultural commodity organizations;

(c) developing methods to increase processing and marketing of agricultural commodities including commodities not being produced in Minnesota on a commercial scale, but which may have economic potential in national and international markets;

(d) investigating and identifying new marketing technology and methods

to enhance the competitive position of Minnesota agricultural products;

(e) evaluating livestock marketing opportunities;

(f) assessing and developing national and international markets for Minnesota agricultural products;

(g) studying the conversion of raw agricultural products to manufactured products including ethanol;

(h) hosting the visits of foreign trade teams to Minnesota and defraying the teams' expenses;

(i) assisting Minnesota agricultural businesses desiring to sell their products in national and international markets; and

(j) other activities the commissioner deems appropriate to promote Minnesota agricultural products in national and international markets, provided that the activities do not duplicate programs or services provided by the Minnesota trade office."

Page 12, delete lines 1 to 3 and insert:

~~"The Each office of tourism is under the direction of a director of tourism in the unclassified service. The governor shall appoint the director of tourism."~~

Page 15, after line 5, insert:

"Subd. 2. [AGRICULTURAL DEVELOPMENT GRANTS.] To carry out the duties in subdivision 1, the commissioner, in addition to whatever other resources the department may commit, shall make grants and enter into contracts to fulfill the obligations of subdivision 1. The commissioner may contract with, among others, agricultural commodity organizations and agriculture related businesses to fulfill the duties. The commissioner shall make permanent or emergency rules for the administration of these grants and contracts. The rules must specify at a minimum:

(a) eligibility criteria;

(b) application procedures;

(c) provisions for application review and project approval;

(d) provisions for program monitoring and review for all approved grants and contracts; and

(e) other provisions the commissioner finds necessary.

Contracts entered into by the commissioner under this subdivision may not exceed 75 percent of the cost of the project supported by the commissioner's grant. In any biennium, no organization may receive more than \$70,000 in grants from the commissioner.

Subd. 3. [AUDITS.] The books, records, documents, and accounting procedures and practices of any organization receiving a grant from the commissioner under the provisions of subdivision 2 are subject to examination by the department. The commissioner may prescribe uniform methods of accounting to be used by grant recipients.

Subd. 4. [ADVISORY GROUP.] The commissioner may establish an ad hoc advisory group to assist in evaluating grant requests made under subdivision 2."

Page 15, line 6, delete "2" and insert "5"

Page 16, line 20, delete "16" and insert "14"

Page 16, line 32, delete "22" and insert "20"

Page 16, line 33, before the period, insert "*includes the division of policy analysis*"

Page 17, delete line 11

Page 17, line 16, delete "12" and insert "10"

Renumber the sections of article 1 in sequence

Page 17, line 29, delete "*corporation*"

Page 17, delete lines 30 and 31

Page 17, line 33, delete "5" and insert "4"

Renumber the subdivisions in sequence

Page 18, delete lines 4 to 16 and insert:

"Subdivision 1. [MEMBERSHIP.] (a) *The world trade center board is created to facilitate and support Minnesota world trade center programs and services and promote the growth of international trade in Minnesota. The world trade center board consists of nine 13 voting members appointed by the governor and serving at the governor's pleasure and four legislators serving as nonvoting members. Three Voting members are representatives of the membership of the Minnesota world trade center, one member is a representative must be knowledgeable or experienced in international trade in manufactured products, agricultural products, or services or be representatives of the international business community, and one member is a representative of the agricultural community or of those segments of the domestic business community most likely to benefit from an expansion of Minnesota's participation in international trade and commerce.*"

Page 19, delete section 3

Page 19, line 33, delete everything after "1."

Page 19, delete lines 34 and 35

Page 19, line 36, delete "*Subd. 2.*" and delete "*corporation*" and insert "*board*"

Page 20, line 9, delete "*without*"

Page 20, line 10, delete everything before the period

Page 20, line 12, delete "5 and 6" and insert "4 and 5" and delete "*corporation*" and insert "*board*"

Page 20, lines 23, 25, 30, 32, 34, and 36, delete "*corporation*" and insert "*board*"

Page 20, line 25, delete "*between*"

Page 20, delete lines 26 and 27

Page 20, line 28, delete everything before the period

Page 20, line 34, delete "*shall*" and insert "*may*"

Page 21, line 3, delete "*corporation shall*" and insert "*board may*"

Page 21, line 6, delete everything after the period

Page 21, delete lines 7 and 8

Page 21, line 12, reinstate the stricken "board" and delete "corporation"

Pages 21 and 22, delete sections 8 and 9

Page 22, lines 18 and 20, delete "corporation" and insert "board"

Page 22, delete sections 11 and 12

Page 23, line 1, after "sections" insert "17.101, subdivisions 2, 3, and 4;"

Page 23, line 2, delete "44A.06;"

Page 23, line 4, delete "13" and insert "8"

Renumber the sections of article 2 in sequence

Amend the title as follows:

Page 1, line 12, delete "transforming the"

Page 1, delete line 13

Page 1, line 14, delete "corporation;" and delete "its governing" and insert "the world trade center"

Page 1, delete line 16

Page 1, line 17, delete "Minnesota trade office" and delete "corporation" and insert "board"

Page 1, line 18, delete everything before "to"

Page 1, line 19, delete everything after the semicolon

Page 1, delete line 20

Page 1, line 21, delete everything before "amending"

Page 1, line 22, delete "15.057;" and after the second semicolon, insert "17.101, subdivision 1;"

Page 1, line 24, delete "44A.02;" and delete "44A.08;"

Page 1, line 29, delete "17;"

Page 1, line 32, after the first semicolon, insert "17.101, subdivisions 2, 3, and 4;" and delete "44A.06;"

And when so amended the bill do pass and be re-referred to the Committee on Finance. Mr. Davis questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1261: A bill for an act relating to the state building code; changing certain provisions relating to public buildings; amending Minnesota Statutes 1986, sections 16B.60, subdivisions 3 and 6; 16B.61, by adding a subdivision; and 16B.71.

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F. No. 1159: A bill for an act relating to corrections; removing the Minnesota correctional industries from state competitive bidding requirements; amending Minnesota Statutes 1986, section 241.27, subdivision 2.

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was re-referred

S.F. No. 167: A bill for an act relating to the Minnesota zoological garden; requiring board appointments to be subject to the advice and consent of the senate; increasing the size of the board; clarifying the appointment process for the board; amending Minnesota Statutes 1986, section 85A.01, subdivision 1.

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 1986, section 85A.01, subdivision 1, is amended to read:

Subdivision 1. The Minnesota zoological garden is established under the supervision and control of the Minnesota zoological board. The board consists of 45 30 public and private sector members having a background or interest in zoological societies or zoo management or an ability to generate community interest in the Minnesota zoological garden. *Twenty-nine* members shall be appointed by the ~~governor board~~ after consideration of a list supplied by board members serving on a nominating committee. Terms, compensation, and removal of members ~~and filling of vacancies~~ are as provided in section 15.0575. In making appointments, the ~~governor board~~ shall *utilize the appointment process as provided under section 15.0597 and* consider, among other factors, the ability of members to garner support for the Minnesota zoological garden. ~~In consultation with One member shall be appointed by the Dakota county board the board shall nominate and the governor shall appoint as one of the 15 members of the zoo board a who must be a resident of Dakota county and who may be a member of the county board.~~

A member of the board may not be an employee of or have a direct or immediate family financial interest in a business that provides goods or services to the zoo. A member of the board may not be an employee of the zoo.

Sec. 2. [TRANSITION.]

Notwithstanding section 1, the additional 15 members appointed to the state zoological board after July 1, 1987, shall be initially appointed by the governor after consideration of a list supplied by members of the zoological board serving on a nominating committee.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1987."

Delete the title and insert:

"A bill for an act relating to the Minnesota zoological garden; increasing the size of the zoological board; permitting the board to appoint new members to the board; amending Minnesota Statutes 1986, section 85A.01, subdivision 1."

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F No. 1260: A bill for an act relating to state government; providing reimbursement for certain child care expenses incurred in connection with service on state boards, councils, committees, and task forces; amending Minnesota Statutes 1986, sections 15.0575, subdivision 3; 15.059, subdivisions 3 and 6; and 214.09, subdivision 3.

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

Page 1, line 17, delete "on" and insert "attending" and delete "activities" and insert "meetings"

Page 2, line 10, delete "on" and insert "attending" and delete "activities" and insert "meetings"

Page 3, lines 9 and 22, delete "on" and insert "attending" and delete "activities" and insert "meetings"

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

Mr. Moe, D.M. from the Committee on Governmental Operations, to which was referred

S.F No. 802: A bill for an act relating to education; state university board; allowing a choice from among three low bidders in capital projects; proposing coding for new law in Minnesota Statutes, chapter 136.

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 1986, section 136.142, is amended by adding a subdivision to read:

Subd. 1a. [LITIGATION PROCEEDS.] Notwithstanding any other law to the contrary, the state university board may retain funds received from successful litigation by or against the board. Awards made to the state or the board resulting from litigation by or against the board must be retained by the board to the credit of the account from which the litigation was originally funded.

Sec. 2. Minnesota Statutes 1986, section 136.24, is amended by adding a subdivision to read:

Subd. 3. [DIRECT PURCHASE OF EQUIPMENT.] The state university board may directly buy scientific and technical equipment and related supplies without complying with chapter 16B. In formulating procedures to administer this subdivision, the board shall ensure that purchases are

made through a competitive process and that efforts are made to assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.

Sec 3. [136.27] [CAPITAL PROJECTS BIDDING PROCEDURES.]

In awarding contracts for capital projects under section 16B.09, the board shall consider documentation provided by the bidders regarding their qualifications, including evidence of having successfully completed similar work or having delivered services or products comparable to the service or product being requested. The board shall formulate procedures to administer this section, including procedures designed to assist in the economic development of small businesses and small businesses owned and operated by socially or economically disadvantaged persons.

Sec. 4. [136.28] [STATE UNIVERSITY CONSTRUCTION.]

Subdivision 1. [FUNDING.] Notwithstanding any other law to the contrary, the state university board may accept money from nonstate sources if the money is dedicated to university building projects. The building projects may be built on state-owned land.

Subd. 2. [SUPERVISION.] Notwithstanding sections 16B.24, 16B.30, 16B.31, or any other law to the contrary, the state university board shall supervise and control the preparation of plans and specifications for the construction, alteration, enlargement, and repair and betterment of state university buildings and structures funded under subdivision 1. The state university board shall advertise for bids and award contracts, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Subd. 3. [LAND PURCHASE.] (a) Notwithstanding section 16B.04 or any other law to the contrary, the state university board may buy land as it determines necessary for the effective management of the state university system and its programs.

(b) The board shall make written request to the department of administration, real estate management division, indicating the need to buy property, specifying the property to be bought, and indicating the source and sufficiency of money needed for the acquisition.

Subd. 4. [PROCEDURE FOR LAND PURCHASE.] (a) The commissioner of administration, through the real estate management division, shall proceed with acquisition in accordance with this subdivision.

(b) The title to the property must be examined by an attorney for the division. A field title report must be prepared by the division based on information from the owner or a representative of the owner. The purpose and nature of the acquisition must be explained to the owner at the time of the field title interview. If there are occupied buildings involved, a relocation study must be made to ensure that those displaced can be relocated without undue hardship.

(c) A legal description of the property must be written. If necessary, a written engineering assessment must be obtained from the state architect's office.

(d) The property to be acquired must be appraised. The appraiser must be selected by the director or the assistant director and may be a state

employee or a fee appraiser selected from a list of qualified fee appraisers maintained by the division. The fee to be paid to the appraiser must be agreed upon by the appraiser and the director or the assistant director.

(e) The appraisal must be reviewed by members of the division staff. If they approve the appraisal, the amount approved, plus damages, where applicable, must be certified by the director or the assistant director.

(f) Instruments needed for the acquisition must be requested from the attorney general's office.

(g) A direct purchase offer must be submitted to the property owner, in person, if possible and practical. A detailed explanation of the state's acquisition policies and of the owner's options must be made to the owner, including, where applicable, a full explanation of relocation benefits available to the owner.

(h) If the owner accepts the offer, the property must be bought. The division is responsible for proper execution of instruments, the closing of the transaction, the recording of instruments, the payment to the owner, relocation assistance to the owner, and removal of buildings, if necessary.

Subd. 5. [LAND TRADE.] Notwithstanding chapter 16B or any other law to the contrary, the state university board may trade land owned by the state but under the control of the board for real property of equal or greater value as it determines necessary for the management of its property or programs. The procedure for the trade must follow that determined for the board acquisition of real property in subdivision 4.

Subd. 6. [LEGISLATIVE CONSULTATION.] Before taking action under this section, the state university board shall consult with the chairs of the senate finance committee and the house appropriations committee about the proposed action."

Delete the title and insert:

"A bill for an act relating to education; appropriating funds from litigation to the state university board; authorizing the board to directly purchase equipment; clarifying that the state university board may consider the qualifications of bidders in capital project awards; allowing the board to receive nonstate funds for building on state land and to control bidding, contract awards and construction; authorizing the board to buy land; requiring the real estate management division of the department of administration to perform certain duties; authorizing the board to trade state land; requiring legislative consultation before the board proceeds with construction, land purchases or trades; amending Minnesota Statutes 1986, sections 136.142, by adding a subdivision; and 136.24, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 136."

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

Mr. Davis from the Committee on Agriculture, to which was referred

S.F. No. 1281: A bill for an act relating to agriculture; establishing a task force on improving agricultural commodity utilization; appropriating money.

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 1986, section 17.03, is amended by adding a subdivision to read:

Subd. 6. [AGRICULTURAL DIVERSIFICATION.] The commissioner shall establish a program of agricultural diversification. The commissioner must assist the horticultural industry, help producers diversify farming operations, and coordinate state agency efforts regarding agricultural diversification, after consulting with farm groups, the University of Minnesota and applicable institutions of higher learning. The commissioner shall report to the governor and legislature annually on activities and actions that should be taken in these matters.

Sec. 2. [17.50] [POLICY.]

The state must explore alternative uses for agricultural products to enable the state's agricultural economy to reach its full potential. The state must promote and encourage cooperative efforts between public and private interests in conducting basic research and disseminating the results on agricultural commodity utilization.

Sec. 3. [AGRICULTURAL COMMODITIES UTILIZATION.]

Subdivision 1. [REVIEW AND STUDY.] The commissioner must review and study basic research for commodity utilization.

Subd. 2. [CONTACTS.] In conducting the review and study, the commissioner must contact knowledgeable people in all areas of basic research for commodity utilization including commodity groups, university and research facilities, private industry, farmers, farm groups, and other interested persons as determined by the commissioner.

Subd. 3. [REPORT.] The commissioner must prepare a report on the research findings and submit it to the agriculture committees of the legislature by February 1, 1988.

Subd. 4. [RESPONSIBILITIES.] The commissioner's report must include recommendations for:

- (1) defining the parameters of basic research for commodity utilization;*
- (2) identifying appropriate entities to conduct basic research on commodity utilization;*
- (3) establishing a procedure for disseminating information received through research efforts; and*
- (4) the size and scope of state efforts including funding and time schedules.*

Sec. 4. [APPROPRIATION.]

\$25,000 is appropriated to the commissioner of agriculture to conduct the review, study, and report under section 2. This appropriation is not effective until \$25,000 is received to match this appropriation."

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon and insert "authorizing the commissioner of agriculture to study and report on ways of"

Page 1, line 4, before the period, insert "; amending Minnesota Statutes 1986, section 17.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 17"

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

Mr. Frank from the Committee on Economic Development and Housing, to which was referred

S.F. No. 935: A bill for an act relating to public safety; manufactured homes; requiring manufactured home park owners to provide underground shelter for residents during severe weather; amending Minnesota Statutes 1986, section 327.20, subdivision 1.

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 1986, section 327.20, subdivision 1, is amended to read:

Subdivision 1. [RULES.] No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No waste water from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance

will not endanger the health, safety and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state department of health. At least one water supply outlet shall be provided at convenient locations throughout the manufactured home park or recreational camping area.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of health and the provisions of the Minnesota plumbing code.

(6) In the case of a manufactured home park with less than 10 manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of severe weather conditions, such as tornadoes, high winds and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) If accessible storm shelter is not available within reasonable walking distance of the manufactured home park for sheltering residents during times of severe weather under paragraph (6), the manufactured home park owner or lessor shall provide storm shelter for the residents in a manufactured home park with 10 or more manufactured homes.

Sec. 2. [RULES.]

The commissioner of administration shall adopt rules by March 1, 1988, to implement and administer standards for shelters under section 1 and shall ensure by rules that park residents will not be displaced.

Sec. 3. [FEASIBILITY STUDY.]

The commissioner of administration shall conduct a study to determine the feasibility of requiring emergency storm shelters in above-grade single-family housing and shall submit the study to the legislature by January 15, 1988.

Sec. 4. [APPROPRIATION.]

\$_____ is appropriated from the general fund to the commissioner of administration for the feasibility study required in section 3.

Sec. 5. [EFFECTIVE DATE.]

Section 1 is effective March 1, 1989."

Delete the title and insert:

"A bill for an act relating to public safety; manufactured homes; requiring manufactured home park owners to provide underground shelter for residents during severe weather; requiring a feasibility study; appropriating money; amending Minnesota Statutes 1986, section 327.20, subdivision 1."

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 260: A bill for an act relating to elections; authorizing combination of certain municipalities for election purposes; amending Minnesota Statutes 1986, sections 204B.14, subdivisions 2, 4, 5, and by adding a subdivision; 204B.16, subdivision 1; and 204B.21, subdivision 2.

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 1986, section 204B.14, subdivision 2, is amended to read:

Subd. 2. [SEPARATE PRECINCTS; REQUIREMENTS.] The following shall constitute at least one election precinct:

(a) Each city ward; and

(b) Each town and each statutory city, unless a town and statutory city municipalities are combined for election purposes under section 4. Notwithstanding any law to the contrary, each town and each statutory city located within the metropolitan area as defined in section 473.121, subdivision 2 shall constitute at least one election precinct.

Sec. 2. Minnesota Statutes 1986, section 204B.14, subdivision 4, is amended to read:

Subd. 4. [BOUNDARY CHANGE PROCEDURE.] Any change in the boundary of an election precinct shall be adopted at least 90 days before the date of the next election, and shall not take effect until notice of the change has been posted in the office of the municipal clerk or county auditor for at least 60 days. *Except in the case of the combination or separation of municipalities for election purposes under section 4, the municipal clerk or county auditor shall notify each affected registered voter of the change in election precinct boundaries at least 30 days prior to the first election held after the change takes effect.*

Sec. 3. Minnesota Statutes 1986, section 204B.14, subdivision 5, is amended to read:

Subd. 5. [PRECINCT BOUNDARIES; DESCRIPTION; MAPS.] Each municipal clerk shall prepare and file with the county auditor of each county in which the municipality is located, with the secretary of state and with the state planning director maps showing the correct boundaries of each election precinct in the municipality. At least 30 days before any change in an election precinct or in a corporate boundary becomes effective, the municipal clerk shall prepare maps showing the new boundaries of the precincts and shall forward copies of these maps to the secretary of state, the appropriate county auditors and the state planning director. The clerk shall retain copies of the precinct maps for public inspection. The county auditor shall prepare and file precinct boundary maps for precincts in unorganized territories, *and the municipal clerk designated in the combination agreement shall prepare and file precinct boundary maps in the case of municipalities combined for election purposes under section 4, in*

the same manner as provided for precincts in municipalities. For every election held in the municipality the election judges shall be furnished precinct maps as provided in section 201.061, subdivision 6.

Sec. 4. Minnesota Statutes 1986, section 204B.14, is amended by adding a subdivision to read:

Subd. 8. [COMBINED PRECINCT.] (a) Up to four contiguous municipalities contained in the same legislative district, congressional district, and county commissioner district may enter a combination agreement to form one precinct for state and county election purposes, upon the approval of the county auditor. A combination agreement must be approved by resolutions of all of the governing bodies of the combining municipalities on or before April 1 of an election year. A copy of the combination agreement must be submitted to the county auditor for approval, on or before May 1 of an election year.

(b) A combination agreement remains in effect until one municipality in the combined precinct withdraws from the combination by a resolution of the governing body of the withdrawing municipality, passed on or before April 1 of an election year. The withdrawing municipality shall file the resolution with the county auditor no later than May 1 of an election year.

(c) The combination agreement must specify the designated polling place and the municipal election officials or governing bodies responsible for appointing election judges and the chair of the election board, posting notices, preparing precinct maps, and carrying out other election duties required by law.

(d) In combining or separating, the municipalities must meet the time requirements specified in this section for changing precinct boundaries and in section 204B.16, subdivision 3, for designating a different polling place.

Sec. 5. Minnesota Statutes 1986, section 204B.21, subdivision 2, is amended to read:

Subd. 2. [APPOINTING AUTHORITY; POWERS AND DUTIES.] Election judges for precincts in a municipality shall be appointed by the governing body of the municipality. Election judges for precincts in unorganized territory shall be appointed by the county board. Election judges for a precinct composed of two or more municipalities must be appointed by the governing body of the municipality or municipalities responsible for appointing election judges as provided in the agreement to combine for election purposes. Appointments shall be made from lists furnished pursuant to subdivision 1 subject to the eligibility requirements and other qualifications established or authorized under section 204B.19. If no lists have been furnished or if additional election judges are required after all listed names have been exhausted, the appointing authority may appoint any other individual to serve as an election judge subject to the same requirements and qualifications. The appointments shall be made at least 25 days before the election at which the election judges will serve.

Sec. 6. Minnesota Statutes 1986, section 204B.22, subdivision 1, is amended to read:

Subdivision 1. [MINIMUM NUMBER REQUIRED.] A minimum of three election judges shall be appointed for each precinct. In a precinct of municipalities combined for election purposes under section 4, at least

one judge must be appointed from each municipality in the combined precinct, provided that not less than three judges shall be appointed for each combined precinct. The appointing authorities may appoint election judges for any precinct in addition to the number required by this subdivision including additional election judges to count ballots after voting has ended.

Sec. 7. [PRECINCT BOUNDARY CHANGES.]

Notwithstanding section 204B.14, subdivision 3, municipalities may enter a combination agreement as provided in section 4 until April 1, 1988.

Sec. 8. [204B.45] [MAIL BALLOTING.]

Subdivision 1. [AUTHORIZATION.] Any town having fewer than 400 registered voters and not located in a metropolitan county as defined by section 473.121 may apply to the county auditor to provide balloting by mail at any county or state election with no polling place other than the office of the auditor or clerk. The county board may provide for balloting by mail in unorganized territory.

Subd. 2. [PROCEDURE.] Notice of the election and the special mail procedure must be given at least six weeks prior to the election. No earlier than 20 days or later than 18 days prior to the election, the auditor shall mail ballots by nonforwardable mail to all voters registered in the town or unorganized territory. Eligible voters not registered at the time the ballots are mailed may apply for ballots as provided in chapter 203B. Ballot return envelopes, with return postage provided, must be preaddressed to the auditor or clerk and the voter may return the ballot by mail or in person to the office of the auditor or clerk. The costs of the mailing shall be paid by the election jurisdiction in which the voter resides. Any ballot received by 8:00 p.m. on the day of the election must be counted.

Subd. 3. [ELECTION LAW APPLIED; RULES.] The Minnesota election law is applicable to mail balloting except as provided by this section or by rules adopted by the secretary of state, but only paper ballots may be used. The secretary of state shall adopt rules for the conduct of mail balloting, including instructions to voters, procedures for challenge of voters, public observation of the counting of ballots, and procedures for proper handling and safeguarding of ballots to ensure the integrity of the election."

Delete the title and insert:

"A bill for an act relating to elections; authorizing combination of certain municipalities for election purposes; providing for mail balloting; amending Minnesota Statutes 1986, sections 204B.14, subdivisions 2, 4, 5, and by adding a subdivision; 204B.21, subdivision 2; and 204B.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 204B."

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 100: A bill for an act relating to elections; requiring confidentiality of certain matters before the ethical practices board; raising certain campaign contribution disclosure limits; changing the method of calculat-

ing certain campaign expenditure limits; amending Minnesota Statutes 1986, sections 10A.02, subdivision 11; 10A.12, subdivision 5; 10A.20, subdivisions 3 and 5; 10A.25, subdivisions 2 and 7; and 10A.255.

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 1986, section 10A.12, subdivision 5, is amended to read:

Subd. 5. Notwithstanding subdivision 1, any association may, if not prohibited by other law, deposit in its political fund money derived from dues or membership fees. Pursuant to section 10A.20, the treasurer of the fund shall disclose the name of any member whose dues, membership fees and contributions deposited in the political fund together exceed ~~\$50~~ \$100 in any one year.

Sec. 2. Minnesota Statutes 1986, section 10A.20, subdivision 3, is amended to read:

Subd. 3. Each report under this section shall disclose:

(a) The amount of liquid assets on hand at the beginning of the reporting period;

(b) The name, address and employer, or occupation if self-employed, of each individual, political committee or political fund who within the year has made one or more transfers or donations in kind to the political committee or political fund, including the purchase of tickets for all fund raising efforts, which in aggregate exceed ~~\$50 for legislative candidates or~~ \$100 for legislative or statewide candidates or ballot questions, together with the amount and date of each transfer or donation in kind, and the aggregate amount of transfers and donations in kind within the year from each source so disclosed. A donation in kind shall be disclosed at its fair market value. An approved expenditure is listed as a donation in kind. A donation in kind is considered consumed in the reporting period in which it is received. The names of contributors shall be listed in alphabetical order;

(c) The sum of contributions to the political committee or political fund during the reporting period;

(d) Each loan made or received by the political committee or political fund within the year in aggregate in excess of \$100, continuously reported until repaid or forgiven, together with the name, address, occupation and the principal place of business, if any, of the lender and any endorser and the date and amount of the loan. If any loan made to the principal campaign committee of a candidate is forgiven at any time or repaid by any entity other than that principal campaign committee, it shall be reported as a contribution for the year in which the loan was made;

(e) Each receipt in excess of \$100 not otherwise listed under clauses (b) to (d);

(f) The sum of all receipts of the political committee or political fund during the reporting period;

(g) The name and address of each individual or association to whom aggregate expenditures, including approved expenditures, have been made by or on behalf of the political committee or political fund within the year

in excess of \$100, together with the amount, date and purpose of each expenditure and the name and address of, and office sought by, each candidate on whose behalf the expenditure was made, identification of the ballot question which the expenditure is intended to promote or defeat, and in the case of independent expenditures made in opposition to a candidate, the name, address and office sought for each such candidate;

(h) The sum of all expenditures made by or on behalf of the political committee or political fund during the reporting period;

(i) The amount and nature of any advance of credit incurred by the political committee or political fund, continuously reported until paid or forgiven. If any advance of credit incurred by the principal campaign committee of a candidate is forgiven at any time by the creditor or paid by any entity other than that principal campaign committee, it shall be reported as a donation in kind for the year in which the advance of credit was incurred;

(j) The name and address of each political committee, political fund, or principal campaign committee to which aggregate transfers in excess of \$100 have been made within the year, together with the amount and date of each transfer;

(k) The sum of all transfers made by the political committee, political fund, or principal campaign committee during the reporting period;

(l) For principal campaign committees only, the sum of noncampaign disbursements made in each category listed in section 10A.01, subdivision 10c during the reporting period; and

(m) The sum of all noncampaign disbursements made by the political committee, political fund, or principal campaign committee during the reporting period.

Sec. 3. Minnesota Statutes 1986, section 10A.20, subdivision 5, is amended to read:

Subd. 5. In any statewide election any contribution or contributions from any one source totaling \$2,000 or more, or in any legislative election totaling ~~\$200 or more~~ *than \$400*, received between the last day covered in the last report prior to an election and the election shall be reported to the board in one of the following ways:

- (1) in person within 48 hours after its receipt;
- (2) by telegram or mailgram within 48 hours after its receipt; or
- (3) by certified mail sent within 48 hours after its receipt.

These contributions must also be reported in the next required report.

Sec. 4. Minnesota Statutes 1986, section 10A.32, subdivision 3, is amended to read:

Subd. 3. As a condition of receiving any money from the state elections campaign fund, a candidate shall agree by stating in writing to the board that ~~(a) the candidate's expenditures and approved expenditures shall not exceed the expenditure limits as set forth in section 10A.25 and that (b) the candidate shall not accept contributions or allow approved expenditures to be made on the candidate's behalf for the period beginning with January 1 of the election year or with the registration of the candidate's principal campaign committee, whichever occurs later, and ending December 31 of~~

the election year, which aggregate contributions and approved expenditures exceed the difference between the amount which may legally be expended by or for the candidate, and the amount which the candidate receives from the state elections campaign fund. The agreement, insofar as it relates to the expenditure limits set forth in section 10A.25, remains effective until the dissolution of the principal campaign committee of the candidate or the opening of filings for the next succeeding election to the office held or sought at the time of agreement, whichever occurs first. Money in the account of the principal campaign committee of a candidate on January 1 of the election year for the office held or sought shall be considered contributions accepted by that candidate in that year for the purposes of this subdivision. That amount of all contributions accepted by a candidate in an election year which equals the amount of noncampaign disbursements and contributions and expenditures to promote or defeat a ballot question which are made by that candidate in that year shall not count toward the aggregate contributions and approved expenditure limit imposed by this subdivision. Any amount by which the aggregate contributions and approved expenditures agreed to under clause (b) exceed the difference shall be returned to the state treasurer in the manner provided in subdivision 2. In no case shall the amount returned exceed the amount received from the state elections campaign fund.

The candidate may submit the signed agreement to the filing officer on the day of filing the affidavit of candidacy or petition to appear on the ballot, or to the board no later than September 1.

The board prior to the first day of filing for office shall forward forms for the agreement to all filing officers. The filing officer shall without delay forward signed agreements to the board. An agreement may not be rescinded after September 1.

For the purposes of this subdivision only, the total amount to be distributed to each candidate is calculated to be the candidate's share of the total estimated funds in the candidate's party account as provided in subdivision 3a, plus the total amount estimated as provided in subdivision 3a to be in the general account of the state elections campaign fund and set aside for that office divided by the number of candidates whose names are to appear on the general election ballot for that office. If for any reason the amount actually received by the candidate is greater than the candidate's share of the estimate, and the contributions thereby exceed the difference, the agreement shall not be considered violated."

Delete the title and insert:

"A bill for an act relating to elections; raising certain campaign contribution disclosure limits; amending Minnesota Statutes 1986, sections 10A.12, subdivision 5; 10A.20, subdivisions 3 and 5; and 10A.32, subdivision 3."

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

Mr. Dicklich from the Committee on Public Utilities and Energy, to which was referred

S.F. No. 1194: A bill for an act relating to utilities; requiring the public utilities commission to annually review authorized rates of return; requiring the commission to consider nonutility income under certain circumstances; amending Minnesota Statutes 1986, section 216B.16, 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 1986, section 216B.16, is amended by adding a subdivision to read:

Subd. 11. [ANNUAL REVIEW; RATE OF RETURN.] The commission may annually review the rate of return being earned by each public utility since the utility's most recent general rate case. The commission must examine whether the rate of return being earned by the utility and calculated in the same manner as in the utility's most recent general rate case reflects current market conditions. In making its determination the commission shall determine the utility's cost of capital and consider rates of return being authorized to comparable utilities. If, after a hearing, the commission determines that the rate of return being earned by the public utility is excessive, the commission may order that utility to file a general rate case within 120 days of the order. In a proceeding held under this subdivision, the public utility has the burden to show that its current earned rate of return is reasonable. If the utility fails to comply with the order, the commission shall order that the authorized rate of return be appropriately revised and order the utility to revise its rates accordingly."

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 7, delete "subdivisions" and insert "a subdivision"

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. 1010: A bill for an act relating to human services; establishing service principles and rate-setting procedures for day training and habilitation services provided to adults with mental retardation and related conditions; amending Minnesota Statutes 1986, sections 245.782, subdivision 5; 252.21; 252.22; 252.23; 252.24, subdivisions 1 and 4; 252.25; 256B.501, subdivisions 1, 2, and 8; 256E.09, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 252; repealing Minnesota Statutes 1986, sections 256B.501, subdivisions 5, 6, 7, and 9; and 256E.06, subdivision 2a; repealing Minnesota Rules, parts 9525.1210, subparts 11 and 12; 9525.1230, subpart 2; 9525.1260; 9525.1270; 9525.1280; and 9525.1310.

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

Page 2, line 9, delete "who are not eligible"

Page 2, line 10, delete "for educational" and insert "for whom local educational agencies are not mandated to provide"

Page 5, line 11, after "directors" insert ", or public schools from administering programs under their present administrative structure"

Page 5, line 17, after "are" insert "authorized to be"

Page 5, line 35, after "*supported employment*" insert ", *work-related activities,*"

Page 7, line 13, after "*job*" insert "*for which public funds are necessary to provide ongoing training and support throughout the period of the person's employment, and*"

Page 7, line 16, delete "*are*" and after "*also*" insert "*may be*"

Page 7, delete lines 17 to 19

Page 7, line 20, delete the paragraph coding and delete "(3)" and insert "*and*"

Page 7, line 22, after "*caregivers*" insert "; or

(2) *the person engages in work that a nondisabled person would typically perform by himself or herself in a setting where the interaction with other individuals is limited by the nature of the job*"

Page 8, line 3, delete "*must*"

Page 8, line 4, delete "*adhere to*" and insert "*should reflect*"

Page 8, line 21, after "*services*" insert "*which includes services*"

Page 8, after line 23, insert:

"(5) A person with mental retardation or a related condition shall participate in the patterns, conditions, and rhythms of everyday living and working that are consistent with the norms of the mainstream of society."

Page 8, line 32, delete "*governing*" and insert "*for*"

Page 10, lines 25 and 26, delete "*10*" and insert "*11*"

Page 12, line 2, after "*when*" insert "*the vendor requests and*"

Page 12, line 4, after the period, insert "*The county board shall review all vendors' payment rates that are 20 percent lower than the average rates for the regional development commission district to which the county belongs. If the county determines that the payment rates do not provide sufficient revenue to the vendor for authorized service delivery the county must recommend a variance under this section. This review must occur prior to November 1, 1987.*"

Page 12, after line 29, insert:

"Subd. 7. [TIME REQUIREMENTS AND APPEALS PROCESS FOR VARIANCES.] The commissioner shall notify in writing county boards requesting variances within 60 days of receiving the variance request from the county board. The notification shall give reasons for denial of the variance, if it is denied."

Page 13, lines 7 and 28, delete "*10*" and insert "*11*"

Page 13, line 22, delete "*done by a certified public accountant*" and insert "*that complies with the requirements of Minnesota Rules, parts 9550.0010 to 9550.0092*"

Page 13, line 34, delete "*emergency or*"

Page 14, line 3, delete "*such*" and insert "*the following*" and delete "*as*"

Page 14, line 6, delete the second "*and*"

Page 14, line 7, after "*efficiently*" insert "*, effectively,*"

Page 14, line 10, after "*regulations*" insert ";

(4) *increased liability insurance costs;*

(5) *costs incurred for the development and continuation of supported employment services;*

(6) *cost variations in providing services to people with different needs;*

(7) *the adequacy of reimbursement rates that are more than 15 percent below the statewide average; and*

(8) *other appropriate factors"*

Renumber the subdivisions in sequence

Page 14, line 26, after the period, insert "*The commissioner shall establish an advisory task force to advise and make recommendations to the commissioner during the rulemaking process. The advisory task force must include legislators, vendors, residential service providers, counties, consumers, department personnel, and others as determined by the commissioner.*"

Page 14, after line 26, insert:

"Sec. 16. Minnesota Statutes 1986, section 256B.02, subdivision 8, is amended to read:

Subd. 8. [MEDICAL ASSISTANCE; MEDICAL CARE.] "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 this cost:

(1) Inpatient hospital services. A second medical opinion is required prior to reimbursement for elective surgeries. The commissioner shall publish in the State Register a proposed list of elective surgeries that require a second medical opinion prior to reimbursement. The list is not subject to the requirements of sections 14.01 to 14.70. The commissioner's decision whether a second medical opinion is required, made in accordance with rules governing that decision, is not subject to administrative appeal;

(2) Skilled nursing home services and services of intermediate care facilities, including training and habilitation services, as defined in section ~~256B.50, subdivision 4~~ 9, *subdivision 3*, for persons with mental retardation or related conditions who are residing in intermediate care facilities for persons with mental retardation or related conditions. Medical assistance must not be used to pay the costs of nursing care provided to a patient in a swing bed as defined in section 144.562;

(3) Physicians' services;

(4) Outpatient hospital or nonprofit community health clinic services or physician-directed clinic services. The physician-directed clinic staff shall include at least two physicians, one of whom is on the premises whenever the clinic is open, and all services shall be provided under the direct supervision of the physician who is on the premises. Hospital outpatient departments are subject to the same limitations and reimbursements as other enrolled vendors for all services, except initial triage, emergency services, and services not provided or immediately available in clinics, physicians' offices, or by other enrolled providers. "Emergency services"

means those medical services required for the immediate diagnosis and treatment of medical conditions that, if not immediately diagnosed and treated, could lead to serious physical or mental disability or death or are necessary to alleviate severe pain. Neither the hospital, its employees, nor any physician or dentist, shall be liable in any action arising out of a determination not to render emergency services or care if reasonable care is exercised in determining the condition of the person, or in determining the appropriateness of the facilities, or the qualifications and availability of personnel to render these services consistent with this section;

(5) Community mental health center services, as defined in rules adopted by the commissioner pursuant to section 256B.04, subdivision 2, and provided by a community mental health center as defined in section 245.62, subdivision 2;

(6) Home health care services;

(7) Private duty nursing services;

(8) Physical therapy and related services;

(9) Dental services, excluding cast metal restorations;

(10) Laboratory and X-ray services;

(11) 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 human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two-year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. Prior authorization may be required by the commissioner, with the consent of the drug formulary committee, before certain formulary drugs are eligible for payment. The formulary shall not include: drugs or products for which there is no federal funding; over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven; or any other over-the-counter drug identified by the commissioner, in consultation with the appropriate professional consultants under contract with or employed by the state agency, as necessary, appropriate and cost effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, the administrative procedure act; nutritional products, except for those products needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow milk,

and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product; anorectics; and drugs for which medical value has not been established. Separate payment shall not be made for nutritional products for residents of long-term care facilities; payment for dietary requirements is a component of the per diem rate paid to these facilities. Payment to drug vendors shall not be modified before the formulary is established except that the commissioner shall not permit payment for any drugs which may not by law be included in the formulary, and the commissioner's determination shall not be subject to chapter 14, the administrative procedure act. The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

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;

(12) Diagnostic, screening, and preventive services;

(13) Health care prepayment plan premiums and insurance premiums if paid directly to a vendor and supplementary medical insurance benefits under Title XVIII of the Social Security Act;

(14) 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;

(15) Transportation costs incurred solely for obtaining emergency med-

ical care or transportation costs incurred by nonambulatory persons in obtaining emergency or nonemergency 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 nonambulatory;

(16) To the extent authorized by rule of the state agency, costs of bus or taxicab transportation incurred by any ambulatory eligible person for obtaining nonemergency medical care;

(17) Personal care attendant services provided by an individual, not a relative, who is qualified to provide the services, where the services are prescribed by a physician in accordance with a plan of treatment and are supervised by a registered nurse. Payments to personal care attendants shall be adjusted annually to reflect changes in the cost of living or of providing services by the average annual adjustment granted to vendors such as nursing homes and home health agencies; and

(18) Any other medical or remedial care licensed and recognized under state law unless otherwise prohibited by law, except licensed chemical dependency treatment programs or primary treatment or extended care treatment units in hospitals that are covered under Laws 1986, chapter 394, sections 8 to 20. The commissioner shall include chemical dependency services in the state medical assistance plan for federal reporting purposes, but payment must be made under Laws 1986, chapter 394, sections 8 to 20."

Page 16, line 7, after the stricken "6," insert "*including rates established under section 14 when they apply to services provided to residents of intermediate care facilities for persons with mental retardation or related conditions.*"

Page 17, after line 18, insert:

"Sec. 21. [TASK FORCE.]

Subdivision 1. [TASK FORCE CREATED.] The director of the state planning department shall form a task force to review and make recommendations regarding the appropriate roles of developmental achievement centers and sheltered workshops in providing supported work opportunities to people with disabilities.

Subd. 2. [MEMBERSHIP] The task force must include representatives from sheltered workshops, community-based employment programs, developmental achievement centers, county government, advocacy organizations from the Minnesota supported employment project advisory committee, the departments of human services and jobs and training and the state planning agency. Membership on the task force must not exceed ten people, no more than half of whom may be from state and local government.

Subd. 3. [SCOPE OF THE TASK FORCE.] The task force shall review and make recommendations to the legislature and affected state departments on the following:

(1) the role and function of developmental achievement centers, sheltered workshops, and other services providing employment to people who are severely disabled;

(2) mechanisms for identifying and placing clients in appropriate services;

(3) *current and recommended funding methods for developmental achievement centers and extended employment programs and the relationship between funding and placement of clients; and*

(4) *improved ways of providing employment services to all disabled persons regardless of the severity of their disabilities, including persons not currently receiving services through existing programs.*

Subd. 4. [REPORT.] The task force shall present conclusions and make recommendations to the legislature by February 1, 1988."

Page 17, line 28, delete "20" and insert "22"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after "252.25;" insert "256B.02, subdivision 8;"

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. 1048: A bill for an act relating to health; making nutrition data reporting discretionary rather than mandatory; governing the hazardous substance injury compensation board; authorizing the commissioner to control activities of carriers of communicable diseases; regulating licensure and inspections of hospitals, nursing homes, life support transportation systems, and eating places; clarifying powers of the office of health facility complaints; changing certain duties of the interagency board for quality assurance; providing penalties; amending Minnesota Statutes 1986, sections 115B.28, subdivision 4; 144.0722; 144.092; 144.50, subdivisions 1 and 2; 144.55, by adding a subdivision; 144.653, subdivision 3; 144.804, subdivision 7; 144A.10, subdivisions 1 and 2; 144A.16; 144A.31; 144A.53, subdivision 1; 145.881, subdivision 1; 157.01; 157.02; 157.04; 157.09; and 157.14; proposing coding for new law in Minnesota Statutes, chapters 144 and 144A; repealing Minnesota Statutes 1986, sections 144.422; 144.424; 144.425; 144.471; 144.49, subdivision 5; 144.692; and 144.94.

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 1986, section 115B.28, subdivision 4, is amended to read:

Subd. 4. [ADMINISTRATIVE PERSONNEL AND SERVICES.] The board may appoint an executive director who is not a member of the board. The executive director is in the unclassified service. The commissioner of health shall provide staff assistance, administrative services, and office space under a contract with the board. The board shall reimburse the commissioner for the staff, services, and space provided. In order to perform its duties, the board may request information from the supervising officer of any state agency or state institution of higher education. When requesting health data as defined in section 13.38 or sections 144.67 to 144.69, the board must submit a written release signed by the subject of the data or, if the subject is deceased, a representative of the deceased, authorizing

release of the data in whole or in part. The supervising officer shall comply with the board's request to the extent possible considering available agency or institution appropriations and may assign agency or institution employees to assist the board in performing its duties under sections 115B.25 to 115B.37.

Sec. 2. Minnesota Statutes 1986, section 144.0722, is amended to read:

144.0722 [RESIDENT REIMBURSEMENT CLASSIFICATIONS; PROCEDURES FOR RECONSIDERATION.]

Subdivision 1. [RESIDENT REIMBURSEMENT CLASSIFICATIONS.] The commissioner of health shall establish resident reimbursement classifications based upon the assessments of residents of nursing homes and boarding care homes conducted under sections 144.072 and 144.0721, or under rules established by the commissioner of human services under sections 256B.41 to 256B.48. The reimbursement classifications established by the commissioner must conform to the rules established by the commissioner of human services.

Subd. 2. [NOTICE OF RESIDENT REIMBURSEMENT CLASSIFICATION.] The commissioner of health shall notify each resident, and the nursing home or boarding care home in which the resident resides, of the reimbursement classification established under subdivision 1. The notice must inform the resident of the classification that was assigned, the opportunity to review the documentation supporting the classification, the opportunity to obtain clarification from the commissioner, and the opportunity to request a reconsideration of the classification. The notice of resident classification must be sent by first-class mail. The individual resident notices may be sent to the resident's nursing home or boarding care home for distribution to the resident. *The nursing home or boarding care home is responsible for the distribution of the notice to each resident, to the person responsible for the payment of the resident's nursing home expenses, or to another person designated by the resident. This notice must be distributed within three working days after the facility's receipt of the notices from the department.*

Subd. 3. [REQUEST FOR RECONSIDERATION.] The resident or the nursing home or boarding care home may request that the commissioner reconsider the assigned reimbursement classification. The request for reconsideration must be submitted in writing to the commissioner ~~within ten working~~ 30 days of the receipt of the notice of resident classification. *For reconsideration requests submitted by or on behalf of the resident, the time period for submission of the request begins as of the date the resident or the resident's representative receives the classification notice.* The request for reconsideration must include the name of the resident, the name and address of the facility in which the resident resides, the reasons for the reconsideration, the requested classification changes, and documentation supporting the requested classification. The documentation accompanying the reconsideration request is limited to documentation establishing that the needs of the resident at the time of the assessment resulting in the disputed classification justify a change of classification.

Subd. 3a. [ACCESS TO INFORMATION.] *Upon written request, the nursing home or boarding care home must give the resident or the resident's representative a copy of the assessment form and the other documentation that was given to the department to support the assessment findings. The nursing home or boarding care home shall also provide access to and a*

copy of other information from the resident's record that has been requested by or on behalf of the resident to support a resident's reconsideration request. A copy of any requested material must be provided within three working days of receipt of a written request for the information. If a facility fails to provide the material within this time, it is subject to the issuance of a correction order and penalty assessment under sections 144.653 and 144A.10. Notwithstanding those sections, any correction order issued under this subdivision must require that the facility immediately comply with the request for information and that as of the date of the issuance of the correction order, the facility shall forfeit to the state a \$100 fine the first day of noncompliance, and an increase in the \$100 fine by \$50 increments for each day the noncompliance continues. For the purposes of this section, "representative" includes the resident's guardian or conservator, the person authorized to pay the nursing home expenses of the resident, a representative of the nursing home ombudsman's office whose assistance has been requested, or any other individual designated by the resident.

Subd. 3b. [FACILITY'S REQUEST FOR RECONSIDERATION.] In addition to the information required in subdivision 3, a reconsideration request from a nursing home or boarding care home must contain the following information: the date the resident reimbursement classification notices were received by the facility; the date the classification notices were distributed to the resident or the resident's representative; and a copy of a notice sent to the resident or to the resident's representative. This notice must tell the resident or the resident's representative that a reconsideration of the resident's classification is being requested, the reason for the request, that the resident's rate will change if the request is approved by the department and the extent of the change, that copies of the facility's request and supporting documentation are available for review, and that the resident also has the right to request a reconsideration. If the facility fails to provide this information with the reconsideration request, the request must be denied, and the facility may not make further reconsideration requests on that specific reimbursement classification.

Subd. 4. [RECONSIDERATION.] The commissioner's reconsideration must be made by individuals not involved in reviewing the assessment that established the disputed classification. The reconsideration must be based upon the initial assessment and upon the information provided to the commissioner under subdivision 3. If necessary for evaluating the reconsideration request, the commissioner may conduct on-site reviews. In its discretion, the commissioner may review the reimbursement classifications assigned to all residents in the facility. Within 15 working days of receiving the request for reconsideration, the commissioner shall affirm or modify the original resident classification. The original classification must be modified if the commissioner determines that the assessment resulting in the classification did not accurately reflect the needs of the resident at the time of the assessment. The resident and the nursing home or boarding care home shall be notified within five working days after the decision is made. The commissioner's decision under this subdivision is the final administrative decision of the agency.

Subd. 5. [AUDIT AUTHORITY.] The department of health may audit assessments of nursing home and boarding care home residents. These audits may be in addition to the assessments completed by the department under section 144.0721. The audits may be conducted at the facility, and the department may conduct the audits on an unannounced basis.

Sec. 3. Minnesota Statutes 1986, section 144.092, is amended to read:

144.092 [COORDINATED NUTRITION DATA COLLECTION.]

The commissioner of health ~~shall~~ *may* develop and coordinate a reporting system to improve the state's ability to document inadequate nutrient and food intake of Minnesota's children and adults and to identify problems and determine the most appropriate strategies for improving inadequate nutritional status. The board on aging ~~shall~~ *may* develop a method to evaluate the nutritional status and requirements of the elderly in Minnesota. The commissioner of health and the board on aging ~~shall~~ *may* report to the legislature on each July 1, beginning in 1988, on the results of their investigation and their recommendations on the nutritional needs of Minnesotans.

Sec. 4. [144.4171] [SCOPE.]

Subdivision 1. [AUTHORITY.] Under the powers and duties assigned to the commissioner in sections 144.05 and 144.12, the commissioner shall proceed according to sections 4 to 19 with respect to persons who pose a health threat to others or who engage in noncompliant behavior.

Subd. 2. [PREEMPTION.] Sections 4 to 19 preempt and supersede any local ordinance or rule concerning persons who pose a health threat to others or who engage in noncompliant behavior.

Sec. 5. [144.4172] [DEFINITIONS.]

Subdivision 1. [CARRIER.] "Carrier" means a person who harbors or who the commissioner reasonably suspects of harboring a specific infectious agent whether or not there is present discernible clinical disease and who serves as a potential source of infection. In the absence of a medically accepted test, the commissioner may reasonably suspect an individual of carrier status only when a determination based upon specific facts justifies an inference that the individual harbors a specific infectious agent.

Subd. 2. [COMMUNICABLE DISEASE.] "Communicable disease" means a disease or condition that causes serious illness, serious disability, or death, the infectious agent of which may pass or be carried, directly or indirectly, from the body of one person to the body of another.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 4. [CONTACT NOTIFICATION PROGRAM.] "Contact notification program" means an ongoing program established by the commissioner to encourage carriers of a communicable disease whose primary route of transmission is through an exchange of blood, semen, or vaginal secretions, such as treponema pallidum, neisseria gonorrhea, chlamydia trachomatis, and human immunodeficiency virus, to identify others who may be at risk by virtue of contact with the carrier.

Subd. 5. [HEALTH DIRECTIVE.] "Health directive" means a written statement, or, in urgent circumstances, an oral statement followed by a written statement within seven days, from the commissioner, or local board of health with delegated authority from the commissioner, issued to a carrier who constitutes a health threat to others. A health directive must be individual, specific, and cannot be issued to a class of persons. The directive may require a carrier to cooperate with health authorities in efforts to prevent or control transmission of communicable disease, in-

cluding participation in education, counseling, or treatment programs, and undergoing medical tests necessary to verify the person's carrier status. The written directive may be personally delivered to the carrier or mailed to the carrier's last known address.

Subd. 6. [LICENSED HEALTH PROFESSIONAL.] "Licensed health professional" means a person licensed in Minnesota to practice those professions described in section 214.01, subdivision 2.

Subd. 7. [HEALTH THREAT TO OTHERS.] "Health threat to others" means that a carrier demonstrates an inability or unwillingness to conduct himself or herself in such a manner as to not place others at risk of exposure to infection that causes serious illness, serious disability, or death. It includes one or more of the following:

(1) behavior by a carrier of a communicable disease which has been demonstrated epidemiologically to transmit or which evidences a careless disregard for the transmission of the disease to others;

(2) an intention to transmit or a careless disregard for the transmission of a communicable disease to others as is evidenced by statements by a carrier, except that statements that are not credible indicators of the carrier's intention may not be used to satisfy the requirements of this subdivision; or

(3) violation by a carrier of any part of a court order issued pursuant to this chapter.

Subd. 8. [NONCOMPLIANT BEHAVIOR.] "Noncompliant behavior" means a failure or refusal to comply with a health directive.

Subd. 9. [RESPONDENT.] "Respondent" means any person against whom an action is commenced under sections 4 to 19.

Sec. 6. [144.4173] [CAUSE OF ACTION.]

Subdivision 1. [COMPLIANCE WITH DIRECTIVE.] Failure or refusal of a carrier to comply with a health directive is grounds for proceeding under subdivision 2.

Subd. 2. [COMMENCEMENT OF ACTION.] The commissioner, or a local board of health with express delegated authority from the commissioner, may commence legal action against a carrier engaged in noncompliant behavior by filing with the district court in the county in which respondent resides, and serving upon respondent, a petition for relief and notice of hearing.

Sec. 7. [144.4174] [STANDING.]

Only the commissioner, or a local board of health, with express delegated authority from the commissioner, may commence an action under sections 4 to 19.

Sec. 8. [144.4175] [REPORTING.]

Subdivision 1. [VOLUNTARY REPORTING.] Any licensed health professional or other human services professional regulated by the state who has knowledge or reasonable cause to believe that a person is a health threat to others or has engaged in noncompliant behavior may report that information to the commissioner.

Subd. 2. [LIABILITY FOR REPORTING.] A licensed health professional

or other human services professional regulated by the state who has knowledge or reasonable cause to believe that a person is a health threat to others or has engaged in noncompliant behavior, and who makes a report under subdivision 1, is not subject to liability for reporting in any civil, administrative, disciplinary, or criminal action.

Subd. 3. [WAIVER OF PRIVILEGE.] Any privilege otherwise created in section 595.02 is waived with respect to information about a person as a health threat to others or about a person's noncompliant behavior in any investigation or action under sections 4 to 19. This waiver of privilege does not apply to the privileges described in section 595.02, subdivision 1, clauses (b) and (c).

Sec. 9. [144.4176] [PETITION; NOTICE.]

Subdivision 1. [PETITION.] The petition must set forth the following:

(1) the grounds and underlying facts that demonstrate that respondent is a carrier, and has engaged in noncompliant behavior;

(2) the petitioner's efforts to alleviate the health threat to others prior to the issuance of a health directive;

(3) the type of relief sought; and

(4) a request for a court hearing on the allegations contained in the petition.

Subd. 2. [HEARING NOTICE.] The notice must contain the following information:

(1) the time, date, and place of the hearing;

(2) respondent's right to appear at the hearing;

(3) respondent's right to present and cross-examine witnesses; and

(4) respondent's right to counsel, including the right, if indigent, to representation by counsel designated by the court or county of venue.

Sec. 10. [144.4177] [TIME OF HEARING.]

A hearing on the petition must be held before the district court in the county in which respondent resides as soon as possible, but no later than 14 days from service of the petition and hearing notice.

Sec. 11. [144.4178] [CRIMINAL IMMUNITY.]

In accordance with section 609.09, subdivision 2, no person shall be excused in an action under sections 4 to 19 from giving testimony or producing any documents, books, records, or correspondence, tending to be self-incriminating; but the testimony or evidence, or other testimony or evidence derived from it, must not be used against the person in any criminal case, except for perjury committed in the testimony.

Sec. 12. [144.4179] [STANDARD OF PROOF; EVIDENCE.]

Subdivision 1. [CLEAR AND CONVINCING.] The commissioner must prove the allegations in the petition by clear and convincing evidence.

Subd. 2. [ALL RELEVANT EVIDENCE.] The court shall admit all reliable relevant evidence. Medical and epidemiologic data must be admitted if it otherwise comports with section 145.30, chapter 600, Minnesota Rules of Evidence 803(6), or other statutes or rules that permit

reliable evidence to be admitted in civil cases.

Subd. 3. [FAILURE TO APPEAR.] If a party fails to appear at the hearing without prior court approval, the hearing may proceed without the absent party and the court may make its determination on the basis of all reliable evidence submitted at the hearing.

Subd. 4. [RECORDS.] The court shall take and preserve an accurate stenographic record of the proceedings.

Sec. 13. [144.4180] [REMEDIES.]

Subdivision 1. [REMEDIES AVAILABLE.] Upon a finding by the court that respondent has engaged in noncompliant behavior, the court may order that the respondent must:

- (1) participate in a designated education program;*
- (2) participate in a designated counseling program;*
- (3) participate in a designated treatment program;*
- (4) undergo medically accepted tests to verify respondent's status as a carrier, or treatment that is consistent with standard medical practice as necessary to make respondent noninfectious;*
- (5) notify or appear before designated health officials for verification of status, testing, or other purposes consistent with monitoring;*
- (6) cease and desist the conduct which constitutes a health threat to others;*
- (7) live part time or full time in a supervised setting for the period and under the conditions set by the court;*
- (8) be committed to an appropriate institutional facility for the period and under the conditions set by the court, but not longer than six months, until the respondent is made noninfectious, or until the respondent completes a course of treatment prescribed by the court, whichever occurs first, unless the commissioner shows good cause for continued commitment; and*
- (9) comply with any combination of the remedies in clauses (1) to (8), or other remedies considered just by the court. In no case may a respondent be committed to a correctional facility.*

Subd. 2. [CONSTRUCTION.] This section shall be construed so that the least restrictive alternative is used to achieve the desired purpose of preventing or controlling communicable disease.

Subd. 3. [ADDITIONAL REQUIREMENTS.] If commitment or supervised living is ordered, the court shall require the head of the institutional facility or the person in charge of supervision to submit a written report, with a copy to both the commissioner and the respondent, at least 60 days, but not more than 90 days, from the start of respondent's commitment or supervised living arrangement, setting forth the following:

- (1) the types of support or therapy groups, if any, respondent is attending and how often respondent attends;*
- (2) the type of care or treatment respondent is receiving, and what future care or treatment is necessary;*
- (3) whether respondent has been cured or made noninfectious, or oth-*

erwise no longer poses a threat to public health;

(4) whether continued commitment or supervised living is necessary; and

(5) other information the court considers necessary.

Sec. 14. [144.4181] [APPEAL.]

The petitioner or respondent may appeal the decision of the district court. The court of appeals shall hear the appeal within 30 days after service of the notice of appeal. However, respondent's status as determined by the district court remains unchanged, and any remedy ordered by the district court remains in effect while the appeal is pending.

Sec. 15. [144.4182] [TEMPORARY EMERGENCY HOLD.]

Subdivision 1. [APPREHEND AND HOLD.] To protect the public health in an emergency, the court may order a health officer or peace officer to take a person into custody and transport the person to an appropriate emergency care or treatment facility for observation, examination, testing, diagnosis, care, treatment, and, if necessary, temporary detention. If the person is already institutionalized, the court may order the institutional facility to hold the person. These orders must be issued in an ex parte proceeding upon an affidavit of the commissioner or a designee of the commissioner. An order shall issue upon a determination by the court that reasonable cause exists to believe that the person is a carrier of a communicable disease and: (a) has evidenced an intention to imminently transmit or a careless disregard for the imminent transmission of the disease to other persons; or (b) has evidenced an intention to flee and is a health threat to others.

The affidavit must set forth the specific facts upon which the order is sought and must be served on the person immediately upon apprehension or detention. An order under this section may be executed on any day and at any time.

Subd. 2. [DURATION OF HOLD.] No person may be held under subdivision 1 longer than 72 hours, exclusive of Saturdays, Sundays, and legal holidays, without a court hearing to determine if the emergency hold should continue.

Sec. 16. [144.4183] [EMERGENCY HOLD HEARING.]

Subdivision 1. [TIME OF NOTICE.] Notice of the emergency hold hearing must be served upon the person held under section 15, subdivision 1, at least 24 hours before the hearing.

Subd. 2. [CONTENTS OF NOTICE.] The notice must contain the following information:

(1) the time, date, and place of the hearing;

(2) the grounds and underlying facts upon which continued detention is sought;

(3) the person's right to appear at the hearing;

(4) the person's right to present and cross-examine witnesses; and

(5) the person's right to counsel, including the right, if indigent, to representation by counsel designated by the court or county of venue.

Subd. 3. [ORDER FOR CONTINUED EMERGENCY HOLD.] The court may order the continued holding of the person if it finds, by a preponderance of the evidence, that the person would pose a threat to the public health if released. However, in no case may the emergency hold continue longer than five days, unless a petition is filed under section 6. If a petition is filed, the emergency hold must continue until a hearing on the petition is held under section 10. That hearing must occur within five days of the filing of the petition, exclusive of Saturdays, Sundays, and legal holidays.

Sec. 17. [144.4184] [CONTACT DATA.]

Identifying information voluntarily given to the commissioner, or an agent of the commissioner, by a carrier through a contact notification program must not be used as evidence in a court proceeding to determine noncompliant behavior.

Sec. 18. [144.4185] [COSTS.]

Subdivision 1. [COSTS OF CARE.] The court shall determine what part of the cost of care or treatment ordered by the court, if any, the respondent can pay. The respondent shall provide the court documents and other information necessary to determine financial ability. If the respondent cannot pay the full cost of care, the rest must be paid by the county in which respondent resides. If the respondent provides inaccurate or misleading information, or later becomes able to pay the full cost of care, the respondent becomes liable to the county for costs paid by the county.

Subd. 2. [COURT-APPOINTED COUNSEL.] If the court appoints counsel to represent respondent free of charge, counsel must be compensated by the county in which respondent resides, except to the extent that the court finds that the respondent is financially able to pay for counsel's services.

Subd. 3. [REPORT.] The commissioner shall report any recommendations for appropriate changes in the modes of financing of services provided under subdivision 1 by January 15, 1988.

Sec. 19. [144.4186] [DATA PRIVACY.]

Subdivision 1. [NONPUBLIC DATA.] Data contained in a health directive are classified as protected nonpublic data under section 13.02, subdivision 13, in the case of data not on individuals, and private under section 13.02, subdivision 12, in the case of data on individuals.

Subd. 2. [PROTECTIVE ORDER.] Once an action is commenced, any party may seek a protective order to protect the disclosure of portions of the court record identifying individuals or entities.

Sec. 20. Minnesota Statutes 1986, section 144.50, subdivision 1, is amended to read:

Subdivision 1. (a) No person, partnership, association, or corporation, nor any state, county, or local governmental units, nor any division, department, board, or agency thereof, shall establish, operate, conduct, or maintain, or advertise in the state any hospital, sanatorium or other institution for the hospitalization or care of human beings without first obtaining a license therefor in the manner provided in sections 144.50 to 144.56.

(b) A violation of this subdivision is a misdemeanor punishable by a fine of not more than \$300. The commissioner may seek an injunction in the district court against the continuing operation of the unlicensed institution.

Proceedings for securing an injunction may be brought by the attorney general or by the appropriate county attorney.

(c) The sanctions in this subdivision do not restrict other available sanctions.

Sec. 21. Minnesota Statutes 1986, section 144.50, subdivision 2, is amended to read:

Subd. 2. Hospital, sanatorium or other institution for the hospitalization or care of human beings, within the meaning of sections 144.50 to 144.56 shall mean any institution, place, building, or agency, in which any accommodation is maintained, furnished, or offered *for five or more persons* for: the hospitalization of the sick or injured; the provision of care in a swing bed authorized under section 144.562; elective outpatient surgery for preexamined, prediagnosed low risk patients; emergency medical services offered 24 hours a day, seven days a week, in an ambulatory or outpatient setting in a facility not a part of a licensed hospital; or the institutional care of human beings. Nothing in sections 144.50 to 144.56 shall apply to a clinic, a physician's office or to hotels or other similar places that furnish only board and room, or either, to their guests.

Sec. 22. [144.555] [HOSPITAL CLOSINGS; PATIENT RELOCATIONS.]

Subdivision 1. [NOTICE OF CLOSING OR CURTAILING SERVICE.] If a facility licensed under sections 144.50 to 144.56 voluntarily plans to cease operations or to curtail operations to the extent that residents must be relocated, the controlling persons of the facility must notify the commissioner of health at least 90 days before the scheduled cessation or curtailment. The commissioner shall cooperate with the controlling persons and advise them about relocating the residents.

Subd. 2. [PENALTY.] Failure to notify the commissioner under subdivision 1 may result in issuance of a correction order under section 144.653, subdivision 5.

Sec. 23. Minnesota Statutes 1986, section 144.653, subdivision 3, is amended to read:

Subd. 3. [ENFORCEMENT.] With the exception of the department of public safety which has the exclusive jurisdiction to enforce state fire and safety standards, the state commissioner of health is the exclusive state agency charged with the responsibility and duty of inspecting facilities required to be licensed under the provisions of sections 144.50 to 144.58 and enforcing the rules and standards prescribed by it.

The commissioner may request and must be given access to and copies of relevant information, records, incident reports, or other documents in the possession of a licensed facility if the commissioner considers them necessary for the discharge of responsibilities. For the purposes of inspections and securing information to determine compliance with the licensure laws and rules, the commissioner need not present a release, waiver, or consent of the individual. The identities of patients or residents must be kept private as defined by section 13.02, subdivision 12.

Sec. 24. Minnesota Statutes 1986, section 144.802, subdivision 3, is amended to read:

Subd. 3. (a) Each prospective licensee and each present licensee wishing to offer a new type or types of life support transportation service, to establish

a new base of operation, or to expand a primary service area, shall make written application for a license to the commissioner on a form provided by the commissioner.

(b) For applications for the provision of life support transportation services in a service area located within a county, the commissioner shall promptly send notice of the completed application to the health systems agency or agencies, the county board and to each community health service agency or agencies board, regional emergency medical services system designated under section 144.8093, life support transportation service, and each municipality and county in the area in which life support transportation service would be provided by the applicant. The commissioner shall publish the notice, at the applicant's expense, in the state register and in a newspaper in the municipality in which the service would be provided base of operation will be located, or if no newspaper is published in the municipality or if the service would be provided in more than one municipality, in a newspaper published at the county seat of the county or counties in which the service would be provided.

(b) (c) For applications for the provision of life support transportation services in a service area larger than a county, the commissioner shall promptly send notice of the completed application to the municipality in which the service's base of operation will be located and to each community health board, county board, regional emergency medical services system designated under section 144.8093, and life support transportation service located within the service area described by the applicant. The commissioner shall publish this notice, at the applicant's expense, in the state register and in a newspaper with statewide circulation.

(d) The commissioner shall request that the chief administrative law judge appoint an administrative law judge to hold a public hearing in the municipality in which the service's base of operation will be located.

(e) Each municipality, county, community health service, regional emergency medical services system, life support transportation service, and other person wishing to make recommendations concerning the disposition of the application shall make written recommendations to the health systems agency in its area administrative law judge within 30 days of the publication of notice of the application in the state register.

(e) (f) The health systems agency or agencies administrative law judge shall:

(1) hold a public hearing in the municipality in which the service's base of operations is or will be located;

(2) provide notice of the public hearing in the newspaper or newspapers in which notice was published under part (a) (b) or (c) for two successive weeks at least ten days before the date of the hearing;

(3) allow any interested person the opportunity to be heard, to be represented by counsel, and to present oral and written evidence at the public hearing;

(4) provide a transcript of the hearing at the expense of any individual requesting it; and

(5) follow any further procedure not inconsistent with chapter 14, which it deems appropriate.

(d) (g) The ~~health systems agency or agencies~~ *administrative law judge* shall review and comment upon the application and shall make written recommendations as to its disposition to the commissioner within 90 days of receiving notice of the application. In making the recommendations, the ~~health systems agency or agencies~~ *administrative law judge* shall consider and make written comments as to whether the proposed service, change in base of operations, or expansion in primary service area is needed, based on consideration of the following factors:

(1) the relationship of the proposed service, change in base of operations or expansion in primary service area to ~~the current health systems and annual implementation plans~~ *community health plan as approved by the commissioner under section 145.918;*

(2) the recommendations or comments of the governing bodies of the counties and municipalities in which the service would be provided;

(3) the ~~deleterious effects on the public health from~~ *duplication, if any, of life support transportation services that would result from granting the license;*

(4) the estimated effect of the proposed service, change in base of operation or expansion in primary service area on the public health;

(5) whether any benefit accruing to the public health would outweigh the costs associated with the proposed service, change in base of operations, or expansion in primary service area.

The ~~health systems agency or agencies~~ *administrative law judge* shall recommend that the commissioner either grant or deny a license or recommend that a modified license be granted. The reasons for the recommendation shall be set forth in detail. The ~~health systems agency or agencies~~ *administrative law judge* shall make the recommendations and reasons available to any individual requesting them.

Sec. 25. Minnesota Statutes 1986, section 144.802, subdivision 4, is amended to read:

Subd. 4. Within 30 days after receiving the ~~health systems agency recommendations~~ *administrative law judge's report*, the commissioner shall grant or deny a license to the applicant. In granting or denying a license, the commissioner shall consider the ~~health systems agency recommendations~~ *administrative law judge's report*, the evidence contained in the application, and any hearing record and other applicable evidence, ~~and whether any benefit accruing to the public health would outweigh the costs associated with the proposed service, change in base of operations, or expansion in primary service area.~~ *The commissioner's decision shall be based on a consideration of the factors contained in subdivision 3, clause (f).* If the commissioner's decision is different from the ~~health systems agency administrative law judge's~~ *recommendations*, the commissioner shall set forth in detail the reasons for differing from the recommendations.

Sec. 26. Minnesota Statutes 1986, section 144.804, subdivision 7, is amended to read:

Subd. 7. [DRIVERS OF LIFE SUPPORT TRANSPORTATION SERVICE VEHICLES.] A life support transportation service vehicle may be staffed by a driver possessing a (1) current first responder certificate issued under United States Department of Transportation standards, ~~or (2) a valid class~~

~~C driver's license provided a siren and flashing lights are not used and the vehicle is driven within legal speed limits; if, in either case, the life support transportation service vehicle is also staffed by two or more attendants meeting the following qualifications: (a) attendants staffing a basic life support transportation service vehicle shall meet the qualifications contained in subdivision 1; and (b) attendants staffing an advanced life support transportation service vehicle shall possess a current certification as an emergency medical technician or an emergency medical technician-paramedic, provided that at least one attendant is an emergency medical technician-paramedic.~~

Sec. 27. Minnesota Statutes 1986, section 144A.10, subdivision 1, is amended to read:

Subdivision 1. [ENFORCEMENT AUTHORITY.] The commissioner of health is the exclusive state agency charged with the responsibility and duty of inspecting all facilities required to be licensed under section 144A.02. The commissioner of health shall enforce the rules established pursuant to sections 144A.01 to 144A.17, subject only to the authority of the department of public safety respecting the enforcement of fire and safety standards in nursing homes and the responsibility of the commissioner of human services under sections 245.781 to 245.821 or 252.28.

The commissioner may request and must be given access to and copies of relevant information, records, incident reports, or other documents in the possession of a licensed facility if the commissioner considers them necessary for the discharge of responsibilities. For the purposes of inspections and securing information to determine compliance with the licensure laws and rules, the commissioner need not present a release, waiver, or consent of the individual. The identities of patients or residents must be kept private as defined by section 13.02, subdivision 12.

Sec. 28. Minnesota Statutes 1986, section 144A.10, subdivision 2, is amended to read:

Subd. 2. [INSPECTIONS.] The commissioner of health shall inspect each nursing home to ensure compliance with sections 144A.01 to 144A.17 and the rules promulgated to implement them. The inspection shall be a full inspection of the nursing home. If upon a reinspection provided for in subdivision 5 the representative of the commissioner of health finds one or more uncorrected violations, a second inspection of the facility shall be conducted. The second inspection need not be a full inspection. No prior notice shall be given of an inspection conducted pursuant to this subdivision. Any employee of the commissioner of health who willfully gives or causes to be given any advance notice of an inspection required or authorized by this subdivision shall be subject to suspension or dismissal in accordance with chapter 43A. An inspection required by a federal rule or statute may be conducted in conjunction with or subsequent to any other inspection. Any inspection required by this subdivision may be in addition to or in conjunction with the reinspections required by subdivision 5. Nothing in this subdivision shall be construed to prohibit the commissioner of health from making more than one unannounced inspection of any nursing home during its license year. The commissioner of health shall coordinate inspections of nursing homes with inspections by other state and local agencies *consistent with the requirements of this section and the Medicare and Medicaid certification programs.*

The commissioner shall conduct inspections and reinspections of health

facilities with a frequency and in a manner calculated to produce the greatest benefit to residents within the limits of the resources available to the commissioner. In performing this function, the commissioner may devote proportionately more resources to the inspection of those facilities in which conditions present the most serious concerns with respect to resident health, treatment, comfort, safety, and well-being.

These conditions include but are not limited to: change in ownership; frequent change in administration in excess of normal turnover rates; complaints about care, safety, or rights; where previous inspections or re-inspections have resulted in correction orders related to care, safety, or rights; and, where persons involved in ownership or administration of the facility have been indicted for alleged criminal activity. Any facility that has none of the above conditions or any other condition established by the commissioner that poses a risk to resident care, safety, or rights shall be inspected once every two years.

Sec. 29. [144A.115] [VIOLATIONS; PENALTIES.]

Subdivision 1. [OPERATING WITHOUT A LICENSE.] The operation of a facility required to be licensed under sections 144A.02 to 144A.10 without a license is a misdemeanor punishable by a fine of not more than \$300.

Subd. 2. [ADVERTISING WITHOUT A LICENSE.] A person or entity that advertises a facility required to be licensed under sections 144A.02 to 144A.10 before obtaining a license is guilty of a misdemeanor.

Subd. 3. [OTHER SANCTIONS.] The sanctions in this section do not restrict other available sanctions.

Sec. 30. Minnesota Statutes 1986, section 144A.16, is amended to read:
144A.16 [CESSATION OF OPERATIONS.]

If a nursing home *voluntarily* plans to cease operations or to curtail operations to the extent that relocation of residents is necessary, the controlling persons of the facility shall notify the commissioner of health at least 90 days prior to the scheduled cessation or curtailment. The commissioner of health shall cooperate with and advise the controlling persons of the nursing home in the resettlement of residents. Failure to comply with this section shall be a violation of section 144A.10.

Sec. 31. Minnesota Statutes 1986, section 144A.31, is amended to read:
144A.31 [INTERAGENCY BOARD FOR QUALITY ASSURANCE.]

Subdivision 1. [INTERAGENCY BOARD.] The commissioners of health and human services shall establish, by July 1, 1983, an interagency board of employees of their respective departments who are knowledgeable and employed in the areas of long-term care, geriatric care, long-term care facility inspection, or quality of care assurance. The number of interagency board members shall not exceed ~~seven~~ eight; three members each to represent the commissioners of health and human services and one member each to represent the commissioner of public safety in the enforcement of fire and safety standards in nursing homes. The commissioner of human services or a designee shall chair and convene the board directors of state planning and housing finance. The board shall identify long-term care issues requiring coordinated interagency policies and shall conduct anal-

yses, coordinate policy development, and make recommendations to the commissioners for effective implementation of these policies. The commissioner of human services and the commissioner of health or their designees shall annually alternate chairing and convening the board. The board may utilize the expertise and time of other individuals employed by either department as needed. The board may recommend that the commissioners contract for services as needed. The board shall meet as often as necessary to accomplish its duties, but at least ~~monthly~~ quarterly. The board shall establish procedures, including public hearings, for allowing regular opportunities for input from residents, nursing homes, and other interested persons.

Subd. 2. [INSPECTIONS.] No later than January 1, ~~1984~~ 1988, the board shall develop and recommend implementation and enforcement of an effective system to ensure quality of care in each nursing home in the state. Quality of care includes evaluating, using the resident's care plan, whether the resident's ability to function is optimized and should not be measured solely by the number or amount of services provided.

The board shall assist the commissioner of health in ~~ensuring~~ developing methods to ensure that inspections and reinspections of nursing homes are conducted with a frequency and in a manner calculated to most effectively and appropriately fulfill its quality assurance responsibilities and achieve the greatest benefit to nursing home residents. *The board shall identify and recommend criteria and methods for identifying those nursing homes that present the most serious concerns with respect to resident health, treatment, comfort, safety, and well-being.* The commissioner of health shall require a higher frequency and extent of inspections with respect to those nursing homes that present the most serious concerns with respect to resident health, treatment, comfort, safety, and well-being. These concerns include but are not limited to: complaints about care, safety, or rights; situations where previous inspections or reinspections have resulted in correction orders related to care, safety, or rights; instances of frequent change in administration in excess of normal turnover rates; and situations where persons involved in ownership or administration of the nursing home have been convicted of engaging in criminal activity. A nursing home that presents none of these concerns or any other concern or condition *recommended by the board* and established by the ~~board~~ commissioner that poses a risk to resident care, safety, or rights shall be inspected once every two years for compliance with key requirements as determined by the board.

The board shall develop and recommend to the commissioners mechanisms beyond the inspection process to protect resident care, safety, and rights, including but not limited to coordination with the office of health facility complaints and the nursing home ombudsman program.

Subd. 3. [METHODS FOR DETERMINING RESIDENT CARE NEEDS.] The board shall develop and recommend to the commissioners definitions for levels of care and methods for determining resident care needs for implementation on July 1, 1985 in order to adjust payments for resident care based on the mix of resident needs in a nursing home. The methods for determining resident care needs shall include assessments of ability to perform activities of daily living and assessments of medical and therapeutic needs.

Subd. 4. [ENFORCEMENT.] The board shall develop and recommend for implementation effective methods of enforcing quality of care standards.

When it deems necessary, and when all other methods of enforcement are not appropriate, the board shall recommend to the commissioner of health closure of all or part of a nursing home or certified boarding care home and revocation of the license. The board shall develop and monitor, and the commissioner of human services shall implement, a resident relocation plan that instructs the a county in which the a nursing home or certified boarding care home is located of procedures to ensure that the needs of residents in nursing homes or certified boarding care homes about to be closed are met. The duties of a county under the relocation plan also apply when residents are to be discharged from a nursing home or certified boarding care home as a result of a change in certification, closure, or loss or termination of the facility's medical assistance provider agreement. *The resident relocation plans and county duties required in this subdivision apply to the voluntary or involuntary closure, or reduction in services or size of, an intermediate care facility for the mentally retarded. The relocation plan for intermediate care facilities for the mentally retarded must conform to Minnesota Rules, parts 4655.6810 to 4655.6830, 9525.0015 to 9525.0165, and 9546.0010 to 9546.0060, or their successors. The commissioner of human services may waive a portion of existing rules that the commissioner determines does not apply to persons with mental retardation or related conditions.* The county shall ensure appropriate placement in swing beds in hospitals, placement in unoccupied beds in other nursing homes, utilization of residents in licensed and certified facilities or other alternative care such as home health care on a temporary basis, and foster care placement, or other appropriate alternative care. In preparing for relocation, the board shall ensure that residents and their families or guardians are involved in planning the relocation.

Subd. 5. [REPORTS.] The board shall prepare a report and the commissioners of health and human services shall deliver this report to the legislature no later than January 15, 1984, on the board's proposals and progress on implementation of the methods required under subdivisions subdivision 2, 3, and 4. The commissioners shall recommend changes in or additions to legislation necessary or desirable to fulfill their responsibilities. The board shall prepare an annual report and the commissioners shall deliver this report annually to the legislature, beginning in January, 1985, on the implementation and enforcement of the provisions of this section.

Subd. 6. [DATA.] The interagency board may have access to data from the commissioners of health, human services, and public safety for carrying out its duties under this section. The commissioner of health and the commissioner of human services may each have access to data on persons, including data on vendors of services, from the other to carry out the purposes of this section. If the interagency board, the commissioner of health, or the commissioner of human services receives data on persons, including data on vendors of services, that is collected, maintained, used or disseminated in an investigation, authorized by statute and relating to enforcement of rules or law, the board or the commissioner shall not disclose that information except:

(a) pursuant to section 13.05;

(b) pursuant to statute or valid court order; or

(c) to a party named in a civil or criminal proceeding, administrative or judicial, for preparation of defense.

Data described in this subdivision is classified as public data upon its submission to an administrative law judge or court in an administrative or judicial proceeding.

Sec. 32. Minnesota Statutes 1986, section 144A.53, subdivision 1, is amended to read:

Subdivision 1. [POWERS.] The director may:

(a) Promulgate by rule, pursuant to chapter 14, and within the limits set forth in subdivision 2, the methods by which complaints against health facilities, health care providers or administrative agencies are to be made, reviewed, investigated, and acted upon; provided, however, that a fee may not be charged for filing a complaint.

(b) Recommend legislation and changes in rules to the state commissioner of health, legislature, governor, administrative agencies or the federal government.

(c) Investigate, upon a complaint or upon initiative of the director, any action or failure to act by a health care provider or a health facility.

(d) Request and receive access to relevant information, records, *incident reports*, or documents in the possession of an administrative agency, a health care provider, or a health facility, *and issue investigative subpoenas to individuals and facilities for oral information and written information, including privileged information* which the director deems necessary for the discharge of responsibilities. *For purposes of investigation and securing information to determine violations, the director need not present a release, waiver, or consent of an individual. The identities of patients or residents must be kept private as defined by section 13.02, subdivision 12.*

(e) Enter and inspect, at any time, a health facility *and be permitted to interview staff*; provided that the director shall not unduly interfere with or disturb *the provision of care and services within the facility* or the activities of a *patient or* resident unless the *patient or* resident consents.

(f) Issue a correction order pursuant to section 144.653 or any other law which provides for the issuance of correction orders to health care facilities. *A facility's refusal to cooperate in providing lawfully requested information may also be grounds for a correction order.*

(g) Recommend the certification or decertification of health facilities pursuant to Title XVIII or Title XIX of the United States Social Security Act.

(h) Assist *patients or* residents of health facilities in the enforcement of their rights under Minnesota law; ~~and~~.

(i) Work with administrative agencies, health facilities, health care providers and organizations representing consumers on programs designed to provide information about health facilities to the public and to health facility residents.

Sec. 33. Minnesota Statutes 1986, section 145.881, subdivision 1, is amended to read:

Subdivision 1. [COMPOSITION OF TASK FORCE.] The commissioner shall establish and appoint a maternal and child health advisory task force consisting of 15 members who will provide equal representation from:

(1) professionals with expertise in maternal and child health services;

(2) representatives of local health boards as defined in section 145.913; and

(3) consumer representatives interested in the health of mothers and children.

No members shall be employees of the state department of health. Task force members shall be appointed and removed as provided in section 15.059, ~~subdivision 6. Notwithstanding section 15.059, subdivisions 5 and 6, subdivisions 2 and 4.~~ The maternal and child health advisory task force shall terminate on ~~June 30, 1987~~ the date provided by section 15.059, ~~subdivision 5, and members shall receive compensation as provided in section 15.059, subdivision 6.~~

Sec. 34. Minnesota Statutes 1986, section 145.882, subdivision 4, is amended to read:

Subd. 4. [DISTRIBUTION FORMULA.] The amount available for each community health services area is determined according to the following formula:

(a) Each community health services area is allocated an amount based on the following three variables:

(1) the proportion of resident mothers within the city, county, or counties who are under 20 years of age or over 35 years of age, as determined by averaging the data available for the three most current years;

(2) the proportion of resident infants within the city, county, or counties whose weight at birth is less than 2,500 grams, as determined by averaging the data available for the three most current years; and

(3) the proportion of resident children within the city, county, or counties under the age of 19 who are on general assistance or medical assistance and the proportion of resident women within the city, county, or counties aged 19 to 49 who are on general assistance or medical assistance, as determined by using the data available for the most current year.

(b) Each variable is expressed as a city or county score consisting of the city or county frequency of each variable divided by the statewide frequency of the variable.

(c) A total score for each city or county jurisdiction is computed by totaling the scores of the three factors and dividing the total by three. *The resulting amount is added to the total score for the most recent two-year grant period and the sum is divided by two.*

(d) Each community health services area is allocated an amount equal to the total score obtained above for the city, county, or counties in its area multiplied by the amount of money available for special projects of local significance.

Sec. 35. Minnesota Statutes 1986, section 157.01, is amended to read:
157.01 [DEFINITIONS.]

Subdivision 1. [TYPES OF ESTABLISHMENTS.] Every building or structure or enclosure, or any part thereof, kept, used as, maintained as, or advertised as, or held out to the public to be an enclosure where sleeping accommodations are furnished to the public and furnishing accommodations for periods of less than one week shall for the purpose of this chapter be deemed an hotel.

Every building or other structure or enclosure, or any part thereof and all buildings in connection, kept, used or maintained as, or advertised as, or held out to the public to be an enclosure where meals or lunches are served or prepared for service elsewhere shall for the purpose of this chapter be deemed to be a restaurant, and the person in charge thereof, whether as owner, lessee, manager or agent, for the purpose of this chapter shall be deemed the proprietor of the restaurant, and whenever the word "restaurant" occurs in this chapter, it shall be construed to mean a structure as described in this section.

Every building or structure, or any part thereof, kept, used as, maintained as, advertised as, or held out to be a place where sleeping accommodations are furnished to the public as regular roomers, for periods of one week or more, and having five or more beds to let to the public, shall, for the purpose of this chapter, be deemed a lodging house.

Every building or structure or enclosure, or any part thereof, used as, maintained as, or advertised as, or held out to be an enclosure where meals or lunches are furnished to five or more regular boarders, whether with or without sleeping accommodations, for periods of one week or more, shall, for the purpose of this chapter, be deemed a boarding house.

Every building or structure, or any part thereof, used as, maintained as, or advertised as, or held out to be a place where confectionery, ice cream, or drinks of various kinds are made, sold or served at retail, shall, for the purpose of this chapter, be deemed to be a place of refreshment. This chapter shall not be applicable in any manner to a general merchandise store, grocery store, oil station, cigar stand, confectionery store, or drug store not providing meals, lunches, lodging, or fountain, bar, booth, or table service.

For the purpose of this chapter, a resort means any building, structure, or enclosure, or any part thereof, located on, or on property neighboring, any lake, stream, or skiing or hunting area for purposes of providing convenient access thereto, kept, used, maintained, or advertised as, or held out to the public to be an enclosure where sleeping accommodations are furnished to the public, and primarily to those seeking recreation, for periods of one day, one week, or longer, and having for rent five or more cottages, rooms, or enclosures.

Subd. 2. [LEVELS OF RISK.] (a) "High-risk establishment" means any lodging house, hotel, motel, restaurant, boarding house, place of refreshment, or resort that:

(1) serves potentially hazardous foods that require extensive processing on the premises, including manual handling, cooling, reheating, or holding for service;

(2) prepares foods several hours or days before service;

(3) serves menu items that epidemiologic experience has demonstrated to be common vehicles of food-borne illness;

(4) has a public swimming pool;

(5) draws its drinking water from a surface water supply; or

(6) has an on-site sewage disposal system and is located in an area where conditions are less favorable for the successful operation of such a system.

(b) "Medium-risk establishment" means a hotel, motel, restaurant, lodging house, boarding house, place of refreshment, or resort that:

(1) serves potentially hazardous foods but with minimal holding between preparation and service;

(2) serves low-risk foods that may or may not be potentially hazardous but require extensive handling, such as baked goods and pizzas;

(3) serves large volumes of food even though the food-borne illness risk is low; or

(4) is a lodging establishment with 25 or more units.

(c) "Low-risk establishment" means a hotel, motel, restaurant, lodging house, boarding house, place of refreshment, or resort that is not a high-risk or medium-risk establishment.

Sec. 36. Minnesota Statutes 1986, section 157.02, is amended to read:

157.02 [HOTEL INSPECTOR INSPECTION RECORDS.]

The ~~hotel inspector~~ commissioner of health shall keep a set of books for public use and inspection showing the condition of all hotels, motels, restaurants, lodging houses, boarding houses, resorts, and places of refreshment, together with the name of the owner, proprietor, or manager thereof, showing their sanitary condition, and any other information that may be for the betterment of the public service, and ~~likewise assist in the enforcement of any orders promulgated by the state commissioner of health and the department of agriculture~~ issue orders for correction of violations relating to hotels, motels, restaurants, lodging houses, boarding houses, resorts, and places of refreshment.

Sec. 37. Minnesota Statutes 1986, section 157.04, is amended to read:

157.04 [ANNUAL INSPECTION.]

It shall be the duty of the ~~hotel inspector~~ commissioner of health to inspect, or cause to be inspected, ~~at least once annually~~, every hotel, motel, restaurant, lodging house, boarding house, or resort, or place of refreshment in this state. ~~The frequency of inspections must be based on the degree of hazard to the public. High-risk establishments must be inspected at least once a year. Medium-risk establishments must be inspected at least once every 18 months. Low-risk establishments must be inspected at least once every two years.~~ For this the purpose of conducting inspections, the ~~inspector~~ commissioner shall have the right to enter and have access thereto at any time during the conduct of business and when, upon inspection, it shall be found that the business and property so inspected is not being conducted, or is not equipped, in the manner required by the provisions of this chapter or the rules of the state commissioner of health, or is being conducted in violation of any of the laws of this state pertaining to the business, it shall thereupon be the duty of the ~~hotel inspector~~ commissioner to notify the owner, proprietor, or agent in charge of the business, or the owner or agent of the buildings so occupied, of the condition so found. Each owner, proprietor, or agent shall forthwith comply with the provisions of this chapter or the rules of the commissioner, unless otherwise herein provided. A reasonable time may be granted by the ~~hotel inspector~~ commissioner for compliance with the provisions of this chapter.

Sec. 38. Minnesota Statutes 1986, section 157.09, is amended to read:

157.09 [REVOCATION OF LICENSE.]

It shall be the duty of the ~~state hotel inspector~~ *commissioner of health* to revoke a license, on the ~~inspector's~~ *commissioner's* finding that a place of business is being operated in violation of the provisions of this chapter or rules of the state commissioner of health, so as to constitute a filthy, unclean, and insanitary condition and dangerous to public health; or, if the owner or proprietor persistently refuses or fails to comply with the provisions of this chapter or rules of the commissioner. Upon revocation of a license, the place of business shall be immediately closed to public patronage until such time as the owner or proprietor shall have complied with the provisions of this chapter, as certified to by the issuance of a new license.

The third revocation of license in any one year and on any one proprietor shall be made permanent for a period of one year from the date of the last revocation.

Sec. 39. Minnesota Statutes 1986, section 157.14, is amended to read:

157.14 [EXEMPTIONS.]

This chapter shall not be construed to apply to interstate carriers under the supervision of the United States Department of Health, Education and Welfare or to any building constructed and primarily used for religious worship, nor to any building owned, operated and used by a college or university in accordance with regulations promulgated by the college or university. Any person, firm or corporation whose principal mode of business is licensed under sections 28A.04 and 28A.05 is exempt at that premises from licensure as a place of refreshment or restaurant; provided, that the holding of any license pursuant to sections 28A.04 and 28A.05 shall not exempt any person, firm, or corporation from the applicable provisions of the chapter or the rules of the state commissioner of health relating to food and beverage service establishments. *This chapter does not apply to family day-care homes or group family day-care homes governed by sections 245.781 to 245.812.*

Sec. 40. [INSTRUCTION TO REVISOR.]

In the next and later editions of Minnesota Statutes, the revisor of statutes shall change the words "life support transportation service" to "ambulance service" in sections 144.801 to 144.8093 and 174.29.

Sec. 41. [REPEALER.]

Minnesota Statutes 1986, sections 144.422; 144.424; 144.425; 144.471; 144.49, subdivision 5; 144.692; 144.801, subdivision 8; and 144.94 are repealed."

Delete the title and insert:

"A bill for an act relating to health; making nutrition data reporting discretionary rather than mandatory; governing the hazardous substance injury compensation board; restructuring the commissioner's authority to control activities of carriers of communicable diseases; regulating licensure and inspections of hospitals, nursing homes, life support transportation systems, and eating places; clarifying powers of the office of health facility complaints; changing certain duties of the interagency board for quality assurance; providing penalties; amending Minnesota Statutes 1986, sections 115B.28, subdivision 4; 144.0722; 144.092; 144.50, subdivisions 1

and 2; 144.653, subdivision 3; 144.802, subdivisions 3 and 4; 144.804, subdivision 7; 144A.10, subdivisions 1 and 2; 144A.16; 144A.31; 144A.53, subdivision 1; 145.881, subdivision 1; 145.882, subdivision 4; 157.01; 157.02; 157.04; 157.09; and 157.14; proposing coding for new law in Minnesota Statutes, chapters 144 and 144A; repealing Minnesota Statutes 1986, sections 144.422; 144.424; 144.425; 144.471; 144.49, subdivision 5; 144.692; 144.801, subdivision 8; and 144.94."

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. 1293: A bill for an act relating to human services; providing for hospice care payments under medical assistance; amending Minnesota Statutes 1986, section 256B.02, subdivision 8.

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

Page 6, line 22, before the period, insert "*, to the extent authorized by rule*"

Page 6, line 24, delete "1987" and insert "1988"

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. 720: A bill for an act relating to human services; endorsing the Store-to-Door grocery delivery program for certain elderly citizens; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Page 1, delete lines 10 to 13

Page 1, line 14, delete "*Subd. 2. [STUDY.]*"

Page 1, line 15, delete everything after "*conducted*"

Page 1, line 16, delete "*Community*"

Page 2, line 20, delete "*, subdivision 2*"

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. 436: A bill for an act relating to human services; raising income standards for medical assistance; amending Minnesota Statutes 1986, section 256B.06, subdivision 1.

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

Page 3, line 36, delete "133-1/3" and insert "*, for the aged, blind, and disabled 120 percent and for families with children 100*"

Page 4, line 1, after "percent" insert a comma

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

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

S.F. No. 1349: A bill for an act relating to state departments and agencies; renaming the division of emergency services; amending Minnesota Statutes 1986, section 12.04.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Willet from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1265: A bill for an act relating to natural resources; changing requirements for arrowheads used for big game hunting; amending Minnesota Statutes 1986, section 97B.211, subdivision 2.

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 1986, section 97B.211, subdivision 2, is amended to read:

Subd. 2. [ARROWHEAD REQUIREMENTS.] Arrowheads used for taking big game must be sharp ~~and, have a minimum of two metal cutting edges, be of a barbless broadhead design, and have a single two-edged blade at least one inch wide, or three or more blades at least three inches in circumference. The arrowhead must be made of;~~ *must have a diameter of at least seven-eighths inch*

(1) ~~hicarbon steel and weigh at least 110 grains; or~~

(2) ~~mill-tempered spring steel with a plastic core or ferrule and weigh at least 90 grains."~~

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

Mr. Willet from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1308: A bill for an act relating to game and fish; designation and use of waterfowl feeding or resting areas; amending Minnesota Statutes 1986, section 97A.095, subdivision 2.

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 1986, section 97A.095, subdivision 2, is amended to read:

Subd. 2. [WATERFOWL FEEDING AND RESTING AREAS.] The commissioner may, by order designate any part of ~~up to 13 lakes~~ *a lake* as a migratory feeding ~~and or~~ resting area. Before designation, the commissioner must receive a petition signed by at least ten resident licensed hunters describing the area of ~~the a~~ lake that is a substantial feeding ~~and or~~ resting ~~ground area~~ for migratory waterfowl, and find that the statements in the petition are correct, and that adequate, free public access to the lake exists near the designated area. The commissioner shall post the area as a migratory waterfowl feeding and resting area. A person may not enter a posted migratory waterfowl feeding and resting area during the open migratory waterfowl season with watercraft or aircraft propelled by a motor, *other than an electric motor of less than 30 pounds thrust. The commissioner may, by order, further restrict the use of electric motors in migratory waterfowl feeding and resting areas.*"

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

Mr. Willet from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1240: A bill for an act relating to natural resources; authorizing the taking of elk and amending related laws; authorizing compensation for certain crop damage caused by elk; appropriating money; amending Minnesota Statutes 1986, sections 97A.421, subdivision 6; 97A.431; 97A.465, subdivisions 1 and 3; 97A.471, subdivision 3; 97A.475, subdivision 2; 97A.525, subdivision 1; 97A.535; and 97B.201; proposing coding for new law in Minnesota Statutes, chapters 3 and 97B.

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 1986, section 3.736, subdivision 3, is amended to read:

Subd. 3. [EXCLUSIONS.] Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) Any loss caused by an act or omission of a state employee exercising due care in the execution of a valid or invalid statute or rule;

(b) Any loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) Any loss in connection with the assessment and collection of taxes;

(d) Any loss caused by snow or ice conditions on any highway or public sidewalk that does not abut a publicly-owned building or a publicly-owned parking lot, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) Any loss caused by wild animals in their natural state, *except as provided in section 2;*

(f) Any loss other than injury to or loss of property or personal injury

or death;

(g) Any loss caused by the condition of unimproved real property owned by the state, which means land that the state has not improved, and appurtenances, fixtures and attachments to land that the state has neither affixed nor improved;

(h) Any loss incurred by a user within the boundaries of the outdoor recreation system and arising from the construction, operation, or maintenance of the system, as defined in section 86A.04, or from the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces, or from the construction, operation, or maintenance of a water access site created by the iron range resources and rehabilitation board, except that the state is liable for conduct that would entitle a trespasser to damages against a private person;

(i) Any loss of benefits or compensation due under a program of public assistance or public welfare, except where state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(j) Any loss based on the failure of any person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents;

(k) Any loss based on the usual care and treatment, or lack of care and treatment, of any person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(l) Any loss, damage, or destruction of property of a patient or inmate of a state institution;

(m) Any loss for which recovery is prohibited by section 169.121, subdivision 9.

The state will not pay punitive damages.

Sec. 2. [3.7371] [COMPENSATION FOR CROP DAMAGE CAUSED BY ELK.]

Subdivision 1. [AUTHORIZATION.] A person who owns an agricultural crop shall be compensated by the commissioner of agriculture for an agricultural crop that is damaged or destroyed by elk as provided in this section.

Subd. 2. [CLAIM FORM.] The crop owner must prepare a claim on forms provided by the commissioner of agriculture and available at the county extension agent's office. The claim form must be filed with the commissioner of agriculture.

Subd. 3. [COMPENSATION DETERMINATION.] (a) The commissioner of agriculture, upon recommendation of the county extension agent where the damaged or destroyed crop is located or a federal crop adjuster, shall determine the amount of crop damage or destruction caused by elk, if any. The commissioner shall pay the crop owner the target price of the crop that is damaged or destroyed by elk, plus adjustments for yield loss determined according to agricultural stabilization and conservation service programs for individual farms, adjusted annually, as determined by the commissioner of agriculture.

(b) A crop owner may not be compensated for crops damaged or destroyed by elk if the amount is less than \$100. A crop owner may be compensated up to \$20,000 for damages and destruction to crops in a calendar year, provided normal harvest procedures for the area are followed.

(c) Payments authorized under this section must be reduced by amounts received by the crop owner as proceeds from an insurance policy covering crop losses, or compensation for the crops from other sources including federal programs.

(d) A crop owner who receives compensation under this section may open land owned or controlled by the owner to licensed elk hunters during the next open elk season by written permission at the landowner's discretion.

Subd. 4. [APPROPRIATION.] The amount of money necessary to pay the compensation awarded by the commissioner is appropriated annually to the commissioner of agriculture from the general fund.

Subd. 5. [DENIAL OF CLAIM; APPEAL.] (a) If the commissioner denies compensation claimed by a crop owner under this section, the commissioner shall issue a written decision based upon the available evidence including a statement of the facts upon which the decision is based and the conclusions on the material issues of the claim. A copy of the decision must be transmitted to the crop owner by first class mail.

(b) A decision denying compensation claimed under this section is not subject to the contested case review procedures of chapter 14, but a crop owner may have the claim reviewed in a trial de novo in the county court in the county where the loss occurred. The decision of the county court may be appealed as in other civil cases. Review in the county court may be obtained by the filing of a petition for review with the administrator of the county court within 60 days following receipt of a decision under this section. Upon the filing of a petition, the administrator of the county court shall mail a copy of it to the commissioner and set a time for hearing within 90 days after the filing of the petition.

Subd. 6. [RULES.] The commissioner of agriculture shall adopt rules and may adopt emergency rules to implement this section including:

- (1) methods for determining values of damaged or destroyed crops;
- (2) criteria for determining the cause of the crop damage or destruction;
- (3) requirements for an owner of a damaged or destroyed crop to notify the commissioner; and
- (4) other matters necessary to implement this section.

Sec. 3. Minnesota Statutes 1986, section 97A.421, subdivision 6, is amended to read:

Subd. 6. [APPLICABILITY TO MOOSE OR ELK LICENSES.] In this section the term "license" includes an application for a license to take moose or elk.

Sec. 4. Minnesota Statutes 1986, section 97A.431, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FOR LICENSE.] An application for a moose license must be on a form provided by the commissioner and accompanied by a \$4 \$3 nonrefundable application fee per person and a \$10 fee per person for elk. A person may not make more than one application for each

season. If a person makes more than one application, the person is ineligible for a license for that season after determination by the commissioner, without a hearing.

Sec. 5. [97A.433] [ELK LICENSES.]

Subdivision 1. [NUMBER OF LICENSES.] The commissioner shall include the number of licenses to be issued in an order setting the dates for an elk season.

Subd. 2. [ELIGIBILITY.] Persons eligible for an elk license shall be determined under this section and commissioner's order. A person is eligible for an elk license only if the person:

- (1) is a resident;*
- (2) is at least age 16 before the season opens; and*
- (3) has never been issued an elk license.*

Subd. 3. [APPLICATION FOR LICENSE.] An application for an elk license must be on a form provided by the commissioner and accompanied by a \$10 nonrefundable application fee per person. A person may not make more than one application for each season. If a person makes more than one application, the person is ineligible for a license for that season after determination by the commissioner, without a hearing.

Subd. 4. [SEPARATE SELECTION; ELIGIBILITY.] The commissioner may conduct a separate selection for up to 20 percent of the elk licenses to be issued for an area. Only owners of, and tenants living on, at least 160 acres of agricultural or grazing land in the area are eligible for the separate selection. Persons that are unsuccessful in a separate selection must be included in the selection for the remaining licenses. Persons who obtain an elk license in a separate selection must allow public elk hunting on their land during the elk season for which the license is valid.

Sec. 6. Minnesota Statutes 1986, section 97A.465, subdivision 1, is amended to read:

Subdivision 1. [RESIDENTS ON LEAVE.] A resident that is in the armed forces of the United States, stationed outside of the state, and in the state on leave, may hunt and fish without a license if the resident possesses official military leave papers. The resident must obtain the seals, tags, and coupons required of a licensee, which must be furnished without charge. This subdivision does not apply to the taking of moose or elk.

Sec. 7. Minnesota Statutes 1986, section 97A.465, subdivision 3, is amended to read:

Subd. 3. [NONRESIDENTS STATIONED IN THE STATE.] The commissioner may issue a resident license to take fish or game to a person in the armed forces of the United States that is stationed in the state. This subdivision does not apply to the taking of moose or elk.

Sec. 8. Minnesota Statutes 1986, section 97A.471, subdivision 3, is amended to read:

Subd. 3. [NONAPPLICABILITY TO MOOSE HUNTING.] This section does not apply to taking moose or elk.

Sec. 9. Minnesota Statutes 1986, section 97A.475, subdivision 2, is amended to read:

Subd. 2. [RESIDENT HUNTING.] Fees for the following licenses, to be issued to residents only, are:

- (1) for persons under age 65 to take small game, \$7;
- (2) for persons age 65 or over, \$3.50;
- (3) to take turkey, \$10;
- (4) to take deer with firearms, \$15;
- (5) to take deer by archery, \$15;
- (6) to take moose, for a party of not more than four persons, \$200; and
- (7) to take bear, \$25; and
- (8) to take elk, for a party of not more than two persons, \$200.

Sec. 10. Minnesota Statutes 1986, section 97A.525, subdivision 1, is amended to read:

Subdivision 1. [RESIDENTS.] A resident may transport wild animals within the state by common carrier without being in the vehicle if the resident has the license required to take the animals and they are shipped to the resident. The wild animals that may be transported by common carrier are:

- (1) deer, bear, *elk*, and moose;
- (2) undressed game birds; and
- (3) fish.

Sec. 11. Minnesota Statutes 1986, section 97A.535, is amended to read:

97A.535 [POSSESSION AND TRANSPORTATION OF DEER, BEAR, *ELK*, AND MOOSE.]

Subdivision 1. [TAGS REQUIRED.] A person may not possess or transport deer, bear, *elk*, or moose taken in the state unless a tag is attached to the carcass in a manner prescribed by the commissioner. The commissioner must prescribe the type of tag that has the license number of the owner, the year of its issue, and other information prescribed by the commissioner. The tag must be attached to the deer, bear, *elk*, or moose when:

- (1) the animal is in a camp, or a place occupied overnight or the yard surrounding the place; or
- (2) the animal is on a motor vehicle.

Subd. 2. [DEER TAKEN BY ARCHERY, *ELK*, AND MOOSE MUST HAVE ADDITIONAL TAG.] Deer taken by archery, *elk*, and moose must be tagged as prescribed by the commissioner, in addition to the tag required in subdivision 1.

Subd. 3. [TRANSPORTATION PERIOD RESTRICTED.] A person may transport one deer, one bear, one *elk*, or one moose during the open season and the two days following the season, and afterwards as prescribed by the commissioner.

Subd. 4. [TRANSPORTATION BY PERSON OTHER THAN LICENSEE.] A person other than the licensee may transport deer, bear, *elk*, or moose that the licensee has registered as prescribed by the commissioner. The person must transport the animal by the most direct route. A tag must

be attached to the animal and marked in ink with the address, license number, signature of the licensee, and the locations from which and to which the animal is being transported.

Subd. 5. [HEADS, HIDES, AND CLAWS.] A resident that has a license to take deer, bear, *elk*, or moose may transport the head or hide of the animal within or out of the state for mounting or tanning. The hides of deer, bear, *elk*, and moose, and the claws of bear legally taken and with the tags that are required by this section, may be bought, sold, and transported at any time.

Sec. 12. Minnesota Statutes 1986, section 97B.201, is amended to read:
97B.201 [NO OPEN SEASON FOR ~~ELK~~, CARIBOU, AND ANTELOPE.]

There may not be an open season on ~~elk~~, caribou, or antelope.

Sec. 13. [97B.515] [ELK; LICENSE REQUIRED, SEASONS, RESTRICTIONS.]

Subdivision 1. [LICENSE REQUIRED.] A person may not take an elk without an elk license.

Subd. 2. [SEASON AND RESTRICTIONS.] The commissioner may, by order, prescribe the open season and the areas and conditions for the taking of elk when the population of elk in the state before calving exceeds 20 animals.

Subd. 3. [STAND RESTRICTIONS.] A person may not take elk from a constructed platform or other structure higher than nine feet above the ground. The restriction does not apply to a portable stand that is chained, belted, clamped, or tied with rope.

Sec. 14. [ELK MANAGEMENT PLAN.]

The commissioner of natural resources must prepare an elk management plan that:

- (1) recognizes the value and uniqueness of elk;*
- (2) affords multiple recreational opportunities; and*
- (3) attempts to restrict elk to public land.*

The commissioner of natural resources must submit the elk management plan to the chairs of the environment and natural resources committees of the house of representatives and the senate.

Sec. 15. [REPEALER.]

Laws 1985, chapter 272, sections 2 and 3, are repealed.

Sec. 16. [EFFECTIVE DATE.]

Sections 1 to 15 are effective the day following final enactment, except a person may not apply for compensation for crop damage until after the commissioner of agriculture promulgates rules under section 2 and a person is only eligible for crop damage occurring after January 1, 1985."

Delete the title and insert:

"A bill for an act relating to natural resources; authorizing the taking of elk and amending related laws; authorizing compensation for certain crop damage caused by elk; appropriating money; amending Minnesota Statutes 1986, sections 3.736, subdivision 3; 97A.421, subdivision 6; 97A.431,

subdivision 3; 97A.465, subdivisions 1 and 3; 97A.471, subdivision 3; 97A.475, subdivision 2; 97A.525, subdivision 1; 97A.535; and 97B.201; proposing coding for new law in Minnesota Statutes, chapters 3, 97A, and 97B; repealing Laws 1985, chapter 272, sections 2 and 3."

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 referred

S.F. No. 729: A bill for an act relating to motor fuels; providing that unleaded gasoline having an octane rating of 90 or less and sold after June 30, 1988, must be blended with ethanol; amending Minnesota Statutes 1986, section 296.05, by adding a subdivision; repealing Minnesota Statutes 1986, section 296.02, subdivision 7.

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

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1986, section 296.01, subdivision 24, is amended to read:

Subd. 24. [ETHANOL.] ~~"Agricultural alcohol gasoline"~~ *"Ethanol"* means a ~~gasoline blend up to ten percent of which~~ is agriculturally derived fermentation ethanol of a purity of at least 99 percent, determined without regard to any added denaturants, denatured in conformity with one of the approved methods set forth by the United States Department of Treasury, Bureau of Alcohol, Tobacco and Firearms, and derived from agricultural products such as cereal grains, cheese whey, sugar beets, or forest products or other renewable resources."

Page 1, line 17, delete *"subdivision 7, is"* and insert *"subdivisions 7 and 8, are"*

Page 1, line 20, delete *"Section 1 is"* and insert *"Sections 1 and 2 are"* and delete *"2"* and insert *"3"*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete *"section"* and insert *"sections 296.01, subdivision 24; and"*

Page 1, line 7, delete *"subdivision 7"* and insert *"subdivisions 7 and 8"*

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

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

S.F. No. 728: A bill for an act relating to commerce; requiring that solicitations for new open-end credit contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 334.

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

Delete everything after the enacting clause and insert:

"Section 1. [325G.40] [CITATION.]

Sections 1 to 6 may be cited as the "credit card disclosure act."

Sec. 2. [325G.41] [DEFINITIONS AND COMPUTATIONS.]

Subdivision 1. [GENERALLY.] Except as otherwise provided, the terms used in sections 1 to 6 have the meanings prescribed in Code of Federal Regulations, title 12, part 226. Except as otherwise provided, the computations required under sections 1 to 6 shall be made as provided in Code of Federal Regulations, title 12, part 226.

Subd. 2. [CREDIT CARD APPLICATION.] "Credit card application" means any written form, document, or material distributed by or on behalf of a creditor and designed to be used by a consumer to request or accept the issuance of a credit card.

Subd. 3. [CREDITOR.] "Creditor" includes any credit card issuer that extends either open-end credit or credit that is not subject to a finance charge and is not payable in installments.

Sec. 3. [325G.42] [CREDIT CARD DISCLOSURES.]

Subdivision 1. [REQUIRED DISCLOSURES.] A credit card application distributed in this state must disclose the following terms of the credit card plan, if applicable:

(1) Any periodic rate or rates that may be applied to the account, expressed as an annual percentage rate or rates. If the account is subject to a variable rate, the creditor may disclose the rate as of a specific date and indicate that the rate may vary, or may identify the index and any amount or percentage added to, or subtracted from, that index and used to determine the rate. For purposes of this section, the amount or percentage must be referred to as the "spread." If charges incurred by use of the credit card are due and payable upon receipt of a periodic statement of charges, then that fact must be disclosed.

(2) Any membership, participation, or similar fee that may be imposed as a condition of the issuance or renewal of a credit card, expressed as an annual amount.

(3) Any minimum, fixed, transaction, activity, or similar charge.

(4) Any other fees that may be charged to the account, including late payment fees and charges for exceeding credit limits.

(5) The date or occasion upon which the finance charge, if any, begins to accrue on a transaction.

Subd. 2. [FORM OF DISCLOSURES.] The disclosures required under this section shall be written in plain language, as defined in section 325G.31; shall be in boldface type of a minimum size of ten points; shall be clear and conspicuous; and shall be prominently set apart from the remaining portions of the credit card application or other written material, by the use of margins, enclosures, underlining, contrasting colors, or similar methods.

Subd. 3. [OPTIONAL DISCLOSURE CHART.] A creditor need not present the disclosures required by subdivision 1 in any specific form other than as provided in subdivision 2. However, the disclosures are conclusively

presumed to satisfy the requirements of subdivision 1 if the disclosures satisfy the requirements of subdivision 2 and are presented in a chart, substantially similar to the following description:

(1) The chart shall consist of contiguous boxes, and each required disclosure shall appear exclusively within one of the boxes.

(2) The first box shall contain the wording "ANNUAL PERCENTAGE RATE" if the creditor charges a fixed rate, or "VARIABLE RATE INDEX AND SPREAD," if appropriate, underneath which the creditor's rate will appear. If full payment is due upon receipt of a periodic statement of charges, then the first box shall state "Full payment due upon receipt of billing statement."

(3) The second box shall contain the wording "OTHER FEES" and shall disclose all other fees, including late payment penalties and any charges for exceeding the credit limit.

(4) The third box shall contain the wording "ANNUAL FEE," underneath which the appropriate information shall be disclosed.

(5) The fourth box shall contain the wording "TRANSACTION FEE," underneath which the appropriate information shall be disclosed.

(6) The fifth box shall contain the wording "FREE PERIOD" or "GRACE PERIOD," underneath which the appropriate information shall be disclosed. For example, "30 days," or "yes, if full payment is received by next billing date," or "yes, if full new balance is paid by due date."

Subd. 4. [ADDITIONAL DISCLOSURES PERMITTED.] Nothing in this section prohibits a creditor from disclosing additional terms, conditions, or information, whether or not relating to the disclosures required under this section, in conjunction with the disclosures required by this section.

Subd. 5. [EXCEPTION.] This section does not apply to any advertisement, catalogue, or other written document or material which does not contain a credit card application.

Sec. 4. [325G.43] [PENALTIES.]

A person violating section 3 is subject to the penalties provided in section 8.31.

Sec. 5. [325G.44] [DAMAGES.]

A person injured by a violation of section 3 may recover actual damages in an action other than a class action, together with costs and disbursements, including a reasonable attorney's fee, and receive other equitable relief as determined by the court.

Sec. 6. [325G.45] [FEDERAL LAW.]

If a creditor is required under federal law to make disclosure of the terms required in section 3 in connection with the distribution of a credit card application, then the creditor is considered to have complied with the requirements of section 3 if the creditor complies with the federal disclosure requirement.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective January 1, 1988."

Delete the title and insert:

"A bill for an act relating to commerce; requiring that credit card applications contain specific disclosures respecting conditions and costs; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325G."

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

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

S.F. No. 966: A bill for an act relating to unclaimed property; enacting the Uniform Unclaimed Property Act (1981); amending Minnesota Statutes 1986, sections 80C.03; 149.12; 198.231; 345.25; 356.65, subdivision 2; and 624.68; proposing coding for new law in Minnesota Statutes, chapter 345; repealing Minnesota Statutes 1986, sections 345.31 to 345.60.

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

Page 2, line 8, delete "or" and after "union" insert ", or cooperative bank, industrial loan and thrift company or investment company"

Page 4, lines 6 and 13, after "address" insert "or state of residence"

Page 10, line 30, after "utility" insert "after January 1, 1960,"

Page 13, line 28, after "abandoned" insert "except as provided in section 524.3-914"

Page 15, line 18, delete "May" and insert "October"

Page 16, lines 1 and 32, delete everything after "than" and insert "April 1"

Page 16, line 2, delete everything before "of"

Page 16, line 3, delete "a week"

Page 16, line 4, delete "for two consecutive weeks"

Page 16, line 22, delete "before"

Page 16, delete line 23 and insert "within 65 days from the date of the published notice,"

Page 16, line 24, delete everything before "the"

Page 16, line 25, delete everything after "than" and insert "85 days after the publication date"

Page 16, line 26, delete everything before "in"

Page 16, delete line 33

Page 16, line 34, delete "I,"

Page 19, delete lines 33 to 36

Page 20, delete lines 1 to 4

Page 20, line 14, delete everything after "administrator"

Page 20, line 15, delete everything before "to" and insert "shall sell all abandoned property delivered to him or her"

Page 20, line 18, after the period, insert "*The sale may be held whenever the commissioner deems necessary but at least once every ten years.*"

Page 21, line 32, delete "*The*"

Page 21, delete lines 33 and 34

Page 21, line 35, delete everything before "*Before*"

Page 22, after line 7, insert:

"There is hereby appropriated to the persons entitled to a refund, from the fund in the state treasury to which the money was credited, an amount sufficient to make the refund and payment."

Page 28, delete lines 28 to 31 and insert:

"It is unlawful for a person to seek or receive from another person or contract with a person for a fee or compensation for locating property knowing it to have been reported or paid or delivered to the state treasurer pursuant to chapter 345 prior to seven months after the date of delivery of the property by the holder to the commissioner under section 19.

No agreement entered into after seven months from the date of delivery of the property by the holder to the commissioner is valid if a person thereby undertakes to locate property included in a report for a fee or other compensation exceeding ten percent of the value of the recoverable property unless the agreement is in writing and signed by the owner and discloses the nature and value of the property and the name and address of the holder thereof as such facts have been reported. Nothing in this section shall be construed to prevent an owner from asserting at any time that an agreement to locate property is based upon an excessive or unjust consideration."

Page 28, delete section 36

Page 29, after line 14, insert:

"(c) Except as to property required to be reported pursuant to sections 48.521 to 48.528, sections 1 to 38 do not apply to property which became due or payable or which was in the possession of the holder before January 1, 1944."

Renumber the sections of article 1 in sequence

Page 33, after line 20, insert:

"Sec. 9. [EFFECTIVE DATE.]

Articles 1 and 2 are effective June 30, 1987."

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1175: A bill for an act relating to courts; authorizing the court to sell computer software and apply the proceeds to court functions; establishing a client security fund; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 480 and 481.

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

Delete everything after the enacting clause and insert:

"Section 1. [480.236] [SOFTWARE SALES.]

The supreme court may sell or license self-developed or vendor custom-developed computer software products or systems through whatever sales method the supreme court, in its discretion, deems appropriate, in order to offset its software development costs. Prices for the software products or systems may be based on market considerations. Proceeds of the sale or licensing of software products or systems by the supreme court must be deposited in the state treasury and credited to a software sales account. Investment income and investment losses attributable to investment of the software sales account must be credited to the account. Money in the account is appropriated to the supreme court to operate and improve the trial court information system and other court information systems.

Sec. 2. Minnesota Statutes 1986, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney at law;

(3) any one, acting as broker for the parties or agent of one of the parties to a sale or trade or lease of property or to a loan, from drawing or assisting in drawing, with or without charge, papers incident to the sale, trade, lease, or loan;

(4) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(5) a licensed attorney at law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(6) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(7) any person from conferring or cooperating with a licensed attorney at law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(8) any licensed attorney at law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received

and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(9) any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions or any other conveyances except testamentary dispositions and instruments of trust;

(10) a licensed attorney at law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(11) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney at law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney at law receives the entire compensation for the work;

(12) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney at law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

(13) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney at law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal; and

(14) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any ~~county or municipal~~ court of this state pursuant to the provisions of section 566.175 or sections 566.18 to 566.33 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any ~~county or county municipal~~ court of this state for the recovery of rental property used for residential purposes pursuant to the provisions of sections 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney at law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a non-profit corporation, a person who is not a licensed attorney at law shall not charge or collect a separate fee for services rendered pursuant to this clause.

Sec. 3. [481.20] [CLIENT SECURITY ACCOUNT.]

Fees received under rules or orders adopted by the supreme court governing a client security fund or account must be deposited in the state treasury and credited to a client security account. Investment income and investment losses attributable to investment of the client security account must be credited to the account. Money in the account is appropriated to

the supreme court to pay the expenses of the client security board and claims approved by the board."

Amend the title as follows:

Page 1, line 4, after the first semicolon, insert "clarifying provisions related to the unauthorized practice of law;" and delete "fund" and insert "account"

Page 1, line 5, after the semicolon, insert "amending Minnesota Statutes 1986, section 481.02, subdivision 3;"

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

Mr. Spear from the Committee on Judiciary, to which was referred

S.F. No. 1323: A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality and suggestions for clarity; amending Minnesota Statutes 1986, sections 169.121, subdivision 4; 179A.20, subdivision 4; 197.46; 268.04, subdivisions 26 and 29; 268.06, subdivision 5; 340A.501; and 352B.15; repealing Minnesota Statutes 1986, sections 466.03, subdivision 2; 487.39; and 595.04.

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

Pages 1 to 7, delete sections 1 to 6

Page 7, after line 24, insert:

"Sec. 3. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall correct statutory cross-references in accordance with the repeal of Minnesota Statutes, section 487.39, contained in section 4."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "169.121, subdivision 4; 179A.20,"

Page 1, delete line 6

Page 1, line 7, delete "268.06, subdivision 5;"

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 432: A bill for an act proposing an amendment to the Minnesota Constitution, article IV, section 12; eliminating references to "legislative days" and the restriction on the length of legislative sessions to 120 legislative days.

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

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1382: A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making related changes in the ethics in government act; imposing penalties; amending Minnesota Statutes 1986, sections 10A.01, subdivisions 7, 10, 10b, 15, and by adding subdivisions; 10A.25, subdivision 10, and by adding subdivisions; 10A.255; 10A.27, by adding a subdivision; 10A.275; 10A.28; 10A.30, subdivision 2; 10A.31, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, and by adding subdivisions; 10A.33; 10A.335; and 290.06, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1986, sections 10A.02, subdivision 11a; 10A.25, subdivision 7; 10A.27, subdivision 5; and 10A.32.

Reports the same back with the recommendation that the bill do pass. Mr. Luther questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Hughes from the Committee on Elections and Ethics, to which was referred

S.F. No. 1433: A bill for an act relating to public offices; fixing resignation effective dates; prohibiting contingent resignations; permitting the submission and withdrawal of prospective resignations in certain circumstances; providing for appeals in statewide election contests; amending Minnesota Statutes 1986, sections 2.722, subdivision 4; 209.09; 351.01; and 480A.06, subdivision 1.

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 1986, section 209.09, is amended to read:

209.09 [APPEALS.]

Subdivision 1. [MOST CONTESTS.] If the decision of the district court in any contest under this chapter is appealed, the appellant shall file in the district court a bond of \$500 for the payment of all costs incurred by the respondent if appellant fails on the appeal. *Except for a statewide contest or a state legislative contest*, the notice of appeal must be served and filed in the court of appeals in the case of a general election no later than ten days and, in the case of a primary, no later than five days after the entry of the district court's decision in the contest. The record on appeal must be made, certified, and filed in the court of appeals within 15 days after service of notice of appeal. The appeal may be brought on for hearing in the court at any time, upon notice from either party, as the court determines; and may be heard and determined summarily by the court.

Subd. 2. [STATEWIDE OFFICES AND QUESTIONS.] Section 209.10, subdivision 4, applies to a contest regarding a statewide office, a constitutional amendment, or other question voted on statewide. A copy of the supreme court's decision must be forwarded to the contestant and the contestee.

Sec. 2. Minnesota Statutes 1986, section 351.01, is amended to read:

351.01 [RESIGNATIONS.]

Subdivision 1. [TO WHOM MADE.] Resignations shall be made in writing signed by the resigning officer:

(1) By incumbents of elective offices, to the officer authorized by law to fill a vacancy in such office by appointment, or to order a special election to fill the vacancy;

(2) By appointive officers, to the body, board, or officer appointing them, unless otherwise specially provided.

Subd. 2. [WHEN EFFECTIVE.] Except as provided by subdivision 3 or other express provision of law or charter to the contrary, a resignation is effective when it is received by the officer, body, or board authorized to receive it.

Subd. 3. [CONTINGENT RESIGNATIONS PROHIBITED; EXCEPTION.] (a) Except as provided in paragraph (b), no resignation may be made to take effect upon the occurrence of a future contingency. Statements explaining the reasons for a resignation must not be considered to be contingencies unless expressly stated as contingencies.

(b) A resignation may be made expressly to take effect at a stated future date. Unless it is withdrawn as provided under subdivision 4, a resignation is effective at 12:01 a.m. on the stated date.

Subd. 4. [WITHDRAWAL OF RESIGNATION.] A prospective resignation permitted by subdivision 3 may only be withdrawn by a written statement signed by the officer and submitted in the same manner as the resignation, before it has been accepted by resolution of the body or board or a written acceptance of the officer authorized to receive it.

Sec. 3. Minnesota Statutes 1986, section 480A.06, subdivision 1, is amended to read:

Subdivision 1. [FINAL DECISIONS.] The court of appeals has jurisdiction of appeals from all final decisions of the trial courts, other than the conciliation courts, of the state of Minnesota, except that it shall not have jurisdiction of appeals in legislative or statewide election contests or criminal appeals in cases in which the defendant has been convicted of murder in the first degree.

Sec. 4. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to public offices; fixing resignation effective dates; prohibiting contingent resignations; permitting the submission and withdrawal of prospective resignations in certain circumstances; providing for appeals in statewide election contests; amending Minnesota Statutes 1986, sections 209.09; 351.01; and 480A.06, subdivision 1."

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

Mr. Davis from the Committee on Agriculture, to which was referred

S.F. No. 1416: A bill for an act relating to agriculture; allowing certain small commercial and industrial uses on metropolitan agricultural preserves by permit; amending Minnesota Statutes 1986, sections 40A.152, subdivision 1; 473H.10, subdivision 3; and 473H.17, subdivisions 1 and 2, and by adding a subdivision.

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 1986, section 40A.03, subdivision 2, is amended to read:

Subd. 2. [PLANS AND OFFICIAL CONTROLS.] By ~~July~~ *± December* 31, 1987, each pilot county selected under subdivision 1 shall submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commissioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.

Sec. 2. Minnesota Statutes 1986, section 40A.15, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL ASSISTANCE.] The commissioner shall administer grants for up to 50 percent of the cost of the activity to be funded, except that grants to the pilot counties shall be for 100 percent of the cost up to \$30,000 of preparing new plans and official controls required under this chapter. *Provided, however, that grants to eligible recipients other than the pilot counties shall not be available until the pilot county program has been completed and a report on the pilot county experiences has been presented to the legislature. This report shall be completed by July 1, 1988.* Grants may not be used to reimburse the recipient for activities that are already completed. Grants may be used to employ and train staff, contract with other units of government or private consultants, and pay other expenses related to promoting and implementing agricultural land preservation and conservation activities. The commissioner shall prepare and publish an inventory of sources of financial assistance. To the extent practicable, the commissioner shall assist recipients in obtaining matching grants from other sources.

Sec. 3. Minnesota Statutes 1986, section 40A.152, subdivision 1, is amended to read:

Subdivision 1. [FEE.] A county that *is a metropolitan county under section 473.121, subdivision 4, has allowed exclusive agricultural zones to be created under this chapter, that has designated lands eligible for agricultural preserves under section 473H.04, or that has elected to become an agricultural land preservation pilot county,* shall impose an additional

fee of \$3 \$5 per transaction on the recording or registration of a mortgage subject to the tax under section 287.05 and an additional \$3 \$5 on the recording or registration of a deed subject to the tax under section 287.21. One-half of the fee must be deposited in a special conservation account to be created in the county general revenue fund and one-half must be transferred to the commissioner of revenue for deposit in the state treasury and credited to the Minnesota conservation fund.

Sec. 4. Minnesota Statutes 1986, section 40A.152, subdivision 2, is amended to read:

Subd. 2. [USE OF ACCOUNT.] Money from the county conservation account must be spent by the county to reimburse the county and taxing jurisdictions within the county for revenue lost under the conservation tax credit under section 273.119 or the valuation of agricultural preserves under section 473H.10. *If expenditures from other county funds for the same purposes remain at least equal to the amount spent in the previous county budget year, money remaining in the account after those payments the reimbursements are made may be spent for the following purposes:*

- (1) agricultural land preservation and conservation planning and implementation of official controls under this chapter or chapter 473H;
- (2) soil conservation activities and enforcement of soil loss ordinances;
- (3) incentives for landowners who create exclusive agricultural use zones;
- (4) payments to municipalities within the county for the purposes of clauses (1) to (3).

Sec. 5. Minnesota Statutes 1986, section 473H.10, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF TAX; STATE REIMBURSEMENT.] (a) After having determined the market value of all land valued according to subdivision 2, the assessor shall compute the assessed value of those properties by applying the appropriate classification percentages. When computing the rate of tax pursuant to section 275.08, the county auditor shall include the assessed value of land as provided in this clause.

(b) The county auditor shall compute the tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times the total rate of tax for all purposes as provided in clause (a).

(c) The county auditor shall then compute the maximum ad valorem property tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times 105 percent of the previous year's statewide average mill rate levied on property located within townships for all purposes.

(d) The tax due and payable by the owner of preserve land valued according to subdivision 2 and nonresidential buildings will be the amount determined in clause (b) or (c), whichever is less. If the gross tax in clause (c) is less than the gross tax in clause (b), the state shall reimburse the taxing jurisdictions for the amount of difference. Residential buildings shall continue to be valued and classified according to the provisions of sections 273.11 and 273.13, as they would be in the absence of this section, and the tax on those buildings shall not be subject to the limitation contained in this clause.

The county may transfer money from the county conservation account

created in section 40A.152 to the county revenue fund to reimburse the fund for the tax lost as a result of this subdivision or to pay taxing jurisdictions within the county for the tax lost. The county auditor shall certify to the commissioner of revenue on or before June 1 the total amount of tax lost to the county and taxing jurisdictions located within the county as a result of this subdivision and the extent that the tax lost exceeds funds available in the county conservation account. Payments shall be made by the state as provided in section 273.13, subdivision 15a to each of the affected taxing jurisdictions if the county conservation account is insufficient to make the reimbursement. There is annually appropriated from the Minnesota conservation fund under section 40A.151 to the commissioner of revenue an amount sufficient to make the reimbursement provided in this subdivision. *If the amount available in the Minnesota conservation fund is insufficient, the balance that is needed is appropriated from the general fund.*

Sec. 6. Minnesota Statutes 1986, section 473H.17, subdivision 1, is amended to read:

Subdivision 1. Land within an agricultural preserve shall be maintained for agricultural production. The average maximum density of residential structures within an agricultural preserve shall not exceed one unit per 40 acres. The location of any new structure shall conform to locally applicable zoning regulations. Commercial and industrial uses shall not be permitted except that ~~small on-farm commercial or industrial operations normally associated with and important to farming in the area may be permitted by the~~ *as provided in section 7 after the user is issued a permit by the authority.* The authority shall be responsible for enforcing this section.

Sec. 7. Minnesota Statutes 1986, section 473H.17, is amended by adding a subdivision to read:

Subd. 1a. [ALLOWED COMMERCIAL AND INDUSTRIAL OPERATIONS.] (a) Commercial and industrial operations are not allowed on land within an agricultural preserve except:

(1) small on-farm commercial or industrial operations normally associated with and important to farming in the agricultural preserve area;

(2) storage use of existing farm buildings that does not disrupt the integrity of the agricultural preserve; and

(3) small commercial use of existing farm buildings for trades not disruptive to the integrity of the agricultural preserve such as a carpentry shop, small scale mechanics shop, and similar activities that a farm operator might conduct.

(b) "Existing" in paragraph (a), clauses (2) and (3), means existing on August 1, 1987.

Sec. 8. Minnesota Statutes 1986, section 473H.17, subdivision 2, is amended to read:

Subd. 2. [DENSITY RESTRICTION AFTER SUBDIVISION.] When a separate parcel is created for a residential structure, *commercial, or industrial use* permitted under subdivision 1, the parcel shall cease to be an agricultural preserve unless the eligibility requirements of section 473H.03 are met. However, the ~~residential unit separate parcel shall continue to be included in~~ *remain under the maximum residential density restrictions in effect for the original preserve at the time it was placed into the preserve*

until the agricultural preserve status for the original parcel ends.

Sec. 9. [APPROPRIATION.]

\$60,000 is appropriated from the general fund to the commissioner of agriculture to provide technical assistance for agricultural land preservation and conservation activities, including preparation and publication of an agricultural land preservation planning handbook for use by local units of government, and for a study and report on the costs of providing public services to agricultural and other land uses."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

Page 1, line 5, delete everything after "sections" and insert "40A.03, subdivision 2; 40A.15, subdivision 4; 40A.152, subdivisions 1 and 2;"

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

Mr. Davis from the Committee on Agriculture, to which was referred

S.F. No. 806: A bill for an act relating to public finance; changing the rural finance administration's qualified agricultural loan program and name; clarifying the duties and powers of the administration; amending Minnesota Statutes 1986, sections 41B.01; 41B.02; 41B.03; 41B.035; 41B.04, subdivisions 1, 7, 8, 9, 10, 11, and 12; 41B.19, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapter 41B; repealing Minnesota Statutes 1986, sections 41B.04, subdivisions 6, 13, 14, 15, and 16; and 41B.05.

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

Delete everything after the enacting clause and insert:

"ARTICLE I

RURAL FINANCE AUTHORITY

Section 1. Minnesota Statutes 1986, section 41.56, subdivision 4, is amended to read:

Subd. 4. [SALE OF DEFAULTED PROPERTY.] In the event that title to any property is acquired by the state, upon conveyance of title to the state and expiration of the period of redemption, the commissioner shall undertake to sell the property by publishing a notice of the impending sale at least once each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the county in which the property to be sold is situated. The notice must describe the lots or tracts to be offered and the terms of sale. Except as further provided, the terms and method of sale shall be determined by the commissioner.

The commissioner shall first attempt to sell the property to a person who is eligible for a family farm security loan. If the commissioner is unable to effect a sale to an eligible person, the commissioner shall attempt to sell the property for cash as provided in subdivision 4a. If the commissioner is unable to effect a sale to an eligible person or for cash, or if the commissioner finds that sale to an eligible person or for cash would not best protect the interests of the state, the commissioner may sell the property

on terms which the commissioner finds will best protect the interests of the state. The commissioner may lease any real property which the commissioner is unable to sell with reasonable promptness. In any event, any acquired farm property must be sold within three years after the conveyance of title to the state or after the expiration of the period of redemption. The commissioner may contract for the services of a licensed real estate agent or broker to assist in selling any property acquired under this section and may pay for the services from the proceeds of the sale before proceeds are distributed under subdivision 4b.

In lieu of selling property under this subdivision, the commissioner may utilize participation under the beginning farmer program under chapter 41B.

In selling property acquired under this section, the commissioner may not sell the property to a relative within the second degree of kindred according to common law of a person who has defaulted resulting in the commissioner acquiring the property.

Sec. 2. Minnesota Statutes 1986, section 41B.01, subdivision 2, is amended to read:

Subd. 2. [PURPOSE.] Sections 41B.01 to 41B.23 create and establish the Minnesota rural finance ~~administration authority~~ and establish a program under which state bonds are authorized to be issued and proceeds of their sale are appropriated under the authority of article XI, section 5, clause (h) of the Minnesota Constitution, to develop the state's agricultural resources by extending credit on real estate security. The purpose of the program and of the bonds issued to finance or provide security for the program is to purchase participation interests in loans to be made available by agricultural lenders to farmers in order to restructure existing debt and to make available additional credit to farmers who own or purchase agricultural properties on terms and conditions not otherwise available from other credit sources. It is hereby found and declared that there presently exist in the state economic conditions which have severely adversely affected the economic viability of farms to the detriment of the rural economy and to the detriment of the economy of the state of Minnesota as a whole. It is further found and declared that as a result of public agricultural policies, agricultural market conditions, and other causes, the condition of the farm economy of the state of Minnesota is such as to jeopardize the continued existence and successful operation of farms in this state, necessitating the establishment of the ~~program programs~~ in sections 41B.01 to 41B.23 to provide new sources of credit on favorable terms and conditions. It is further found and declared that providing credit for farmers on favorable terms and conditions will serve and promote the public welfare by assuring the viability of farm operations, by preventing erosion of the tax base in rural areas, by reducing foreclosures on farm property, and by enhancing the financial stability of farmers and of the businesses which depend on farmers as customers. It is further found and declared that in establishing a Minnesota rural finance ~~administration authority~~ and in authorizing the programs in sections 41B.01 to 41B.23, the legislature is acting in all respects for the benefit of the people of the state of Minnesota to serve the public purpose of improving and otherwise promoting their health, welfare, and prosperity and that the Minnesota rural finance ~~administration authority~~, as created and established, is empowered to act on behalf of the people of the state of Minnesota in serving this public purpose for the benefit of the general public.

The purpose of the programs and of bonds issued to finance or provide security for the programs is to purchase participation interests in loans to be made available by agricultural lenders to farmers to restructure existing debt and to make available additional credit to farmers who own or purchase agricultural properties on terms and conditions not otherwise available from other credit sources.

Sec. 3. Minnesota Statutes 1986, section 41B.02, subdivision 4, is amended to read:

Subd. 4. [ELIGIBLE AGRICULTURAL LENDER; ELIGIBLE LENDER.] "Eligible agricultural lender" or "eligible lender" means ~~an entity of the kind described in section 41B.04, subdivision 6, which enters into an agreement with the administration providing for the purchase by the administration of participation interests in eligible agricultural loans originated and serviced by the qualified agricultural lender~~ any bank, credit union, savings and loan association chartered by the state or federal government, a subdivision of the Farm Credit System, the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, and any insurance company, fund, or other financial institution doing business as an agricultural lender within the state if the authority determines that the agricultural lender has sufficient personnel and other resources to efficiently and properly originate and service qualified agricultural loans. An eligible agricultural lender must enter into one or more agreements with the authority providing for the origination and servicing of qualified agricultural loans on the terms and conditions the authority determines to be appropriate.

Sec. 4. Minnesota Statutes 1986, section 41B.02, subdivision 5, is amended to read:

Subd. 5. [ELIGIBLE BORROWER.] "Eligible borrower" means a borrower who meets the eligibility criteria for a program in section 41B.03.

Sec. 5. Minnesota Statutes 1986, section 41B.02, subdivision 6, is amended to read:

Subd. 6. [QUALIFIED AGRICULTURAL LOAN.] "Qualified agricultural loan" means a loan to an eligible borrower made ~~by an eligible agricultural lender which the administration purchases or in which the administration purchases a participation interest pursuant to agricultural programs established and implemented by the authority.~~

Sec. 6. Minnesota Statutes 1986, section 41B.02, subdivision 9, is amended to read:

Subd. 9. [PRIMARY PRINCIPAL.] "Primary principal" means that portion of the ~~principal~~ outstanding balance on a loan covered by sections 41B.01 to 41B.23 that is equal to the current market value of the property secured by the loan.

Sec. 7. Minnesota Statutes 1986, section 41B.02, subdivision 11, is amended to read:

Subd. 11. [BASIC INTEREST.] "Basic interest" means that part of interest on primary principal that is payable ~~annually~~ while the loan is in effect.

Sec. 8. Minnesota Statutes 1986, section 41B.02, subdivision 13, is amended to read:

Subd. 13. [CURRENT MARKET VALUE.] "Current market value" means, *for the purposes of section 41B.04*, the value determined by an appraisal considering comparable sales in the area where the real estate is located and the reasonable productive value of the property based on past production history. The state and the eligible agricultural lender must mutually agree on the current market value.

Sec. 9. Minnesota Statutes 1986, section 41B.02, subdivision 14, is amended to read:

Subd. 14. [BORROWER.] "Borrower" means the person or persons liable on a ~~restructured note~~ *qualified agricultural loan*.

Sec. 10. Minnesota Statutes 1986, section 41B.02, subdivision 15, is amended to read:

Subd. 15. [ORIGINAL LOAN.] "Original loan" means a loan prior to restructuring *as provided in section 41B.04*.

Sec. 11. Minnesota Statutes 1986, section 41B.03, is amended to read:

41B.03 [BORROWER ELIGIBILITY CRITERIA.]

Subdivision 1. [ELIGIBILITY GENERALLY.] To be eligible for a program in sections 41B.01 to 41B.23:

~~(a)~~ (1) a borrower must be a resident of Minnesota or a domestic family farm corporation, as defined in section 500.24, subdivision 2-;

~~(b)~~ (2) the borrower or one of the borrowers must be the principal operator of the farm- *or, for a prospective homestead redemption borrower, must have at one time been the principal operator of a farm; and*

(3) the borrower must not previously have received assistance pursuant to sections 41B.01 to 41B.23.

Subd. 2. [ELIGIBILITY FOR RESTRUCTURED LOAN.] In addition to the eligibility requirements of subdivision 1, a prospective borrower for a restructured loan must:

~~(c)~~ the borrower or one of the borrowers must (1) have received at least 50 percent of average annual gross income from farming for the past three years or for homesteaded property received at least 40 percent of average gross income from farming in the past three years, and farming must be the principal occupation of the borrower-;

~~(d)~~ The borrower must (2) have a debt-to-asset ratio equal to or greater than 50 percent- *and in determining this ratio, the assets must be determined by the valued at their current market value of the assets-;*

~~(e)~~ The borrower's (3) have projected annual expenses, including operating expenses, family living, and interest expenses after the restructuring, ~~must that do not exceed 95 percent of the borrower's projected annual income considering prior production history and projected prices for farm production-, except the authority may reduce the 95 percent requirement if it finds that other significant factors in the loan application support the making of the loan; and~~

~~(f)~~ The borrower must be unable to meet (4) demonstrate substantial difficulty in meeting projected annual expenses without restructuring the loan.

~~(g)~~ The borrower must not previously have received restructuring as-

sistance pursuant to sections 41B.01 to 41B.23.

Subd. 3. [BEGINNING FARMER LOANS.] In addition to the requirements under subdivision 1 a prospective borrower for a beginning farm loan must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents of less than \$100,000;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) demonstrate that the agricultural land to be purchased will be used by the borrower for agricultural purposes; and

(6) demonstrate that farming will be the principal occupation of the borrower.

Subd. 4. [CONTINUING ELIGIBILITY REQUIREMENTS.] After qualifying for a restructured loan, a borrower must only continue to meet the requirements of subdivision 1, clauses (1) and (2).

Sec. 12. Minnesota Statutes 1986, section 41B.035, subdivision 5, is amended to read:

Subd. 5: [BOARD ACTIONS OF THE AUTHORITY.] The powers of the board are ~~the members in office from time to time~~. A majority of the members of the ~~board~~ authority, excluding vacancies, constitutes a quorum for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the ~~board~~ authority upon a vote of a majority of a quorum present.

Sec. 13. Minnesota Statutes 1986, section 41B.035, is amended by adding a subdivision to read:

Subd. 8. [TECHNICAL ASSISTANCE.] The authority must make technical assistance available to potential lenders and applicants to encourage applications for loans.

Sec. 14. [41B.037] [HOMESTEAD REDEMPTION PROGRAM.]

The authority may establish and implement a homestead redemption program under sections 41B.01 to 41B.23. The purpose of the program is to assist persons who have lost their farms due to foreclosure, granting a deed in lieu of foreclosure, or other actions necessary to settle their agricultural debts, and who are otherwise unable to secure the credit necessary to repurchase their farm homestead. The authority may enter into agreements with any eligible lender for the purposes of this program. The authority may, by rule, establish eligibility standards for this program that are different from those established for other programs of the authority. The authority's interest in a homestead redemption loan may not exceed one-half of the loan amount or \$25,000, whichever is less.

Sec. 15. [41B.038] [PROGRAMS FOR COMMITMENTS TO OTHER ENTITIES.]

The authority may establish programs to make or purchase and enter into commitments to make or purchase qualified agricultural loans or portions of the loans issued to persons described in section 41B.03, sub-

division 1. *The agricultural loans must be insured or guaranteed by the United States Department of Agriculture, Farmers Home Administration, Farm Credit System, a subdivision of the Farm Credit System, or any similar federal agency or federally chartered institution whose obligations are directly or indirectly guaranteed or insured by the United States. For this purpose the authority may exercise the powers in sections 41B.05 and 41B.08.*

Sec. 16. [41B.039] [BEGINNING FARMER PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The authority may establish, develop criteria, and implement a beginning farmer program. The program must assist persons entering farming, which is a person who has not owned a farm before entering the beginning farmer program.

Subd. 2. [STATE PARTICIPATION.] The state may participate in a loan with an eligible lender to a beginning farmer to the extent of one-fourth of the principal of the loan or \$25,000, whichever is less. A loan to a beginning farmer may not exceed \$100,000. Terms of the loan include both principal and interest payments. The terms of the authority's participation may be different than the terms of the lender's portion of the loan.

Subd. 3. [SOIL AND WATER CONSERVATION AGREEMENTS.] (a) As a condition of receiving a beginning farmer loan the borrower must agree to implement an approved soil and water conservation plan on the land.

(b) The borrower must place marginal land as defined in section 40.42, subdivision 6, in a permanent conservation easement as provided in section 40.43. The authority must compensate the borrower for the easement as provided in section 40.43, subdivision 6.

Subd. 4. [FARM MANAGEMENT.] A borrower must agree to participate in a farm management program approved by the commissioner for at least the first eight years of the loan.

Subd. 5. [LOAN REVIEW.] The authority shall refer all applications for the beginning farmer program to the family farm advisory council to review the loan with the beginning farmer and make recommendations to the authority.

Sec. 17. [41B.0391] [USE AND DISPOSITION OF PROPERTY.]

Subdivision 1. [AUTHORITY MAY SELL OR LEASE PROPERTY.] The authority may sell or lease acquired property. Persons desiring to purchase or lease property must apply to the authority.

Subd. 2. [MANAGING AND SELLING PROPERTY IN AGRICULTURAL LAND BANK.] (a) The authority must attempt to sell agricultural property to persons entering farming and farmers that need additional property to continue their farming operations.

(b) The authority must give priority to applicants desiring to purchase or lease property who:

(1) are residents of the state of Minnesota;

(2) have sufficient education, training, or experience in the type of farming for which the property is desired and agree to continued participation in a farm management program, approved by the authority, for at least the first ten years;

(3) have, including the applicant's dependents and spouse, a total net worth valued at less than \$100,000 and have demonstrated a need for acquiring property from the authority;

(4) intend to purchase farm land to be used by the applicant for agricultural purposes; and

(5) are credit worthy according to standards prescribed by the authority.

(c) Agricultural property may be leased with an option to purchase to accommodate a sale. The authority should avoid long-term leasing of property.

Subd. 3. [REMOVAL FROM AGRICULTURAL USE.] If the authority determines that acquired property should be taken out of agricultural use completely or particular agricultural uses should be restricted, the authority shall have the attorney general prepare an easement restricting the agricultural use and file the easement with the county recorder where the property is located. If agricultural use is not allowed on the property, the authority may transfer administrative control to the appropriate state agency.

Subd. 4. [EXCLUSIVE AGRICULTURAL USE.] The authority may place easements on acquired property restricting development and allowing only agricultural or conservation use.

Sec. 18. Minnesota Statutes 1986, section 41B.04, subdivision 7, is amended to read:

Subd. 7. [RESTRUCTURING PROCEDURE.] (a) The eligible agricultural lender or borrower shall propose restructuring a loan to the ~~administration~~ authority. Within 30 days of receiving adequate information concerning a proposal, the ~~administration~~ authority and the eligible lender shall notify the borrower of their determination of eligibility. An eligible agricultural lender shall then expeditiously ~~conduct necessary appraisals and~~ draft the loan restructuring agreement which must be consistent with this section and documents previously approved by the ~~administration and eligible lenders~~ authority. ~~The loan restructuring agreement must be approved by the eligible lender, the administration, and the borrower.~~

(b) An eligible borrower may participate in the restructured loan or the homestead redemption loan, but not both loans.

Sec. 19. Minnesota Statutes 1986, section 41B.04, subdivision 8, is amended to read:

Subd. 8. [STATE'S PARTICIPATION.] With respect to loans that are eligible for restructuring under sections 41B.01 to 41B.23 and upon acceptance by the ~~administration~~ authority, the ~~administration~~ authority shall enter into a participation agreement or other financial arrangement whereby it shall participate in a restructured loan to the extent of one-quarter of the primary principal or \$50,000, whichever is less; ~~except that the administration may participate in restructured loans made for the redemption of homesteads to the extent of one-half of the primary principal or \$25,000, whichever is less. The administration's authority's~~ portion of the loan must thereafter be protected during the authority's participation by the first mortgage held by the eligible lender to the extent of its participation in the loan.

Sec. 20. Minnesota Statutes 1986, section 41B.04, subdivision 9, is

amended to read:

Subd. 9. [RESTRUCTURED LOAN AGREEMENT.] (a) All payments on the primary and secondary principal of the restructured loan, all payments of interest on the secondary principal, and an agreed portion of the interest payable to the eligible agricultural lender on the primary principal must be deferred to the end of the term of the loan.

(b) A borrower may prepay the restructured loan, with all primary and secondary principal and interest and deferred interest at any time without prepayment penalty.

(c) Interest on secondary principal must accrue at a below market interest rate.

(d) At the conclusion of the term of the restructured loan, the borrower owes primary principal, secondary principal, and deferred interest on primary and secondary principal. However, part of this balloon payment may be forgiven following an appraisal by the lender and the ~~administration~~ authority to determine the current market value of the real estate subject to the mortgage. If the current market value of the land after appraisal is less than the amount of debt owed by the borrower to the lender and ~~administration~~ authority on this obligation, that portion of the obligation that exceeds the current market value of the real property must be forgiven by the lender and the ~~administration~~ authority in the following order:

- (1) deferred interest on secondary principal;
- (2) secondary principal;
- (3) deferred interest on primary principal;
- (4) primary principal as provided in an agreement between the administration and the lender; and
- (5) accrued but not deferred interest on primary principal.

The debt forgiveness may be combined with a renegotiated loan on the unforgiven balance due if the borrower is able to establish that there are reasonable prospects of repayment on a debt equal to the current market value of real estate at then existing interest rates. If so, the loan must be reamortized on terms and conditions acceptable to the lender, the administration, and the farmer.

(e) The authority may not participate in refinancing a restructured loan at the conclusion of the restructured loan.

Sec. 21. Minnesota Statutes 1986, section 41B.04, subdivision 10, is amended to read:

Subd. 10. [INTEREST RATE.] Unless the authority determines that it is not in the best interests of the restructured loan program, the interest rate per annum on the portion of the ~~restructuring~~ restructured loan represented by the participation interest purchased by the ~~administration~~ authority must be that rate of interest determined by the ~~administration~~ authority to be necessary to provide for the timely payment of principal and interest when due on bonds or other obligations issued by the ~~administration~~ authority, and to provide for the reasonable and necessary costs of issuing, carrying, administering, and securing the bonds or notes and to pay the costs incurred and to be incurred by the ~~administration~~ authority in the implementation of the program. The interest rate per annum borne by the

primary principal portion of the restructuring loan retained by the eligible agricultural lender must be a rate of interest approved by the ~~administration~~ authority. The ~~administration~~ authority may specify the points, fees, and other charges which the eligible agricultural lender may charge to the eligible borrower.

Sec. 22. Minnesota Statutes 1986, section 41B.04, subdivision 11, is amended to read:

Subd. 11. [ADMINISTRATION.] The eligible lender shall administer the loans and shall bear all costs of the loan administration. Ordinary costs of administration include appraisals, litigation, abstracts of title, and similar costs. ~~The administration agrees to share in any other responsibilities common to a loan participation agreement.~~

Sec. 23. Minnesota Statutes 1986, section 41B.04, subdivision 12, is amended to read:

Subd. 12. [ASSIGNABILITY.] Loans restructured under this section may not be assigned to anyone other than a ~~direct descendant of the original borrower and the assignee must intend to engage in the direct operation and management of the farm which is subject to the mortgage meeting the eligibility requirements of section 41B.03, subdivision 1, and any other requirements imposed or approved by the authority.~~ If such an assignment is contemplated, the borrower must obtain prior written approval of the eligible lender and the administration and the assignee shall thereafter be subject to the same terms and conditions and events of default as the original borrower. If assigned to some other party, the eligible agricultural lender may exercise its foreclosure remedies as provided by its contracts and by law.

Sec. 24. Minnesota Statutes 1986, section 41B.05, is amended to read:

41B.05 [GENERAL POWERS OF THE ADMINISTRATION AUTHORITY.]

For the purpose of exercising the specific powers granted in section 41B.04 and effectuating the other purposes of sections 41B.01 to 41B.23 the ~~administration~~ authority has the general powers granted in this section.

- (a) It may sue and be sued.
- (b) It may have a seal and alter the seal.
- (c) It may make, and from time to time, amend and repeal rules consistent with sections 41B.01 to 41B.23.
- (d) It may acquire, hold, and dispose of personal property for its corporate purposes.
- (e) It may enter into agreements, contracts, or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association, or organization, including contracts or agreements for administration and implementation of all or part of sections 41B.01 to 41B.23.
- (f) It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate.
- (g) It may provide general technical services related to rural finance.
- (h) It may provide general consultative assistance services related to rural

finance, and shall make available technical assistance to potential lenders and applicants to encourage applications for loans.

(i) It may promote research and development in matters related to rural finance.

(j) It may enter into agreements with lenders, borrowers, or the issuers of securities for the purpose of regulating the development and management of farms financed in whole or in part by the proceeds of qualified agricultural loans.

(k) It may enter into agreements with other appropriate federal, state, or local governmental units to foster rural finance. It may give advance reservations of loan financing as part of the agreements, with the understanding that the ~~administration authority~~ will only approve the loans pursuant to normal procedures, and may adopt special procedures designed to meet problems inherent in such programs.

(l) It may undertake and carry out studies and analyses of rural financing needs within the state and ways of meeting such needs including: data with respect to geographical distribution; farm size; the distribution of farm credit needs according to debt ratios and similar factors; the amount and quality of available financing and its distribution according to factors affecting rural financing needs and the meeting thereof; and may make the results of such studies and analyses available to the public and may engage in research and disseminate information on rural finance.

(m) It may survey and investigate the rural financing needs throughout the state and make recommendations to the governor and the legislature as to legislation and other measures necessary or advisable to alleviate any existing shortage in the state.

(n) It may establish cooperative relationships with such county and multicounty authorities as may be established and may develop priorities for the utilization of ~~administration authority~~ resources and assistance within a region in cooperation with county and multicounty authorities.

(o) It may contract with, use, or employ any federal, state, regional, or local public or private agency or organization, legal counsel, financial advisors, investment bankers or others, upon terms it deems necessary or desirable, to assist in the exercise of any of the powers granted in sections 41B.01 to 41B.23 and to carry out the objectives of sections 41B.01 to 41B.23 and may pay for the services from ~~administration authority~~ funds.

(p) It may establish cooperative relationships with counties to develop priorities for the use of ~~administration authority~~ resources and assistance within counties and to consider county plans and programs in the process of setting the priorities.

(q) It may delegate any of its powers to its officers or staff.

(r) It may enter into agreements with qualified agricultural lenders or others insuring or guaranteeing to the state the payment of all or a portion of qualified agricultural loans.

(s) It may enter into agreements with eligible agricultural lenders providing for advance reservations of purchases of participation interests in restructuring loans, if the agreements provide that the authority may only purchase participation interests in restructuring loans pursuant to normal procedure. The authority may provide in an agreement for special pro-

cedures or requirements designed to meet specific conditions or requirements.

Sec. 25. Minnesota Statutes 1986, section 41B.08, subdivision 4, is amended to read:

Subd. 4. [REQUIRED RATING.] No bonds may be issued unless a rating of "A" or better has been awarded to the bonds by a national bond rating agency. *The "A" rating is not required if the bonds are initially sold to corporations or financial institutions for investment purposes and not for the purpose of remarketing the bonds to the public.*

Sec. 26. Minnesota Statutes 1986, section 41B.12, is amended to read:

41B.12 [REVENUE BONDS; NONLIABILITY OF INDIVIDUALS.]

~~Neither~~ The members of the ~~administration~~ *nor authority and its staff* and any person executing the bonds ~~is liable~~ *are not personally liable* on the bonds or subject to any personal liability or accountability by reason of their issuance.

Sec. 27. Minnesota Statutes 1986, section 41B.19, subdivision 5, is amended to read:

Subd. 5. [RURAL FINANCE ADMINISTRATION AUTHORITY SECURITY ACCOUNT.] The commissioner of finance shall maintain a separate state building fund account designated as the rural finance ~~administration~~ *authority* security account, into which must be deposited the proceeds of the rural renewal general obligation bonds issued as provided in this section. The commissioner of finance shall maintain a separate bookkeeping account to record receipts and disbursements of money transferred to or from the security account and to record income from the investment of money in the account. Upon the written request of the ~~administration~~ *authority*, the commissioner of finance shall transfer from the security account to an account or accounts the ~~administration~~ *authority* shall designate, a sum of money sufficient in amount, if available, when added to the balances then on hand in the designated accounts, to pay bonds issued by the ~~administration~~ *authority* under sections 41B.01 to 41B.23 and the interest on them due and to become due on the next succeeding date for the payment of the principal of and interest on the bonds of the administration or to restore to any debt service reserve fund established in connection with the bonds any amount withdrawn from the debt service reserve account to pay the bonds. *When no revenue bonds secured by the security account are outstanding under the resolution authorizing their issuance, the commissioner of finance shall further transfer from all money and securities on hand in the security account on or before the date on which any installment of the principal of and interest on bonds authorized by this section is due, a sum sufficient in amount, when added to the balance then on hand in the rural renewal bond account, to pay all bonds issued under this section and the interest on them due and to become due on the next succeeding date for payment of the bonds to the state bond fund.*

Sec. 28. Minnesota Statutes 1986, section 41B.19, subdivision 6, is amended to read:

Subd. 6. [INVESTMENT OF SECURITY ACCOUNT.] (a) Money from time to time on deposit in the security account must be invested by the state board of investment at the request of the ~~administration~~ *authority* in any investment authorized by this subdivision. Money on deposit in the security account may be invested in:

(1) certificates of deposit insured by the Federal Deposit Insurance Corporation or Federal Savings and Loan Insurance Corporation; (2) certificates of deposit issued by eligible agricultural lenders, whether or not fully insured or secured issued or interest-bearing time deposits with a national banking association or by a bank and trust company organized under the laws of any state;

(3) (2) deposits secured by obligations of the United States or of the state of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give security for those deposits;

(4) (3) qualified agricultural loans or in participation interests in qualified agricultural loans; or

(5) (4) qualified restructured loans.

(b) *The principal amount of the investment under paragraph (a), clause (1), must be fully insured by the Federal Deposit Insurance Corporation or Federal Savings and Loan Insurance Corporation. If not fully insured, the institution issuing the certificate of deposit or accepting the time deposit must be rated in the AA or a higher category as defined by a nationally recognized bond rating agency or in an equivalent or higher rating category based on any later redefinition.*

(c) If and to the extent money has been transferred from the security account to provide for the timely payment of the principal of and interest on bonds issued by the ~~administration~~ authority, or to transfer money to a debt service reserve fund established in connection with the bonds, the ~~administration~~ authority shall transfer to the security account on or before December 1 of each succeeding year an amount equal to that previously transferred from the security account, provided that the ~~administration's~~ authority's obligation to transfer money to the security account is limited to money then on hand in funds or accounts of the ~~administration~~ authority in excess of those appropriated to other purposes or required to provide for the payment of the principal of and interest on bonds issued by the ~~administration~~ authority and to pay the costs of issuing, carrying, administering, and securing the bonds of the ~~administration~~ authority and of administering and implementing the programs of the ~~administration~~ authority financed by the bonds.

Sec. 29. [41B.195] [ADDITIONAL USE OF GENERAL OBLIGATION BONDS.]

Notwithstanding the limit set forth in section 41B.19, subdivision 1, the commissioner of finance, upon the request of the rural finance authority, may issue the general obligation bonds authorized by section 41B.19 and use the proceeds of the bonds to purchase participations in qualified agricultural loans if the commissioner determines that it is not practical or efficient to issue revenue bonds pursuant to section 41B.08 for the purpose of section 41B.04 and sections 13, 15, and 16 as a result of reduced program size or increased program costs. Subject to the other provisions of this section, the proceeds of the bonds must be deposited, held, and disbursed from a separate state building fund account, the bonds are payable from the bond account established by section 41B.19, subdivision 4, and the participations purchased with the bond proceeds must be held as assets of the bond account. If the rural finance authority later determines to issue revenue bonds pursuant to section 41B.08 for the purposes specified

in section 41B.04, the commissioner may by order provide for the transfer of all or a portion of the remaining bond proceeds and interest thereon, and all or a portion of the participations purchased with the bond proceeds and proceeds thereof, to be transferred to the security account established in section 41B.19, subdivision 5, and used for the purposes specified in section 41B.19, subdivisions 1 and 5.

Sec. 30. [41B.211] [DATA PRIVACY.]

Financial information, including credit reports, financial statements, and net worth calculations, received or prepared by the authority regarding any authority loan and the name of each individual who is the recipient of a loan are private data on individuals, under chapter 13.

Sec. 31. [INSTRUCTIONS TO REVISOR.]

The revisor of statutes is instructed to change the phrases "rural finance administration" and "administration" when the term is applied to the rural finance administration to "rural finance authority" and "authority" respectively in Minnesota Statutes. The revisor is further instructed to rearrange the subdivisions of Minnesota Statutes 1986, section 41B.02, so that the terms defined therein are in alphabetical order.

The revisor of statutes shall renumber each section of Minnesota Statutes specified in column A with the number set forth in column B. The revisor shall also make necessary cross-reference changes consistent with the renumbering.

<i>Column A</i>	<i>Column B</i>
<i>41B.035</i>	<i>41B.025</i>
<i>41B.05</i>	<i>41B.036</i>

Sec. 32. [REPEALER.]

Minnesota Statutes 1986, sections 41B.02, subdivision 17; 41B.035, subdivision 4; and 41B.04, subdivisions 6, 13, 14, 15, and 16, are repealed.

Sec. 33. [EFFECTIVE DATE.]

This article is effective on the day following final enactment.

ARTICLE 2

RIGHT OF FIRST REFUSAL

Section 1. Minnesota Statutes 1986, section 500.24, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] For the purposes of this section, the terms defined in this subdivision have the meanings here given them:

(a) "Farming" means the production of (1) agricultural products; (2) livestock or livestock products; (3) milk or milk products; or (4) fruit or other horticultural products. It does not include the processing, refining or packaging of said products, nor the provision of spraying or harvesting services by a processor or distributor of farm products. It does not include the production of timber or forest products or the production of poultry or poultry products.

(b) "Family farm" means an unincorporated farming unit owned by one or more persons residing on the farm or actively engaging in farming.

(c) "Family farm corporation" means a corporation founded for the pur-

pose of farming and the ownership of agricultural land in which the majority of the voting stock is held by and the majority of the stockholders are persons or the spouses of persons related to each other within the third degree of kindred according to the rules of the civil law, and at least one of said related persons is residing on or actively operating the farm, and none of whose stockholders are corporations; provided that a family farm corporation shall not cease to qualify as such hereunder by reason of any devise or bequest of shares of voting stock.

(d) "Authorized farm corporation" means a corporation meeting the following standards:

- (1) Its shareholders do not exceed five in number;
- (2) All its shareholders, other than any estate are natural persons;
- (3) It does not have more than one class of shares; and
- (4) Its revenues from rent, royalties, dividends, interest and annuities does not exceed 20 percent of its gross receipts; and
- (5) Shareholders holding a majority of the shares must be residing on the farm or actively engaging in farming.

(e) "Agricultural land" means land used for farming.

(f) "Pension or investment fund" means a pension or employee welfare benefit fund, however organized, a mutual fund, a life insurance company separate account, a common trust of a bank or other trustee established for the investment and reinvestment of money contributed to it, a real estate investment trust, or an investment company as defined in United States Code, title 15, section 80a-3. "Pension or investment fund" does not include a benevolent trust established by the owners of a family farm, authorized farm corporation or family farm corporation.

(g) "Farm homestead" means a house including adjoining buildings that has been used as part of a farming operation or is part of the agricultural land used for a farming operation.

Sec. 2. Minnesota Statutes 1986, section 500.24, subdivision 6, is amended to read:

Subd. 6. [DISPOSAL OF LAND.] (a) A state or federal agency or a corporation, other than a family farm corporation or an authorized farm corporation, ~~when leasing may not lease or selling farm sell~~ agricultural land or a farm homestead ~~must offer that was acquired by enforcing a debt against the agricultural land or farm homestead, including foreclosure of a mortgage, accepting a deed in lieu of foreclosure, terminating a contract for deed, or accepting a deed in lieu of terminating a contract for deed, before offering or make making a good faith effort to offer the land for sale or lease to the immediately preceding former owner at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor. The offer must be made on the notice to offer form under section 3. Selling or leasing property at a price is prima facie evidence that the price is acceptable to the seller or lessor.~~

(b) This subdivision applies to a seller or lessor for five years after the agricultural land is acquired. An offer to lease to the immediately preceding former owner is required only ~~on~~ until after the first occasion ~~on which~~ the property is leased. An offer to sell to the immediately preceding former owner is required only ~~on~~ until the first occasion ~~on which~~ the property is

sold. The notice of an offer ~~delivered~~ under section 3 personally delivered with a receipt or sent by certified mail with a receipt of mailing to the immediately preceding former owner's last known address is a good faith offer.

(c) For purposes of this subdivision, the term "a price no higher than the highest price offered by a third party" means the acceptable cash price offered by a third party or the acceptable time-price offer made by a third party. A cash price offer is one which involves simultaneous transfer of title. If the acceptable offer made by a third party is a time-price offer, the seller or lessor must make the same time-price offer or an equivalent cash offer to the immediately preceding former owner. An equivalent cash offer is equal to the total of the payments made over a period of the time-price offer discounted by the current Federal Intermediate Credit Bank of St. Paul interest rate plus 1.5 percent. A time-price offer is an offer that defers payment of any portion of the price and does not involve a transfer of fee title until full payment is made.

(d) This subdivision does not apply to a sale or lease that occurs after the seller or lessor has held the property for five years or longer.

(e) For purposes of this subdivision, if the immediately preceding former owner is a bankruptcy estate the debtor in the bankruptcy is the immediately preceding owner.

(f) The immediately preceding former owner must exercise the right to lease ~~farm~~ agricultural land or a homestead located on agricultural land in writing within ~~ten~~ 15 days after ~~receiving~~ an offer to lease under this subdivision is mailed with a receipt of mailing or personally delivered. The immediately preceding former owner must exercise the right to buy ~~farm~~ the agricultural land or farm homestead located on agricultural land, in writing, within ~~60~~ 65 days after ~~receiving~~ an offer to buy under this subdivision. ~~This subdivision does not apply if the former owner is a bankruptcy estate.~~ is mailed with a receipt of mailing or is personally delivered. Within ten days after exercising the right to lease or buy by accepting the offer, the immediately preceding owner must fully perform according to the terms of the offer including paying the amounts due. A seller may sell and a lessor may lease the agricultural land or farm homestead subject to this subdivision to the third party in accordance with their lease or purchase agreement if:

(1) the immediately preceding former owner does not accept an offer to lease or buy before the offer terminates; or

(2) the immediately preceding former owner does not perform the obligations of the offer, including paying the amounts due, within ten days after accepting the offer.

(g) A certificate indicating whether or not the property contains agricultural land or a farm homestead that is signed by the county assessor where the property is located and recorded in the office of the county recorder or the registrar of titles where the property is located is prima facie evidence of whether the property is agricultural land or a farm homestead.

(h) As prima facie evidence that an offer to sell or lease agricultural land or a farm homestead has terminated, a receipt of mailing the notice under section 3 and an affidavit, signed by a person authorized to act on behalf of a state, federal agency, or corporation selling or leasing the

agricultural land or a farm homestead may be filed in the office of the county recorder or registrar of titles of the county where the agricultural land or farm homestead is located. The affidavit must state that:

(1) notice of an offer to buy or lease the agricultural land or farm homestead was provided to the immediately preceding former owner at a price no higher than the highest price offered by a third party that is acceptable;

(2) the time period during which the immediately preceding former owner is required to exercise the right to buy or lease the agricultural land or farm homestead has expired;

(3) the immediately preceding former owner has not exercised the right to buy or lease the agricultural land or farm homestead as provided in this subdivision or has accepted an offer and has not fully performed according to the terms of the offer; and

(4) the offer to the immediately preceding former owner has terminated.

(i) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision or to lease or purchase at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor may be extinguished or limited by an express statement signed by the immediately preceding owner that complies with the plain language requirements of section 325G.31. The right may not be extinguished or limited except by the express statement in a deed in lieu of foreclosure or in a deed in lieu of a termination of a contract for deed for the agricultural land.

(j) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision may not be assigned or transferred, but may be inherited.

Sec. 3. Minnesota Statutes 1986, section 500.24, is amended by adding a subdivision to read:

Subd. 7. [NOTICE OF OFFER.] (a) The state, a federal agency, or a corporation subject to subdivision 6 must provide a notice of an offer to sell or lease agricultural land substantially as follows, after inserting the appropriate terms within the parentheses:

"NOTICE OF OFFER TO (LEASE, BUY) AGRICULTURAL LAND

TO: (____Immediately preceding former owner____)

FROM: (____The state, federal agency, or corporation
subject to subdivision 6____)

DATE: (____date notice is mailed or personally delivered____)

(____The state, federal agency, or corporation____) HAS ACQUIRED THE AGRICULTURAL LAND DESCRIBED BELOW AND HAS RECEIVED AN ACCEPTABLE OFFER TO (LEASE, SELL) THE AGRICULTURAL LAND FROM ANOTHER PARTY. UNDER MINNESOTA STATUTES, SECTION 500.24, SUBDIVISION 6, AN OFFER FROM (____the state, federal agency, or corporation____) MUST BE MADE TO YOU AT A PRICE NO HIGHER THAN THE HIGHEST OFFER MADE BY ANOTHER PARTY.

THE AGRICULTURAL LAND BEING OFFERED CONTAINS APPROXIMATELY (____approximate number of acres____) ACRES AND IS INFORMALLY DESCRIBED AS FOLLOWS:

(Informal description of the agricultural land being offered that reasonably describes the land. This description does not need to be a legal description.)

(_____The state, federal agency, or corporation_____) OFFERS TO (SELL, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE FOR A CASH PRICE OF \$(_____cash price or equivalent cash price for lease and lease period, or cash price or equivalent cash price for sale of land_____), WHICH IS NOT HIGHER THAN THE PRICE OFFERED BY ANOTHER PARTY. THE PRICE IS OFFERED ON THE FOLLOWING TERMS:

(Terms, if any, of acceptable offer)

IF YOU WANT TO ACCEPT THIS OFFER YOU MUST NOTIFY (_____the state, federal agency, or corporation_____) IN WRITING THAT YOU ACCEPT THE OFFER OR SIGN UNDERNEATH THE FOLLOWING PARAGRAPH AND RETURN A COPY OF THIS NOTICE BY (15 for a lease, 65 for a sale) DAYS AFTER THIS NOTICE IS PERSONALLY DELIVERED OR MAILED TO YOU. THE OFFER IN THIS NOTICE TERMINATES ON (_____date of termination - 15 days for lease and 65 days for sale after date of mailing or personal delivery_____).

ACCEPTANCE OF OFFER

I ACCEPT THE OFFER TO (BUY, LEASE) THE AGRICULTURAL LAND DESCRIBED ABOVE AT THE PRICE OFFERED TO ME IN THIS NOTICE. AS PART OF ACCEPTING THIS OFFER I WILL PERFORM ACCORDING TO THE TERMS OF THE OFFER, INCLUDING MAKING PAYMENTS DUE UNDER THE OFFER, WITHIN TEN DAYS AFTER THE DATE I ACCEPT THIS OFFER.

Signature of Former Owner Accepting Offer

Date"

(b) For an offer to sell, a copy of the purchase agreement containing the price and terms of the highest offer made by a third party that is acceptable to the seller must be included with the notice under this subdivision. At the seller's discretion, reference to the third party's identity may be deleted from the copy of the purchase agreement.

Sec. 4. [EFFECTIVE DATE.]

This article is effective July 1, 1987, except sections 1 to 3 apply to offers made under section 500.24, subdivision 6, after July 1, 1987.

ARTICLE 3

WAIVER OF DEBTOR'S RIGHTS

Section 1. [550.42] [WAIVER OF AGRICULTURAL DEBTOR'S RIGHTS.]

Subdivision 1. [WAIVER IS VOID.] (a) A waiver of statutory rights of a debtor in a contract, loan agreement, or security agreement as a condition for a loan of money for agricultural production is void unless the waiver is expressly authorized by law.

(b) A waiver of mediation rights under chapter 583, the right to an offer under section 500.24, subdivision 6, or the debtor's statutory rights under chapter 580, 581, or 582 for a mortgage on agricultural property, is void

unless the waiver is expressly authorized by law.

Subd. 2. [PENALTY.] A person, corporation, financial institution, or other legal entity is liable to a debtor for up to \$2,500 plus attorney fees that:

(1) requires a waiver subject to subdivision 1 in a contract, loan agreement, or security agreement, and does not acknowledge that the waiver subject to subdivision 1 is void; or

(2) attempts to enforce a waiver that is void under subdivision 1.

Sec. 2. [EFFECTIVE DATE.]

This article is effective July 1, 1987, except: section 1, subdivision 1, is effective the day after final enactment; and section 1, subdivision 2, applies to contracts, loan agreements, and security agreements entered into after July 1, 1987.

ARTICLE 4

DESIGNATION OF HOMESTEADS AND SEPARATE AGRICULTURAL TRACTS

Section 1. Minnesota Statutes 1986, section 582.041, subdivision 1, is amended to read:

Subdivision 1. [NOTIFICATION OF HOMESTEAD DESIGNATION.] If a mortgage on real property is foreclosed and the property contains a portion of ~~the a~~ homestead ~~of the mortgagor~~, the ~~mortgagor~~ person in possession of the real property must be notified by the foreclosing mortgagee that the homestead may be sold and redeemed separately from the remaining property. The notice in subdivision 2 must be ~~included in~~ served with the notice of foreclosure that is served on the ~~mortgagor~~ under person in possession of the real property with the requirements in section ~~580.04~~ 580.03 or for a foreclosure by action under chapter 581, in the summons and complaint served on the person in possession of the real property.

Sec. 2. Minnesota Statutes 1986, section 582.041, subdivision 2, is amended to read:

Subd. 2. [HOMESTEAD DESIGNATION NOTICE.] (a) The following notice must be ~~included in~~ served with the foreclosure notice of property containing a homestead that is served on the ~~mortgagor~~ person in possession of the real property under section ~~580.04~~ 580.03. The notice is not to be published. The notice must be in 10-point capitalized letters.

"IF PART OF THE PROPERTY TO BE SOLD CONTAINS YOUR HOUSE, YOU MAY DESIGNATE AN AREA AS A HOMESTEAD TO BE SOLD AND REDEEMED SEPARATELY.

YOU MAY DESIGNATE THE HOUSE YOU OCCUPY AND ANY AMOUNT OF THE PROPERTY AS A HOMESTEAD. THE DESIGNATED HOMESTEAD PROPERTY MUST CONFORM TO THE LOCAL ZONING ORDINANCES AND BE COMPACT SO THAT IT DOES NOT UNREASONABLY REDUCE THE VALUE OF THE REMAINING PROPERTY.

YOU MUST PROVIDE THE PERSON FORECLOSING ON THE PROPERTY, THE SHERIFF AND THE COUNTY RECORDER WITH A COPY OF THE LEGAL DESCRIPTION OF THE HOMESTEAD YOU HAVE DESIGNATED BY TEN BUSINESS DAYS BEFORE THE DATE THE

PROPERTY IS TO BE SOLD."

(b) The following notice must be served with the summons and complaint in an action to foreclose a mortgage of property containing a homestead under chapter 581. The notice must be in 10-point capitalized letters and *is not to be published with the summons if the summons is published.*

"IF PART OF THE PROPERTY TO BE SOLD CONTAINS YOUR HOUSE, YOU MAY DESIGNATE AN AREA AS A HOMESTEAD TO BE SOLD AND REDEEMED SEPARATELY.

YOU MAY DESIGNATE THE HOUSE YOU OCCUPY AND ANY AMOUNT OF THE PROPERTY AS A HOMESTEAD. THE DESIGNATED HOMESTEAD PROPERTY MUST CONFORM TO THE LOCAL ZONING ORDINANCES AND BE COMPACT SO THAT IT DOES NOT UNREASONABLY REDUCE THE VALUE OF THE REMAINING PROPERTY.

YOU MUST PROVIDE THE COURT WITH A LEGAL DESCRIPTION OF THE HOMESTEAD YOU HAVE DESIGNATED."

Sec. 3. Minnesota Statutes 1986, section 582.041, subdivision 3, is amended to read:

Subd. 3. [DESIGNATION OF HOMESTEAD PROPERTY.] ~~The mort-~~
~~gagor person who is homesteading the property~~ must designate a legal description of the homestead property to be sold separately. The homestead property designated may include any amount of the property. The designation must conform to local zoning, include the dwelling occupied by the ~~mortgagor person homesteading the property~~, and be compact so that it does not unreasonably affect the value of the remaining property. The ~~mortgagor person homesteading the property~~ must serve a copy of the designation on the foreclosing mortgagee, the sheriff, and the county recorder or registrar of titles by ten business days before the sale is scheduled, or for a foreclosure by action under chapter 581, a copy of the designation must be provided to the court.

Sec. 4. Minnesota Statutes 1986, section 582.041, subdivision 5, is amended to read:

Subd. 5. [REDEMPTION.] ~~The mortgagor~~ A party who has a right of redemption may redeem the designated homestead, the remaining property, or the entire property including the homestead. The period of redemption is the period for the entire property including the designated homestead.

Sec. 5. [582.042] [FORECLOSURE OF AGRICULTURAL LAND THAT INCLUDES SEPARATE TRACTS.]

Subdivision 1. [NOTIFICATION OF SEPARATE TRACT DESIGNATION.] *If a mortgage on real property that is agricultural land is foreclosed and the property contains separate tracts, the person in possession of the real property must be notified by the foreclosing mortgagee that the separate tracts may be sold and redeemed separately. The notice in subdivision 2 must be served with the notice of foreclosure that is served on the person in possession of the property under section 580.03 or for a foreclosure by action under chapter 581, in the summons and complaint.*

Subd. 2. [DESIGNATION NOTICE.] (a) *The following notice must be served with the foreclosure notice of the property that is served on the person in possession of the real property under section 580.03. The notice*

must be in 10-point capitalized letters and the notice is not to be published.

"IF THE PROPERTY TO BE SOLD CONTAINS SEPARATE TRACTS, YOU MAY REQUEST THAT THE TRACTS BE SOLD AND REDEEMED SEPARATELY. EACH OF THE SEPARATE TRACTS MUST CONFORM TO LOCAL ZONING ORDINANCES, MUST HAVE AN ENTRANCE BY DIRECT ACCESS TO A PUBLIC ROAD OR BY PERMANENT EASEMENT, AND MUST NOT UNREASONABLY AFFECT THE VALUE OF THE REMAINING PROPERTY.

YOU MUST PROVIDE THE PERSON FORECLOSING ON THE PROPERTY, THE SHERIFF, AND THE COUNTY RECORDER WITH A COPY OF THE LEGAL DESCRIPTIONS OF EACH OF THE TRACTS YOU HAVE DESIGNATED TO BE SOLD SEPARATELY BY TEN BUSINESS DAYS BEFORE THE DATE THE PROPERTY IS TO BE SOLD."

(b) The following notice must be served with the summons and complaint in an action to foreclose a mortgage of real property containing separate tracts under chapter 581. The notice must be in 10-point capitalized letters and is not to be published with the summons if the summons is published.

"IF THE PROPERTY TO BE SOLD CONTAINS SEPARATE TRACTS, YOU MAY REQUEST THAT THE TRACTS BE SOLD AND REDEEMED SEPARATELY. EACH OF THE SEPARATE TRACTS MUST CONFORM TO LOCAL ZONING ORDINANCES.

YOU MUST PROVIDE THE COURT WITH A COPY OF THE LEGAL DESCRIPTIONS OF EACH OF THE TRACTS YOU HAVE DESIGNATED TO BE SOLD SEPARATELY."

Subd. 3. [DESIGNATION OF SEPARATE TRACTS.] The person being foreclosed must designate legal descriptions of each of the tracts to be sold separately. The tracts designated must be previously recorded as separate tracts. Each of the separate tracts must conform to local zoning ordinances, must have an entrance by direct access to a public road or by permanent easement, and must not unreasonably affect the value of the remaining property. The person being foreclosed must serve a copy of the legal descriptions of the tracts to be sold separately on the foreclosing mortgagee, the sheriff, and the county recorder or registrar of titles by ten business days before the sale is scheduled, or for a foreclosure by action under chapter 581, a copy of the legal descriptions of the tracts to be sold separately must be provided to the court.

Subd. 4. [SALE OF PROPERTY.] If the sheriff receives a designation of separate tracts under subdivision 3, or is ordered by the court, the sheriff must offer and sell the tracts separately.

Subd. 5. [REDEMPTION.] The designated tracts may be redeemed separately or the entire foreclosed property may be redeemed. The period of redemption is the period for the entire property including all of the designated tracts.

Sec. 6. [EFFECTIVE DATE.]

This article is effective July 1, 1987, except: sections 1 to 5 apply to foreclosures where the first publication occurs on or after July 1, 1987, and to foreclosures under chapter 581 where the first service or publication occurs on or after July 1, 1987.

ARTICLE 5

AGRICULTURAL DATA COLLECTION TASK FORCE

Section 1. [REACTIVATION OF THE AGRICULTURAL COLLECTION DATA TASK FORCE.]

The agricultural data collection task force created by Laws 1985, chapter 19, as reactivated and amended by Laws 1986, chapter 398, article 11, is reactivated.

Sec. 2. Laws 1985, chapter 19, section 6, subdivision 6, as amended by Laws 1986, chapter 398, article 11, section 4, is amended to read:

Subd. 6. [EXPIRATION.] The data collection task force expires ~~January April 15, 1987~~ 1989, or 15 days after reporting to the legislature whichever date comes later, but in no circumstance later than ~~March June 1, 1987~~ 1989.

Sec. 3. [EFFECTIVE DATE.]

This article is effective the day following final enactment.

ARTICLE 6

MINNESOTA GROWN

Section 1. Minnesota Statutes 1986, section 17.102, is amended to read:

17.102 [MINNESOTA PRODUCTS, STATE LOGO OR GROWN LABEL.]

Subdivision 1. [ESTABLISHMENT AND USE OF LABEL.] (a) The commissioner shall establish a "Minnesota grown" logo or labeling statement for use in identifying food agricultural products ~~which are Minnesota grown, processed, or manufactured. The commissioner shall promulgate rules authorizing and governing the use of the logo or labeling statement. The Minnesota grown logo or labeling statement may be used on food products:~~

(1) *consisting of raw agricultural products that are not processed into a different physical form or frozen, only if 80 percent of the agricultural product is produced in this state; or*

(2) *other than raw agricultural products that are not processed into a different physical form or frozen, only if the agricultural product is processed or manufactured in this state.*

(b) *The Minnesota grown logo or labeling statement may not be used without a license from the commissioner.*

Subd. 2. [LABEL DOES NOT REPLACE OTHER REQUIREMENTS.] The logo or labeling statement ~~shall~~ does not supersede or replace any federal label or grade standard ~~which that~~ is required by law and its use ~~shall be discretionary with a grower, processor, or manufacturer.~~

Subd. 3. [LICENSE.] *A person may not use the Minnesota grown logo or labeling without an annual license from the commissioner. The commissioner shall issue licenses for a fee of \$25.*

Subd. 4. [MINNESOTA GROWN ACCOUNT.] *The Minnesota grown account is established as an account in the state treasury. License fee receipts and penalties collected under this section must be deposited in the state treasury and credited to the Minnesota grown account. The money*

in the account is continuously appropriated to the commissioner to implement and enforce this section and to promote the Minnesota grown logo and labeling.

Subd. 5. [PENALTY.] A person who uses the Minnesota grown logo or labeling without a license after being notified by the commissioner that a license is required is subject to a civil penalty up to \$1,000.

Subd. 6. [RULES.] The commissioner shall promulgate rules authorizing and licensing the use of the logo or labeling statement.

Sec. 2. [MINNESOTA GROWN MATCHING ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] The Minnesota grown matching account is established as a separate account in the state treasury. The account shall be administered by the commissioner of agriculture as provided in this section.

Subd. 2. [FUNDING SOURCES.] The Minnesota grown matching account shall consist of contributions from private sources and appropriations.

Subd. 3. [APPROPRIATIONS MUST BE MATCHED BY PRIVATE FUNDS.] (a) Appropriations to the Minnesota grown matching account may be expended only to the extent that they are matched with contributions to the account from private sources as provided in paragraph (b) for fiscal years 1988 and 1989. Appropriations to the account that are not matched by the end of the fiscal year of the appropriation cancel to the general fund.

(b) Private contributions shall be matched on a basis of four to one for the first \$50,000 of private contributions. Matching funds are not available after the first \$50,000 of private contributions in each fiscal year. Private contributions made from January 1, 1987, until the end of fiscal year 1987 shall be matched by the appropriation for fiscal year 1988.

Subd. 4. [EXPENDITURES.] The amount in the Minnesota grown matching account that is matched by private contributions and the private contributions are appropriated to the commissioner of agriculture for promotion of products using the Minnesota grown logo and labeling.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment.

ARTICLE 7

AGRICULTURAL PRESERVES

Section 1. Minnesota Statutes 1986, section 40A.03, subdivision 2, is amended to read:

Subd. 2. [PLANS AND OFFICIAL CONTROLS.] By ~~July~~ *July + December 31, 1987*, each pilot county selected under subdivision 1 shall submit to the commissioner and to the regional development commission in which it is located, if one exists, a proposed agricultural land preservation plan and proposed official controls implementing the plan. The commissioner, in consultation with the regional development commission, shall review the plan and controls for consistency with the elements in this chapter and shall submit written comments to the county within 90 days of receipt of the proposal. The comments must include a determination of whether the plan and controls are consistent with the elements in this chapter. The commissioner shall notify the county of its determination. If the commis-

sioner determines that the plan and controls are consistent, the county shall adopt the controls within 60 days of completion of the commissioner's review.

Sec. 2. Minnesota Statutes 1986, section 40A.15, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL ASSISTANCE.] The commissioner shall administer grants for up to 50 percent of the cost of the activity to be funded, except that grants to the pilot counties shall be for 100 percent of the cost up to \$30,000 of preparing new plans and official controls required under this chapter. *Provided, however, that grants to eligible recipients other than the pilot counties shall not be available until the pilot county program has been completed and a report on the pilot county experiences has been presented to the legislature. This report shall be completed by July 1, 1988.* Grants may not be used to reimburse the recipient for activities that are already completed. Grants may be used to employ and train staff, contract with other units of government or private consultants, and pay other expenses related to promoting and implementing agricultural land preservation and conservation activities. The commissioner shall prepare and publish an inventory of sources of financial assistance. To the extent practicable, the commissioner shall assist recipients in obtaining matching grants from other sources.

Sec. 3. Minnesota Statutes 1986, section 40A.152, subdivision 1, is amended to read:

Subdivision 1. [FEE.] A county that *is a metropolitan county under section 473.121, subdivision 4*, has allowed exclusive agricultural zones to be created under this chapter, ~~that has designated lands eligible for agricultural preserves under section 473H.04~~, or that has elected to become an agricultural land preservation pilot county, shall impose an additional fee of \$3 \$5 per transaction on the recording or registration of a mortgage subject to the tax under section 287.05 and an additional \$3 \$5 on the recording or registration of a deed subject to the tax under section 287.21. One-half of the fee must be deposited in a special conservation account to be created in the county general revenue fund and one-half must be transferred to the commissioner of revenue for deposit in the state treasury and credited to the Minnesota conservation fund.

Sec. 4. Minnesota Statutes 1986, section 40A.152, subdivision 2, is amended to read:

Subd. 2. [USE OF ACCOUNT.] Money from the county conservation account must be spent by the county to reimburse the county and taxing jurisdictions within the county for revenue lost under the conservation tax credit under section 273.119 or the valuation of agricultural preserves under section 473H.10. *If expenditures from other county funds for the same purposes remain at least equal to the amount spent in the previous county budget year*, money remaining in the account after ~~those payments~~ *the reimbursements are made* may be spent for the following purposes:

- (1) agricultural land preservation and conservation planning and implementation of official controls under this chapter or chapter 473H;
- (2) soil conservation activities and enforcement of soil loss ordinances;
- (3) incentives for landowners who create exclusive agricultural use zones;
- (4) payments to municipalities within the county for the purposes of

clauses (1) to (3).

Sec. 5. Minnesota Statutes 1986, section 473H.10, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF TAX; STATE REIMBURSEMENT.] (a) After having determined the market value of all land valued according to subdivision 2, the assessor shall compute the assessed value of those properties by applying the appropriate classification percentages. When computing the rate of tax pursuant to section 275.08, the county auditor shall include the assessed value of land as provided in this clause.

(b) The county auditor shall compute the tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times the total rate of tax for all purposes as provided in clause (a).

(c) The county auditor shall then compute the maximum ad valorem property tax on lands valued according to subdivision 2 and nonresidential buildings by multiplying the assessed value times 105 percent of the previous year's statewide average mill rate levied on property located within townships for all purposes.

(d) The tax due and payable by the owner of preserve land valued according to subdivision 2 and nonresidential buildings will be the amount determined in clause (b) or (c), whichever is less. If the gross tax in clause (c) is less than the gross tax in clause (b), the state shall reimburse the taxing jurisdictions for the amount of difference. Residential buildings shall continue to be valued and classified according to the provisions of sections 273.11 and 273.13, as they would be in the absence of this section, and the tax on those buildings shall not be subject to the limitation contained in this clause.

The county may transfer money from the county conservation account created in section 40A.152 to the county revenue fund to reimburse the fund for the tax lost as a result of this subdivision or to pay taxing jurisdictions within the county for the tax lost. The county auditor shall certify to the commissioner of revenue on or before June 1 the total amount of tax lost to the county and taxing jurisdictions located within the county as a result of this subdivision and the extent that the tax lost exceeds funds available in the county conservation account. Payments shall be made by the state as provided in section 273.13, subdivision 15a to each of the affected taxing jurisdictions if the county conservation account is insufficient to make the reimbursement. There is annually appropriated from the Minnesota conservation fund under section 40A.151 to the commissioner of revenue an amount sufficient to make the reimbursement provided in this subdivision. *If the amount available in the Minnesota conservation fund is insufficient, the balance that is needed is appropriated from the general fund.*

Sec. 6. Minnesota Statutes 1986, section 473H.17, subdivision 1, is amended to read:

Subdivision 1. Land within an agricultural preserve shall be maintained for agricultural production. The average maximum density of residential structures within an agricultural preserve shall not exceed one unit per 40 acres. The location of any new structure shall conform to locally applicable zoning regulations. Commercial and industrial uses shall not be permitted except that ~~small on-farm commercial or industrial operations normally associated with and important to farming in the area may be permitted by~~

~~the~~ as provided in section 7 after the user is issued a permit by the authority. The authority shall be responsible for enforcing this section.

Sec. 7. Minnesota Statutes 1986, section 473H.17, is amended by adding a subdivision to read:

Subd. 1a. [ALLOWED COMMERCIAL AND INDUSTRIAL OPERATIONS.] (a) Commercial and industrial operations are not allowed on land within an agricultural preserve except:

(1) small on-farm commercial or industrial operations normally associated with and important to farming in the agricultural preserve area;

(2) storage use of existing farm buildings that does not disrupt the integrity of the agricultural preserve; and

(3) small commercial use of existing farm buildings for trades not disruptive to the integrity of the agricultural preserve such as a carpentry shop, small scale mechanics shop, and similar activities that a farm operator might conduct.

(b) "Existing" in paragraph (a), clauses (2) and (3), means existing on August 1, 1987.

Sec. 8. Minnesota Statutes 1986, section 473H.17, subdivision 2, is amended to read:

Subd. 2. [DENSITY RESTRICTION AFTER SUBDIVISION.] When a separate parcel is created for a residential structure, commercial, or industrial use permitted under subdivision 1, the parcel shall cease to be an agricultural preserve unless the eligibility requirements of section 473H.03 are met. However, the residential unit separate parcel shall continue to be included in remain under the maximum residential density restrictions in effect for the original preserve at the time it was placed into the preserve until the agricultural preserve status for the original parcel ends.

ARTICLE 8

AGRICULTURAL COMMODITIES UTILIZATION

Section 1. Minnesota Statutes 1986, section 17.03, is amended by adding a subdivision to read:

Subd. 6. [AGRICULTURAL DIVERSIFICATION.] The commissioner shall establish a program of agricultural diversification. The commissioner must assist the horticultural industry, help producers diversify farming operations, and coordinate state agency efforts regarding agricultural diversification, after consulting with farm groups, the University of Minnesota and applicable institutions of higher learning. The commissioner shall report to the governor and legislature annually on activities and actions that should be taken in these matters.

Sec. 2. [17.50] [POLICY.]

The state must explore alternative uses for agricultural products to enable the state's agricultural economy to reach its full potential. The state must promote and encourage cooperative efforts between public and private interests in conducting basic research and disseminating the results on agricultural commodity utilization.

Sec. 2. [AGRICULTURAL COMMODITIES UTILIZATION.]

Subdivision 1. [REVIEW AND STUDY.] The commissioner must review

and study basic research for commodity utilization.

Subd. 2. [CONTACTS.] *In conducting the review and study, the commissioner must contact knowledgeable people in all areas of basic research for commodity utilization including commodity groups, university and research facilities, private industry, farmers, farm groups, and other interested persons as determined by the commissioner.*

Subd. 3. [REPORT.] *The commissioner must prepare a report on the research findings and submit it to the agriculture committees of the legislature by February 1, 1988.*

Subd. 4. [RESPONSIBILITIES.] *The commissioner's report must include recommendations for:*

- (1) defining the parameters of basic research for commodity utilization;*
- (2) identifying appropriate entities to conduct basic research on commodity utilization;*
- (3) establishing a procedure for disseminating information received through research efforts; and*
- (4) the size and scope of state efforts including funding and time schedules.*

ARTICLE 9

APPROPRIATIONS

Section 1. [AGRICULTURAL DATA COLLECTION TASK FORCE.]

\$70,000 is appropriated from the general fund to the legislative advisory commission to fund the activities of the agricultural data collection task force to be available until June 30, 1989.

Sec. 2. [MINNESOTA GROWN MARKETING ACCOUNT.]

\$400,000 is appropriated from the general fund to the Minnesota grown marketing account to be available in the amounts for the fiscal years indicated

1988	1989
\$200,000	\$200,000

Sec. 3. [AGRICULTURAL PRESERVES DEFICIENCY.]

\$90,000 is appropriated from the general fund to the commissioner of revenue to pay for deficiencies in the agricultural preserves program for 1986.

Sec. 4. [AGRICULTURAL LAND PRESERVATION PLANNING GUIDE.]

\$60,000 is appropriated from the general fund to the commissioner of agriculture to provide technical assistance for agricultural land preservation and conservation activities, including preparation and publication of an agricultural land preservation planning handbook for use by local units of government, and for a study and report on the costs of providing public services to agricultural and other land uses.

Sec. 5. [AGRICULTURAL COMMODITIES UTILIZATION.]

\$25,000 is appropriated from the general fund to the commissioner of agriculture to conduct the review, study, and report on agricultural commodities utilization. This appropriation is not effective until it is matched by \$25,000 in private contributions.

Sec. 6. [INTERSTATE COMPACT ON GRAIN MARKETING.]

\$50,000 is appropriated from the general fund to the commissioner of agriculture for payment of financing the operations of the state's portion of the interstate compact on grain marketing.

Sec. 7. [SUSTAINABLE AGRICULTURE CHAIR.]

Subdivision 1. [APPROPRIATION.] \$100,000 is appropriated from the general fund to the University of Minnesota to establish an endowment for a chair in sustainable agriculture subject to the conditions of subdivision 2. This appropriation is to be included in the nonstate sources of endowment under section 137.022, subdivision 3. Sustainable agriculture represents the best aspects of traditional and modern agriculture by utilizing a fundamental understanding of nature, as well as the latest scientific advances to create integrated, self-reliant, resource conserving practices that enhance the enrichment of the environment and provide short- and long-term productive agriculture.

Subd. 2. [PRIVATE CONTRIBUTIONS REQUIRED.] The appropriation under subdivision 1 is not effective until sufficient private contributions or pledges have been made so that the private contributions and pledges, plus the appropriation under subdivision 1, are sufficient to establish the endowment for a chair in sustainable agriculture. The appropriation cancels on June 30, 1992, if sufficient private contributions and pledges have not been made.

Sec. 8. [SWEET SORGHUM RESEARCH.]

\$394,000 is appropriated from the general fund to the state board of vocational technical education for a demonstration project at the Mankato vocational technical institute involving butanol and ethanol production from sweet sorghum, for the biennium ending June 30, 1989.

Sec. 9. [WILD RICE RESEARCH.]

\$48,000 is appropriated from the general fund to the University of Minnesota for the agricultural experimental station to conduct wild rice research to be available until June 30, 1989, as follows:

- | | |
|--|----------|
| (a) for experiments on use of fertilizers | \$10,000 |
| (b) for experiments on the influence of rotation and residue removal on diseases, weeds, and yield | \$10,000 |
| (c) to evaluate cost advantages and effect on yields of leveling and tiling | \$ 8,000 |
| (d) to conduct controlled-site experiments into the advantages of existing and future varieties of wild rice | \$20,000 |

Sec. 10. [STATE BOARD OF VOCATIONAL TECHNICAL EDUCATION.]

Subdivision 1. [STAFF SUPPORT.] \$1,922,500 is appropriated from the general fund to the state board of vocational technical education for the biennium ending June 30, 1989, to provide the following services:

- | | |
|--|------------|
| (1) support staff for farm business management instructors | \$ 202,500 |
|--|------------|

- (2) *additional farm business and small business management programs* \$1,350,000
- (3) *workshops for farmers for marketing, alternative enterprises, and financial management* \$ 200,000
- (4) *staff development workshops* \$ 50,000
- (5) *beginning farmer programs* \$ 120,000

Subd. 2. [FARM OPERATION FINANCIAL PLANNING.] \$112,500 is appropriated from the general fund to the state board of vocational technical education, for the fiscal year ending June 30, 1987, to provide salary and travel to hire 15 support staff knowledgeable in financial planning for farm operations to assist farm business management instructors with unusually heavy workloads due to demand by farmers for assistance with mediation, obtaining credit, application for assistance programs such as interest buy-down, and in areas where bank closures may occur.

These 15 support staff shall be assigned to the area vocational technical institutes where area vocational agricultural coordinators are located. The area vocational agricultural coordinator shall then assign them to farm business management staff in their respective areas.

Funding must be used for salary and travel for up to three months at \$7,500 for each staff person.

Sec. 11. [FARM ADVOCATE PROGRAM.]

\$810,800 is appropriated from the general fund to the commissioner of agriculture in the fiscal years indicated for the farm advocate program for the following purposes:

	1988	1989
(a) <i>Salary contracts</i>	\$350,000	\$350,000
(b) <i>Training, including FINPACK</i>	46,000	25,000
(c) <i>Expenses</i>	23,300	16,500

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

Sec. 12. [RURAL FINANCE AUTHORITY.]

Subdivision 1. [RURAL FINANCE AUTHORITY.] \$300,000 is appropriated from the general fund to the rural finance authority for administering the beginning farmer loan program.

The complement of the authority is increased by _____ positions.

Subd. 2. [DEBT SERVICE.] \$_____ is appropriated from the general fund to the rural finance authority for debt service on general obligation bonds issued for the beginning farmer program."

Delete the title and insert:

"A bill for an act relating to agriculture; amending the rural relief act; allowing an additional method to sell defaulted family farm security property; authorizing rural finance authority participation in a beginning farmer program; providing a homestead redemption loan program; amending duties and powers of the rural finance authority; amending and clarifying the right of farmers who have been foreclosed by corporations to receive an offer to

purchase or lease the farm; clarifying procedures to be used by a corporation offering a farm to a preceding former owner; voiding a waiver of statutory rights of a debtor as a condition for an agricultural production loan; voiding a waiver of mediation, right of first refusal, and mortgage rights of a debtor; providing penalties for persons who enforce voided waivers; amending notification procedures to designate a separate homestead after foreclosure; providing notification and designation of separate tracts of agricultural land after foreclosure; reactivating the agricultural data collection task force; restricting the use of the Minnesota grown labeling; providing a penalty for unauthorized use of the Minnesota grown label; extending the deadline for pilot counties to submit agricultural land preservation plans and controls; increasing a certain portion of fees for recording and registering mortgages and deeds that are deposited into the Minnesota conservation fund; allowing reimbursement to the Minnesota conservation fund from the general fund under certain conditions; allowing certain commercial and industrial use of metropolitan agricultural preserves; establishing a program and policy for agricultural commodities utilization and diversification; appropriating money; amending Minnesota Statutes 1986, sections 17.03, by adding a subdivision; 17.102; 40A.03, subdivision 2; 40A.15, subdivision 4; 40A.152, subdivisions 1 and 2; 41.56, subdivision 4; 41B.01, subdivision 2; 41B.02, subdivisions 4, 5, 6, 9, 11, 13, 14, and 15; 41B.03; 41B.035, subdivision 5, and by adding a subdivision; 41B.04, subdivisions 7, 8, 9, 10, 11, and 12; 41B.05; 41B.08, subdivision 4; 41B.12; 41B.19, subdivisions 5 and 6; 473H.10, subdivision 3; 473H.17, subdivisions 1 and 2, and by adding a subdivision; 500.24, subdivisions 2 and 6, and by adding a subdivision; 582.041, subdivisions 1, 2, 3, and 5; Laws 1985, chapter 19, section 6, subdivision 6, as amended; proposing coding for new law in Minnesota Statutes, chapters 17, 41B, 550, and 582; repealing Minnesota Statutes 1986, sections 41B.02, subdivision 17; 41B.035, subdivision 4; 41B.04, subdivisions 6, 13, 14, 15, and 16."

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

Mr. Davis from the Committee on Agriculture, to which was re-referred

S.F. No. 841: A bill for an act relating to natural resources; conservation reserve program; definitions, eligibility for inclusion, applications, agreements, payments, and other terms and conditions; native prairie bank program; applications, agreements, payments, and other terms and conditions; appropriating funds; amending Minnesota Statutes 1986, sections 40.41; 40.42, subdivision 5, and by adding a subdivision; 40.43, subdivisions 2, 5, 6, and 7; 40.44, subdivisions 2 and 3; 84.943, subdivisions 1, 3, and 5; 84.944, subdivision 1; 84.95, by adding a subdivision; 105.391, subdivision 3; 105.392, subdivisions 1, 2, 3, 4, 5, and 6; proposing coding for new law in Minnesota Statutes, chapter 84.

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

Page 2, after line 17, insert:

"Sec. 4. Minnesota Statutes 1986, section 40.42, is amended by adding a subdivision to read:

Subd. 7. [WINDBREAK.] "Windbreak" means a strip or belt of trees,

shrubs, or grass barriers at least six rows deep and within 300 feet of the right-of-way of a highway."

Page 2, line 27, delete "or"

Page 2, line 34, before the period, insert " ; or "

(4) is land that with a windbreak would be beneficial to resource protection, including protection of marginal land"

Page 2, line 36, before the comma, insert "*except for a windbreak*"

Page 5, line 18, delete "7" and insert "16"

Page 6, after line 22, insert:

"(c) The commissioner of transportation must provide technical advice and assistance to the commissioners of agriculture and natural resources on the planting of windbreaks adjacent to highways."

Page 6, delete section 9

Page 8, after line 30, insert:

"Sec. 14. Minnesota Statutes 1986, section 84.95, subdivision 2, is amended to read:

Subd. 2. [PURPOSES AND EXPENDITURES.] Money from the reinvest in Minnesota resources fund may only be spent for the following fish and wildlife conservation enhancement purposes:

(1) development and implementation of the comprehensive fish and wildlife management plan under section 84.942;

(2) implementation of the conservation reserve program established by section 40.43;

(3) soil and water conservation practices to improve water quality, reduce soil erosion and crop surpluses;

(4) enhancement of fish and wildlife habitat on lakes, streams, wetlands, and public and private forest lands;

(5) acquisition and development of public access sites and recreation easements to lakes, streams, and rivers for fish and wildlife oriented recreation;

(6) matching funds with government agencies, *federally recognized Indian tribes and bands*, and the private sector for acquisition and improvement of fish and wildlife habitat;

(7) research and surveys of fish and wildlife species and habitat;

(8) enforcement of natural resource laws and rules;

(9) information and education;

(10) implementing the aspen recycling program under section 88.80; and

(11) necessary support services to carry out these purposes."

Page 10, lines 4 to 11, reinstate the stricken language

Page 10, line 12, reinstate the stricken "benefits" and after the reinstated "benefits" insert "*from agricultural use*" and reinstate the stricken "to the owner or owners which would result from"

Page 10, lines 13 to 17, reinstate the stricken language

Page 13, line 1, reinstate the stricken "shall (1) make" and after the stricken "payment" insert "payments" and reinstate the stricken "to the"

Page 13, lines 2 to 4, reinstate the stricken language

Page 13, line 5, delete "must"

Page 13, lines 7 to 10, reinstate the stricken language

Page 13, line 10, after the reinstated "program" insert a period

Page 13, line 11, after "must" insert "offer to" and after "make" insert "as a minimum,"

Page 14, delete section 22

Page 16, after line 25, insert:

"Sec. 25. [84.961] [PRAIRIE LAND MANAGEMENT.]

Subdivision 1. [NATIVE PRAIRIE VALUES.] The commissioner of natural resources must recognize the values of native prairie resources taking into consideration the wildlife, scientific, erosion control, educational, and recreational benefits of native prairie.

Subd. 2. [PLANNING.] The commissioner must plan for management, development and restoration of:

(1) prairie land under the commissioner's jurisdiction; and

(2) prairie landscape reserves comprised of an integrated network of protected prairie lands, prairie restoration sites, and private prairie lands.

Subd. 3. [PRAIRIE LANDSCAPE RESERVES.] The commissioner must develop and manage permanent prairie landscape reserves to maintain the native plant and animal populations, landscape features, and habitat types that are characteristic of intact native prairie ecosystems. Management practices may include haying and grazing.

Subd. 4. [PRAIRIE BIOLOGIST.] The position of prairie biologist is established in the department of natural resources as part of the scientific and natural areas program to plan, develop, and manage native prairie reserves and prairie land. The prairie biologist shall be located within the prairie region.

Sec. 26. [84.963] [PRAIRIE PLANT SEED PRODUCTION AREAS.]

The commissioner of natural resources shall study the feasibility of establishing private or public prairie plant seed production areas within prairie land locations. If prairie plant seed production is feasible, the commissioner may aid the establishment of production areas. The commissioner may enter cost-share or sharecrop agreements with landowners having easements for conservation purposes of ten or more years on their land to commercially produce prairie plant seed of Minnesota origin. The commissioner may aid prairie plant seed production areas only on agricultural land used to produce crops before December 23, 1985, and cropped three out of five years between 1981 and 1985.

Sec. 27. [EXISTING AND NEW EMERGENCY RULES.]

The commissioner of agriculture may adopt emergency rules to implement this act. The emergency rules adopted on August 27, 1986, shall

Purfeerst and Knaak be added as co-authors to S.F. No. 2. The motion prevailed.

Mr. Frederickson, D.R. moved that the name of Mr. Beckman be added as a co-author to S.F. No. 370. The motion prevailed.

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

Mr. Wegscheid moved that the name of Mr. Storm be added as a co-author to S.F. No. 834. The motion prevailed.

Mrs. Lantry moved that the name of Mr. Pehler be added as a co-author to S.F. No. 1048. The motion prevailed.

Ms. Reichgott moved that the name of Mr. Knaak be added as a co-author to S.F. No. 1142. The motion prevailed.

Ms. Peterson, D.C. moved that the names of Messrs. Marty; Moe, D.M. and DeCramer be added as co-authors to S.F. No. 1309. The motion prevailed.

Mr. Vickerman moved that the name of Mr. Renneke be added as a co-author to S.F. No. 1349. The motion prevailed.

Ms. Berglin moved that the names of Messrs. Samuelson, Benson and Knutson be added as co-authors to S.F. No. 1396. The motion prevailed.

Mr. Metzen moved that the name of Mr. Jude be added as a co-author to S.F. No. 1428. The motion prevailed.

Mr. Dahl moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1430. The motion prevailed.

Mr. Pehler introduced—

Senate Resolution No. 53: A Senate resolution congratulating the Huskies men's basketball team from St. Cloud State University for winning the North Central Conference title.

Referred to the Committee on Rules and Administration.

Messrs. Belanger and Freeman introduced—

Senate Resolution No. 54: A Senate resolution congratulating the Jefferson Jaguars Boys Basketball Team of Bloomington for winning the 1987 Class AA Boys State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Mr. Bertram introduced—

Senate Resolution No. 55: A Senate resolution congratulating the Spartans girls basketball team from Rocori High School, Cold Spring, for winning second place in the 1987 Class AA State High School Basketball Championship.

Referred to the Committee on Rules and Administration.

Mr. Davis moved that S.F. No. 1 be withdrawn from the Committee on Rules and Administration. The motion prevailed.

Mr. Moe, R.D. moved that the report from the Committee on Governmental Operations, on S.F. No. 1, reported in the Journal Thursday, April

9, 1987, be now adopted. The motion prevailed. Amendments adopted. Report adopted.

CALENDAR

S.F. No. 63: A bill for an act relating to motor vehicles; providing that passenger automobile license plates be issued for a six-year period; providing for license plate replacement fees; amending Minnesota Statutes 1986, section 168.12, subdivisions 1, 2a, and 5; repealing Minnesota Statutes 1986, section 168.12, subdivisions 3 and 4.

Pursuant to Rule 22, Mr. Waldorf moved to be excused from voting on all matters pertaining to S.F. No. 63. The motion prevailed.

S.F. No. 63 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 34 and nays 29, as follows:

Those who voted in the affirmative were:

Anderson	Dicklich	Johnson, D.J.	Mehrkens	Piper
Belanger	Diessner	Knutson	Metzen	Purfeerst
Bernhagen	Frederick	Laidig	Moe, D.M.	Schmitz
Brataas	Frederickson, D.J.	Lantry	Moe, R.D.	Storm
Chmielewski	Freeman	Larson	Novak	Taylor
Cohen	Hughes	Lessard	Olson	Wegscheid
DeCramer	Johnson, D.E.	McQuaid	Pehler	

Those who voted in the negative were:

Adkins	Dahl	Langseth	Peterson, R.W.	Solon
Beckman	Davis	Luther	Pogemiller	Spear
Berg	Frank	Marty	Ramstad	Stumpf
Berglin	Frederickson, D.R.	Merriam	Reichgott	Vickerman
Bertram	Jude	Morse	Renneke	Willet
Brandl	Kroening	Peterson, D.C.	Samuelson	

So the bill passed and its title was agreed to.

S.F. No. 593: A bill for an act relating to human services; clarifying statutes relating to the preadmission screening program; amending Minnesota Statutes 1986, section 256B.091, subdivisions 2, 3, 4, 6, and 8.

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	Davis	Knutson	Moe, D.M.	Renneke
Anderson	DeCramer	Kroening	Moe, R.D.	Samuelson
Beckman	Dicklich	Laidig	Morse	Schmitz
Belanger	Diessner	Langseth	Novak	Solon
Berg	Frank	Lantry	Olson	Spear
Berglin	Frederick	Larson	Pehler	Storm
Bernhagen	Frederickson, D.J.	Lessard	Peterson, D.C.	Stumpf
Bertram	Frederickson, D.R.	Luther	Peterson, R.W.	Taylor
Brandl	Freeman	Marty	Piper	Vickerman
Brataas	Hughes	McQuaid	Pogemiller	Waldorf
Chmielewski	Johnson, D.E.	Mehrkens	Purfeerst	Wegscheid
Cohen	Johnson, D.J.	Merriam	Ramstad	Willet
Dahl	Jude	Metzen	Reichgott	

So the bill passed and its title was agreed to.

S.F. No. 248: A bill for an act relating to elections; ensuring the availability of absentee ballots for statewide elections; amending Minnesota Statutes 1986, sections 40.05, subdivision 3; 203B.05, subdivision 2; 204B.09,

subdivision 2; 204B.35, subdivision 4; 205.065, subdivisions 2 and 3; and 205.13, subdivision 1.

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 65 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Reichgott
Anderson	DeCramer	Knutson	Moe, D.M.	Renneke
Beckman	Dicklich	Kroening	Moe, R.D.	Samuelson
Belanger	Diessner	Laidig	Morse	Schmitz
Berg	Frank	Langseth	Novak	Solon
Berglin	Frederick	Lantry	Olson	Spear
Bernhagen	Frederickson, D.J.	Larson	Pehler	Storm
Bertram	Frederickson, D.R.	Lessard	Peterson, D.C.	Stumpf
Brandl	Freeman	Luther	Peterson, R.W.	Taylor
Brataas	Hughes	Marty	Piper	Vickerman
Chmielewski	Johnson, D.E.	McQuaid	Pogemiller	Waldorf
Cohen	Johnson, D.J.	Mehrkins	Purfeerst	Wegscheid
Dahl	Jude	Merriam	Ramstad	Willet

So the bill passed and its title was agreed to.

S.F. No. 557: A bill for an act relating to Ramsey county; providing for a charter commission to recommend a form of county government and providing for its adoption.

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 54 and nays 9, as follows:

Those who voted in the affirmative were:

Anderson	DeCramer	Jude	Moe, R.D.	Samuelson
Beckman	Dicklich	Knutson	Morse	Schmitz
Belanger	Diessner	Langseth	Olson	Solon
Berg	Frank	Lantry	Pehler	Spear
Berglin	Frederick	Larson	Peterson, D.C.	Stumpf
Bernhagen	Frederickson, D.J.	Lessard	Piper	Taylor
Bertram	Frederickson, D.R.	Luther	Pogemiller	Vickerman
Chmielewski	Freeman	Marty	Purfeerst	Waldorf
Cohen	Hughes	McQuaid	Ramstad	Wegscheid
Dahl	Johnson, D.E.	Mehrkins	Reichgott	Willet
Davis	Johnson, D.J.	Metzen	Renneke	

Those who voted in the negative were:

Brandl	Knaak	Laidig	Moe, D.M.	Storm
Brataas	Kroening	Merriam	Peterson, R.W.	

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 464: A bill for an act relating to natural resources; authorizing counties to retain certain fees for the issuance of cross country ski licenses; amending Minnesota Statutes 1986, section 85.41, 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 61 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knutson	Moe, R.D.	Solon
Anderson	DeCramer	Laidig	Morse	Spear
Beckman	Dicklich	Langseth	Olson	Storm
Belanger	Frank	Lantry	Pehler	Stumpf
Berg	Frederick	Larson	Peterson, D.C.	Taylor
Berglin	Frederickson, D.J.	Lessard	Peterson, R.W.	Vickerman
Bernhagen	Frederickson, D.R.	Luther	Piper	Waldorf
Bertram	Freeman	Marty	Purfeerst	Wegscheid
Brandl	Hughes	McQuaid	Ramstad	Willet
Brataas	Johnson, D.E.	Mehrkens	Reichgott	
Chmielewski	Johnson, D.J.	Merriam	Renneke	
Cohen	Jude	Metzen	Samuelson	
Dahl	Knaak	Moe, D.M.	Schmitz	

Mr. Kroening voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 614: A bill for an act relating to natural resources; authorizing the commissioner to set the date for "Take a Kid Fishing Weekend"; amending Minnesota Statutes 1986, section 97A.445, subdivision 1.

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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Knaak	Metzen	Samuelson
Anderson	DeCramer	Knutson	Moe, D.M.	Schmitz
Beckman	Dicklich	Kroening	Moe, R.D.	Spear
Belanger	Diessner	Laidig	Morse	Storm
Berg	Frank	Langseth	Olson	Stumpf
Berglin	Frederick	Lantry	Pehler	Taylor
Bernhagen	Frederickson, D.J.	Larson	Peterson, D.C.	Vickerman
Bertram	Frederickson, D.R.	Lessard	Peterson, R.W.	Waldorf
Brandl	Freeman	Luther	Piper	Wegscheid
Brataas	Hughes	Marty	Purfeerst	Willet
Chmielewski	Johnson, D.E.	McQuaid	Ramstad	
Cohen	Johnson, D.J.	Mehrkens	Reichgott	
Dahl	Jude	Merriam	Renneke	

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. 250, 1015, 348, 737, 424, 1110, 916, 494, 793 and H.F. Nos. 554 and 469, which the committee recommends to pass.

H.F. No. 28, which the committee recommends to pass, subject to the following motion:

Mr. Cohen moved that the amendment made to H.F. No. 28 by the Committee on Rules and Administration in the report adopted March 30, 1987, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

S.F. No. 783, which the committee recommends to pass with the following amendment offered by Mr. Solon:

Page 1, line 16, after "includes" insert "(1)"

Page 1, line 18, strike ", and" and insert "; (2)"

Page 1, line 21, strike the the period and delete "*Minimum 911*" and insert "; and (3)"

Page 1, line 22, delete "*service also includes the*"

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. Merriam, Knutson, Novak, Renneke and Metzen introduced—

S.F. No. 1440: A bill for an act relating to motor vehicles; providing for authority to levy wheelages taxes in metropolitan counties; repealing certain mandatory levy reductions; amending Minnesota Statutes 1986, section 163.051.

Referred to the Committee on Transportation.

Mr. Moe, R.D. introduced—

S.F. No. 1441: A bill for an act relating to taxation; property; allowing the county board to grant a reduction in property taxes on nonhomestead property that is accidentally destroyed; amending Minnesota Statutes 1986, section 273.123, subdivision 7.

Referred to the Committee on Taxes and Tax Laws.

Mr. Pehler, Mrs. Adkins and Mr. Frank introduced—

S.F. No. 1442: A bill for an act relating to railroads; providing reporting and disclosure requirements for railroad acquisitions; preserving contracts between acquiring railroad carriers and shippers, governmental entities, and labor organizations; proposing coding for new law in Minnesota Statutes, chapter 222.

Referred to the Committee on Employment.

Ms. Piper introduced—

S.F. No. 1443: A bill for an act relating to vocational rehabilitation; establishing a legislative commission to study and make recommendations regarding job and training options for persons with mental illness; appropriating funds.

Referred to the Committee on Health and Human Services.

Ms. Piper introduced—

S.F. No. 1444: A bill for an act relating to veterans affairs; requiring a study on the use of regional treatment centers to provide care to veterans.

Referred to the Committee on Veterans.

Mr. Willet introduced—

S.F. No. 1445: A bill for an act relating to natural resources; defining state forest management roads; providing for the establishment, construction, administration, and maintenance of state forest management roads; amending Minnesota Statutes 1986, sections 89.001, by adding a subdivision; and 89.19; proposing coding for new law in Minnesota Statutes, chapter 89.

Referred to the Committee on Environment and Natural Resources.

Messrs. Benson, Mehrkens and Larson introduced—

S.F. No. 1446: A bill for an act relating to education; proposing initiatives in testing, teaching, teacher choice, and school based management; appropriating money; amending Minnesota Statutes 1986, sections 121.11, subdivision 8; 121.165; 121.20; 123.3514, subdivisions 2, 3, and 4; 123.39, by adding a subdivision; 123.58, subdivision 8; 124A.036, by adding a subdivision; 125.185, by adding subdivisions; and 126.70, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 121; 125; and 126.

Referred to the Committee on Education.

Messrs. Stumpf, Wegscheid and Hughes introduced—

S.F. No. 1447: A bill for an act relating to education; authorizing the legislative commission on public education to contract for a project; requiring reports; appropriating money.

Referred to the Committee on Education.

Messrs. Frederick, Taylor and Beckman introduced—

S.F. No. 1448: A bill for an act relating to appropriations; appropriating funds to the city of Waseca for lake rehabilitation.

Referred to the Committee on Environment and Natural Resources.

Messrs. Novak and Pogemiller introduced—

S.F. No. 1449: A bill for an act relating to taxation; requiring a registration certificate for park trailers; imposing a registration tax on park trailers; requiring unregistered park trailers to pay property tax; imposing motor vehicle excise tax on park trailers; providing that motor vehicle dealers may sell park trailers; amending Minnesota Statutes 1986, sections 168.011, subdivisions 4 and 8; 168.012, subdivision 9; 168.013, subdivision 1, and by adding a subdivision; 168.053, subdivision 2; 168.27, subdivision 1; and 297B.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 168.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Stumpf, Berg and Bertram introduced—

S.F. No. 1450: A bill for an act relating to game and fish; establishing game refuge advisory committees; proposing coding for new law in Min-

nesota Statutes, chapter 97A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Benson; Frederickson, D.R. and Larson introduced—

S.F. No. 1451: A bill for an act relating to taxation; property; modifying the method of determining certain adjusted assessed value; modifying the method of determining agricultural market value for property tax purposes; amending Minnesota Statutes 1986, sections 124.2131, subdivision 1; and 273.11, subdivision 1, and by adding a subdivision.

Referred to the Committee on Agriculture.

Messrs. Fredrickson, D.J. and Langseth introduced—

S.F. No. 1452: A bill for an act relating to state departments and agencies; abolishing the Minnesota humane society as a state agency and authorizing its formation as a state federation of county and district societies; providing for the powers and duties of county and district societies and for the prevention of cruelty to animals; amending Minnesota Statutes 1986, sections 16B.51, subdivision 1; 43A.27, subdivision 2; 343.01; 343.06; 343.10; 343.12; 343.22, subdivision 1; 343.29, subdivision 1; 346.37, subdivision 6; and 347.37; repealing Minnesota Statutes 1986, section 343.08.

Referred to the Committee on General Legislation and Public Gaming.

Ms. Piper, Mr. Vickerman, Ms. Berglin, Mr. Beckman and Mrs. Adkins introduced—

S.F. No. 1453: A bill for an act relating to human services; requiring notification to spouse of nursing home resident; amending Minnesota Statutes 1986, section 256B.48, by adding a subdivision.

Referred to the Committee on Health and Human Services.

Messrs. Beckman, DeCramer, Lessard, Benson and Gustafson introduced—

S.F. No. 1454: A bill for an act relating to small business; authorizing the bureau of small business within the department of energy and economic development to engage in certain collaborative activities with small business development centers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Referred to the Committee on Economic Development and Housing.

Messrs. Waldorf, Vickerman, Benson and Moe, R.D. introduced—

S.F. No. 1455: A bill for an act relating to human services; providing an incentive for refinancing of nursing home debt; authorizing a limited grandfather for those nursing homes over the rental rate; allowing nursing homes receiving less than the rental to receive an accelerated phase-up to the rental rate; defining changes of ownership and reorganization of a provider entity; amending Minnesota Statutes 1986, sections 256B.421; and 256B.431, by adding subdivisions.

Referred to the Committee on Health and Human Services.

Mr. Langseth introduced—

S.F. No. 1456: A bill for an act relating to boilers; regulating allowable pressure in stationary show boilers; amending Minnesota Statutes 1986, section 183.56.

Referred to the Committee on Employment.

Mr. Cohen introduced—

S.F. No. 1457: A bill for an act relating to public safety; providing for access to criminal justice datacommunications network and defining purposes for its use; amending Minnesota Statutes 1986, sections 299C.46, subdivision 3; and 299C.48.

Referred to the Committee on Judiciary.

Mr. Langseth introduced—

S.F. No. 1458: A bill for an act relating to commerce; modifying various statutory fees collected by the commissioner; amending Minnesota Statutes 1986, sections 60A.14, subdivision 1; 60A.206, subdivision 2; 60A.23, subdivision 7; 70A.14, subdivision 4; 83.23, subdivisions 2 and 3; 83.30, subdivision 2; and 332.33, subdivisions 3 and 4.

Referred to the Committee on Commerce.

Messrs. Frederickson, D.J. and DeCramer introduced—

S.F. No. 1459: A bill for an act relating to education; appropriating money to the department of education for independent school district No. 892, Clarkfield and independent school district No. 775, Kerkhoven.

Referred to the Committee on Education.

Messrs. Vickerman and DeCramer introduced—

S.F. No. 1460: A bill for an act relating to education; appropriating money to the department of education for a grant to the Des Moines river valley telecommunications project.

Referred to the Committee on Education.

Messrs. Frederickson, D.J. and DeCramer introduced—

S.F. No. 1461: A bill for an act relating to education; appropriating money for a grant for the Redwood county telecommunications network.

Referred to the Committee on Education.

Mr. Dahl introduced—

S.F. No. 1462: A bill for an act relating to housing; enabling counties and cities to establish low income housing trust funds; assessing a mortgage registry tax to finance the low income housing trust fund, and providing for the uses of the funds; amending Minnesota Statutes 1986, sections 287.05, by adding a subdivision; and 287.12; proposing coding for new law in Minnesota Statutes, chapters 373 and 462.

Referred to the Committee on Economic Development and Housing.

MEMBERS EXCUSED

Mr. Benson was excused from the Session of today. Mr. Gustafson was excused from the Session of today from 2:00 to 3:00 p.m. Mr. Knaak was excused from the Session of today from 2:15 to 2:30 p.m.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:00 noon, Wednesday, April 15, 1987. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate