

SIXTY-FIFTH DAY

St. Paul, Minnesota, Monday, March 7, 1988

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. LeRoy Haynes.

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Mrs. McQuaid was excused from the Session of today. Mr. Vickerman was excused from the Session of today from 2:15 to 2:30 p.m.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted with the exception of the report on S.F. No. 335. The motion prevailed.

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

S.F. No. 1086: A bill for an act relating to commerce; permitting certain charitable trusts to dispose of certain bank assets; proposing coding for new law in Minnesota Statutes, chapter 501.

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

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

S.F. No. 2114: A bill for an act relating to crimes; requiring a warning label on replica firearms; proposing coding for new law in Minnesota Statutes, chapter 325F

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

Page 1, line 9, delete "*made of plastic*,"

Page 1, line 10, delete everything before "*that*"

Page 1, line 17, after "*affixed*" insert "*at the time of packaging*"

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

Mr. Bertram from the Committee on Veterans, to which was referred

S.F. No. 2126: A bill for an act relating to veterans; providing for treatment of certain veterans convicted of crimes who suffer from posttraumatic stress disorder; amending Minnesota Statutes 1987 Supplement, sections 609.115, subdivision 1; and 609.135, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Mr. Bertram from the Committee on Veterans, to which was referred

S.F. No. 1603: A bill for an act relating to motor vehicles; providing that adjutant general may retain special national guard license plates on leaving office; amending Minnesota Statutes 1986, section 168.12, subdivision 2c.

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

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

S.F. No. 1732: A bill for an act relating to labor; regulating the labor-management committee grant program; amending Minnesota Statutes 1986, sections 179.81, subdivisions 2 and 4; 179.82; 179.83, subdivision 1; 179.84, subdivision 1; and 179.85; repealing Minnesota Statutes 1986, sections 179.83, subdivision 2; and 179.84, subdivision 2.

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

Page 3, line 8, strike "director" and insert "*commissioner*"

Page 4, line 5, strike everything before the second "in"

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

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

S.F. No. 2011: A bill for an act relating to labor; providing comparable worth compensation for certain employees in semi-independent living service, developmental achievement center, and intermediate care facility for the mentally retarded programs; authorizing a study; 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. [COMPARABLE WORTH STUDY.]

The commissioner of the department of employee relations shall conduct or contract for a job evaluation study to determine the comparable worth value of direct care staff positions in intermediate care facilities for the mentally retarded, waived residential services, semi-independent living service programs, and developmental achievement centers that are licensed by the department of human services or by a county.

The study shall be completed and reported to the legislature by March 1, 1989.

Sec. 2. [SCOPE.]

The study must consider the wages and benefits paid to employees in the settings described in section 1, as compared to those paid in the public, private, and educational sectors. The report must make recommendations to the legislature on disparity of wages and benefits and recommend for consideration by the legislature possible methods for movement towards comparable worth wages and benefits by both the state and counties.

Sec. 3. [APPROPRIATIONS.]

\$.... is appropriated from the general fund to the commissioner of employee relations for the purpose of the study specified in section 1."

Delete the title and insert:

"A bill for an act relating to labor; providing comparable worth compensation for certain employees in day activities centers, semi-independent living services, waived residential services, and intermediate care facilities for the mentally retarded; authorizing a study; appropriating money."

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. 1719: A bill for an act relating to occupational safety and health; regulating penalties for violations; amending Minnesota Statutes 1986, section 182.666, subdivisions 3, 5a, and 7; Minnesota Statutes 1987 Supplement, section 182.666, subdivisions 1, 2, 4, and 5.

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

Page 1, line 15, delete "\$20,000" and insert "\$15,000"

Page 1, line 22, delete "\$2,000" and insert "\$1,500"

Page 1, line 25, delete "\$10,000" and insert "\$15,000"

Page 2, lines 6, 17, 24, and 28, delete "\$2,000" and insert "\$1,500"

Page 2, line 30, delete "\$400" and insert "\$300"

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. 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.

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

Delete everything after the enacting clause and insert:

"Section 1. [222.85] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 1 to 5, the following terms have the meanings given them in this section.

Subd. 2. [ACQUIRING CARRIER.] "Acquiring carrier" means a business entity that acquires by purchase, lease, or other device a line of railroad with the intent of operating it for the purpose of continuing the commercial transportation of goods or passengers over the line.

Subd. 3. [LABOR ORGANIZATION.] "Labor organization" has the meaning given it in the Labor-Management Reporting and Disclosure Act, United States Code, title 29, section 402, and certified under the Railway Labor Act, United States Code, title 45, sections 151 to 163.

Subd. 4. [DIVESTING CARRIER.] "Divesting carrier" means a common carrier or business entity engaged in transportation of goods by rail that divests a line of railroad by sale, lease, or other device.

Sec. 2. [222.86] [ACQUISITION REPORTING AND DISCLOSURE.]

Subdivision 1. [NOTICE OF EXEMPT TRANSACTION.] An acquiring or divesting carrier shall file a notice of intent with the office of the attorney general and with the department of transportation whenever an exempt transaction under Code of Federal Regulations, title 49, section 1150.31, is contemplated.

Subd. 2. [IDENTITY AND FINANCIAL INFORMATION.] The notice must designate the complete private or corporate identity of the acquiring carrier, the complete identity of the divesting carrier, and a thorough description of the line of railroad involved in the proposed transaction. Copies of the sale or lease contract, market and feasibility studies, and full financial information as to the acquiring carrier must be attached to the notice. All information is confidential and may not be divulged to outside parties.

Subd. 3. [APPLICABILITY TO REQUIREMENTS OF LAW.] Acquiring and divesting carriers shall attend conferences with the office of the attorney general or the department of transportation upon reasonable notice

and respond to questions and requests for information that are reasonably related or reasonably calculated to lead to information related to the issue of whether the proposed transaction is consistent with the requirements of the Interstate Commerce Act and other applicable federal and state law.

Subd. 4. [TAX CONSEQUENCES.] The acquiring and divesting carriers shall file a confidential disclosure of tax consequences with the commissioner of revenue whenever an exempt transaction under Code of Federal Regulations, title 49, section 1150.31, is contemplated. Designated representatives of the carrier shall attend conferences with the department of revenue upon reasonable notice and respond to questions and requests for information that are reasonably related or reasonably calculated to lead to information related to the revenue impact of the proposed transaction.

Sec. 3. [222.87] [PRESERVATION OF CONTRACTS AND LEGAL STATUS.]

Subdivision 1. [SHIPPING CONTRACTS.] An acquiring carrier succeeds to and is bound by the contracts, agreements, and understandings between the divesting carrier and any shipper within this state for a period equaling the stated term of the contract or six months, whichever is greater.

Subd. 2. [GOVERNMENT CONTRACTS.] An acquiring carrier succeeds to and is bound by the contracts, agreements, and understandings between the divesting carrier and the state of Minnesota and any governmental subdivision for a period equal to the stated term of the contract, agreement, or understanding or six months, whichever is greater.

Subd. 3. [CONSTRUCTION.] This section does not alter, and shall not be construed to alter, the rights of all parties to renegotiate contracts under subdivisions 1 and 2 at any time mutually agreeable.

Sec. 4. [222.88] [RIGHTS OF NONACQUIRED EMPLOYEES.]

Subdivision 1. [COMPENSATION.] Any employee of a divesting carrier requesting to be but not hired by the acquiring carrier is entitled to compensation for up to two years of retraining benefits payable as follows:

(1) tuition, fees, and books, up to \$7,500 per year, provided bills are submitted; and

(2) a living allowance of \$1,000 per month in cases where the employee is married, separated, or divorced, or \$650 per month in cases where the employee is single.

Subd. 2. [FUNDING.] The compensation required under subdivision 1 shall be jointly and equally funded by the acquiring and divesting carriers.

Sec. 5. [222.89] [PRIORITY OF HIRING ORDER.]

Any acquiring carrier under sections 1 to 4 shall give first right of hire, in seniority order, to employees of the divesting carrier in the following order of descending priorities:

(1) employees of the divesting carrier performing service in connection with the subject lines;

(2) employees of the divesting carrier displaced by the employees described in clause (1) exercising their seniority within the divesting carrier's lines; and

(3) any furloughed employee of the divesting carrier."

Delete the title and insert:

"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; providing compensation to nonacquired employees; establishing priority order for hiring by the acquiring carrier; proposing coding for new law in Minnesota Statutes, chapter 222."

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

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

S.F. No. 1864: A bill for an act relating to public safety; creating division of elevator inspection in the department of labor and industry; providing for duties, powers, and fees; providing for annual, statewide, certified inspections of elevators by qualified inspectors; allowing municipalities with qualified elevator inspection programs to be exempt from state inspection; prescribing a penalty; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 183.

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

Page 2, line 6, delete "*The commissioner shall*"

Page 2, delete lines 7 to 9

Page 2, line 10, delete everything before "*The*" and delete "*may*" and insert "*is authorized to*"

Page 2, lines 18 and 30, delete "*annual*" and insert "*periodic*"

Page 2, line 26, delete "*shall*" and insert "*must*"

Page 3, line 25, delete the colon and delete "*an annual*" and insert "*a periodic*"

Amend the title as follows:

Page 1, line 5, delete "*annual*" and insert "*periodic*"

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

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

S.F. No. 2039: A bill for an act relating to employment; regulating youth employment programs; providing for compensation at the state or federal minimum wage; regulating employment contracts; amending Minnesota Statutes 1986, sections 268.31, 268.32, and 268.34.

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

Page 1, line 21, after the period, insert "*The amount spent on support services in any one fiscal year may not exceed 15 percent of the total annual appropriation for this program.*"

Page 2, line 3, after the stricken period, insert "*The maximum number*

of hours that an individual may be employed in a position supported under this program is 480 hours."

Page 2, after line 12, insert:

"Sec. 2. [268.315] [WORKER DISPLACEMENT PROHIBITED.]

Subdivision 1. [LAYOFFS; WORK REDUCTIONS.] An employer who employs a person under section 268.31 may not terminate, lay off, or reduce the working hours of an employee for the purpose of hiring a person with funds available under section 268.31.

Subd. 2. [HIRING DURING LAYOFFS.] An employer may not hire a person with funds available under section 268.31 if any other person is on layoff from the same or a substantially equivalent job."

Page 2, line 29, strike "summer"

Page 2, line 36, delete "3" and insert "4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 268"

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

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

S.F. No. 2117: A bill for an act relating to employment; allowing certain nonlicensed facilities to perform breath tests for alcohol; amending Minnesota Statutes 1987 Supplement, section 181.951, 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 1987 Supplement, section 181.953, subdivision 1, is amended to read:

Subdivision 1. [USE OF LICENSED LABORATORY REQUIRED.] (a) An employer who requests or requires an employee or job applicant to undergo drug or alcohol testing shall use the services of a testing laboratory licensed by the commissioner under this subdivision.

(b) The commissioner shall adopt rules by January 1, 1988, governing:

(1) standards for licensing, suspension, and revocation of a license;

(2) body component samples that are appropriate for drug and alcohol testing;

(3) procedures for taking a sample that ensure privacy to employees and job applicants to the extent practicable, consistent with preventing tampering with the sample;

(4) methods of analysis and procedures to ensure reliable drug and alcohol testing results, including standards for initial screening tests and confirmatory tests;

(5) threshold detection levels for drugs, alcohol, or their metabolites for purposes of determining a positive test result;

(6) chain-of-custody procedures to ensure proper identification, labeling, and handling of the samples being tested; and

(7) retention and storage procedures to ensure reliable results on confirmatory tests or confirmatory retests of original samples.

(c) With respect to paragraph (b), clause (4), the rules must allow testing for alcohol by breath test as an initial screening test, provided that the results are confirmed by blood analysis.

(d) (e) The commissioner shall also grant licenses to laboratories conducting drug and alcohol testing that are located in another state, provided that either: (1) the laboratory is licensed by the other state or by a federal agency to conduct drug and alcohol testing and the other state's or federal agency's rules governing standards, methods, and procedures meet or exceed those adopted under this subdivision; or (2) the laboratory has agreed in writing with the commissioner to comply with the rules adopted under this subdivision. A laboratory licensed under this paragraph must also, as a condition of obtaining and retaining a license, agree in writing with the commissioner to comply with the other requirements for laboratories set forth in sections 181.950 to 181.954 and to be subject to the remedies set forth in section 181.956.

(d) (e) The commissioner shall charge laboratories an annual license fee. The fee may vary depending on the number of Minnesota employee samples tested annually at a laboratory. Fee receipts must be deposited in the state treasury and credited to a special account and are appropriated to the commissioner to administer this subdivision and to purchase or lease laboratory equipment as accumulated fee receipts make equipment purchases or leases possible. Notwithstanding section 144.122, the commissioner shall set the license fee at an amount so that the total fees collected will recover the costs of administering this subdivision and allow an additional amount to be credited to the special account each year sufficient to allow the commissioner to obtain appropriate laboratory equipment for use in administering this subdivision by July 1, 1994.

Sec. 2. Minnesota Statutes 1987 Supplement, section 181.953, subdivision 2, is amended to read:

Subd. 2. [TRANSITIONAL LABORATORY REQUIREMENTS.] Before rules are adopted and licenses issued under subdivision 1, an employer may use the services of a nonlicensed testing laboratory that agrees in writing with the commissioner to comply with the following requirements:

(1) The director of the laboratory must be a full-time employee of the laboratory and must possess a doctoral or master's degree in biological or medical science and have at least three years experience in an analytical toxicology laboratory.

(2) The laboratory must be participating in and continuing to demonstrate satisfactory performance in the drug proficiency testing program of the college of American pathology or American association for clinical chemists.

(3) The drug and alcohol testing must be limited to analysis of a sample of blood or urine from the employer or job applicant subject to testing; *except that testing for alcohol may include a breath test as an initial screening test, provided that the results are confirmed by blood analysis.*

(4) The methods of analysis for drug and alcohol testing are limited to any combination of methods using immuno-chemical technology or chromatography for initial screening tests, ~~confirmed except as otherwise allowed under clause (3). Confirmation must be by~~ gas chromatography/mass spectrometry; except that, where gas ~~chromatography/mass chromatography/~~ mass spectrometry is not the scientifically accepted method of choice, the test must be confirmed by a method using some form of chromatography. ~~Testing for alcohol may include a breath test as an initial screening test, provided that the results are confirmed by blood analysis.~~

(5) The laboratory must have in writing and use laboratory chain-of-custody procedures that ensure reliable and properly handled and identified testing results.

(6) All initial screening test, confirmatory test, and confirmatory retest results must be reviewed and certified as accurate by a qualified scientist.

(7) A test report must indicate the drugs, alcohol, or their metabolites tested for and whether the test produced negative or positive test results.

(8) The laboratory must provide the commissioner with information requested by the commissioner regarding the laboratory's current operations and activities relating to drug and alcohol testing.

(9) The laboratory must agree to comply with the requirements for laboratories set forth in sections 181.950 to 181.954 and to be subject to the remedies set forth in section 181.956.

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, delete line 5 and insert "181.953, subdivisions 1 and 2."

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

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

S.F. No. 1959: A bill for an act relating to employment; mandating a study on the effects of video display terminals; mandating a study on mandatory overtime.

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

Page 1, line 12, after "risks" insert ", if any,"

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. 1721: A bill for an act relating to employment agencies; regulating job listing services; regulating fees and contracts; amending Minnesota Statutes 1986, sections 184.21, subdivision 2, and by adding subdivisions; 184.37, subdivision 1; 184.38, subdivisions 3 and 5.

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

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

S.F. No. 1958: A bill for an act relating to employment; requiring breaks during the work day; amending Minnesota Statutes 1986, sections 177.32, subdivision 1; and 177.33; proposing coding for new law in Minnesota Statutes, chapter 177.

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

Delete everything after the enacting clause and insert:

"Section 1. [177.253] [MANDATORY WORK BREAKS.]

Subdivision 1. [REST BREAKS.] An employer must allow each employee adequate time from work within each four consecutive hours of work to utilize the nearest convenient restroom.

Subd. 2. [COLLECTIVE BARGAINING AGREEMENT.] Nothing in this section prohibits employers and employees from establishing rest breaks different from those provided in this section pursuant to a collective bargaining agreement.

Sec. 2. Minnesota Statutes 1986, section 177.32, subdivision 1, is amended to read:

Subdivision 1. [MISDEMEANORS.] An employer who does any of the following is guilty of a misdemeanor:

(1) hinders or delays the commissioner in the performance of duties required under sections 177.21 to 177.35;

(2) refuses to admit the commissioner to the place of business or employment of the employer, as required by section 177.27, subdivision 1;

(3) repeatedly fails to make, keep, and preserve records as required by section 177.30;

(4) falsifies any record;

(5) refuses to make any record available, or to furnish a sworn statement of the record or any other information as required by section 177.27;

(6) repeatedly fails to post a summary of sections 177.21 to 177.35 or a copy or summary of the applicable rules as required by section 177.31;

(7) pays or agrees to pay wages at a rate less than the rate required under sections 177.21 to 177.35; or

(8) *refuses to allow adequate time from work as required by section 1;*
or

(9) otherwise violates any provision of sections 177.21 to 177.35."

Amend the title as follows:

Page 1, line 2, after "requiring" insert "rest"

Page 1, line 3, delete "sections" and insert "section"

Page 1, line 4, delete "and 177.33;"

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

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

S.F. No. 2142: A bill for an act relating to workers' compensation; reassigning certain administrative duties; regulating reporting of injuries and information about injuries; regulating the payment of benefits; regulating the membership of the rehabilitation review panel; regulating rehabilitation services; changing certain administrative procedures; regulating dependent benefits; prohibiting excessive treatment or medical services; providing for data privacy; amending Minnesota Statutes 1986, sections 129A.05, subdivision 2; 176.021, subdivision 3; 176.081, subdivision 1; 176.101, subdivision 3e; 176.104, subdivision 1; 176.111, subdivisions 7 and 8; 176.135, by adding a subdivision; 176.191, subdivision 3; 176.221, subdivision 9; 176.225, subdivision 5; 176.231, subdivisions 8 and 9; Minnesota Statutes 1987 Supplement, sections 176.102, subdivisions 3 and 4; 176.103, subdivision 3; 176.106, subdivisions 7 and 9; 176.131, subdivision 1; 176.135, subdivisions 1 and 6; 176.155, subdivision 1; 176.238, subdivisions 1 and 9; 176.305, subdivisions 1 and 4; repealing Minnesota Statutes 1986, sections 176.021, subdivision 3a; 176.111, subdivision 8a; and 176.136, subdivision 3.

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

Page 2, after line 13, insert:

"Sec. 2. Minnesota Statutes 1986, section 175.171, is amended to read:
175.171 [POWERS AND DUTIES, DEPARTMENT OF LABOR AND INDUSTRY.]

The department of labor and industry shall have the following powers and duties:

(1) To exercise all powers and perform all duties of the department consistent with the provisions of this chapter;

(2) To adopt reasonable and proper rules relative to the exercise of its powers and duties, and proper rules to govern its proceedings and to regulate the mode and manner of all investigations and hearings, ~~which shall not be effective until ten days after their adoption, and a copy of these rules shall be delivered to every citizen making application therefor;~~

(3) To collect, collate, and publish statistical and other information relating to the work under its jurisdiction, to keep records and to make public reports in its judgment necessary; and on or before October 1 in each even-numbered year the department shall report its doings, conclusions, and recommendations to the governor, which report shall be printed and distributed by November 15 of each even-numbered year to the legislature pursuant to section 3.195, and otherwise as the department may direct;

(4) To establish and maintain branch offices as needed for the conduct of its affairs."

Page 8, line 29, strike the first "to" and insert "*attorney, or health care provider involved in*" and strike everything after "case" and delete the new language.

Page 8, line 30, strike "chiropractors"

Page 12, line 1, after the headnote, insert "*The decision of the commissioner is final unless*"

Page 12, line 2, strike "of the commissioner may request" and insert "*requests*"

Page 12, line 7, delete "*and complete*"

Page 12, line 26, delete everything after "*appealed*" and insert "*is final for that particular claim; however, the causation determination is not binding in subsequent actions.*"

Page 12, delete line 27

Page 15, line 23, before "*If*" insert "(a)"

Page 15, after line 33, insert:

"(b) When the reasonableness and necessity of medical treatment or service is at issue, the treating health care provider must be afforded notice and opportunity to present evidence establishing the reasonableness or necessity either in person or by affidavit admissible at the conference or hearing.

Sec. 18. Minnesota Statutes 1986, section 176.136, subdivision 5, is amended to read:

Subd. 5. [PERMANENT RULES.] Where permanent rules have been adopted to implement this section, the commissioner shall annually give notice in the State Register of the 75th percentile to meet the requirements of subdivision 1. The notice shall be in lieu of the requirements of chapter 14 if the ~~75th percentile for the service data~~ meets the requirements of paragraphs (a) to (e).

(a) The data base includes at least three different providers of the service.

(b) The data base contains at least 20 billings for the service.

(c) ~~The standard deviation as a percentage of the mean of billings for the service is 50 percent or less~~ *The value of the 75th percentile is not greater than or equal to three times the value of the 25th percentile.*

(d) ~~The means of the Blue Cross and Blue Shield data base and of the department of human services data base for the service are within 20 percent of each other.~~

(~~e~~) The data is taken from the data base of Blue Cross and Blue Shield ~~of the department of human services.~~

(*e*) *If the commissioner identifies a problem with the data base such that the 75th percentile does not logically reflect the usual and customary charge, then, upon the recommendation of the medical services review board, the commissioner may eliminate the category from the rules or adjust the rate to correct the inconsistency or error."*

Page 19, lines 12 and 13, delete "*medical data, benefit data, injury data, and employment*"

Page 19, line 15, reinstate the stricken "under this"

Page 19, line 16, delete "*are*" and insert "*chapter is*"

Page 19, line 18, before the period insert "*except as provided in this*

section"

Page 19, line 28, after "statistics" insert "*including statistics on individual employers and insurers*"

Page 19, line 34, delete "under" and insert "pursuant to"

Page 19, line 35, delete "under" and insert "pursuant to"

Page 19, delete line 36

Page 20, delete line 1

Page 20, line 2, delete "(4)" and insert "(3)"

Page 20, line 6, delete "(5)" and insert "(4)"

Page 20, line 8, delete "(6)" and insert "(5)"

Page 20, line 11, delete "(7)" and insert "(6)"

Page 20, line 14, delete "public" and after "proceeding" insert "*under this chapter*"

Page 20, line 15, delete "and" and insert "*or medical*"

Page 20, line 16, delete "it is" and insert "*they are*"

Page 20, line 17, delete "public"

Page 20, line 36, strike everything after the period

Page 21, line 1, strike everything before "The"

Page 21, line 10, reinstate the stricken language

Page 21, line 11, delete "is"

Page 21, line 20, delete "completed"

Page 22, after line 6, insert:

"Sec. 29. Minnesota Statutes 1986, section 176.451, subdivision 4, is amended to read:

Subd. 4. [MATTERS FOR DETERMINATION; JUDGMENT.] When a judge hears the application for judgment upon the award, the judge has authority to determine only the facts of the award ~~and~~, the regularity of the proceedings upon which the award is based, *interest, and attorney fees. When judgment is entered under this section, the judge shall order the employer or insurer to pay interest at the rate of 12 percent from the date of the administrative award plus reasonable attorney fees to the payer necessitated by the collection action.* The judge shall enter judgment accordingly.

Judgment shall not be entered upon an award while an appeal is pending.

Sec. 30. Minnesota Statutes 1987 Supplement, section 176.521, subdivision 1, is amended to read:

176.521 [SETTLEMENT OF CLAIMS.]

Subdivision 1. [VALIDITY.] An agreement *including a mediated agreement* between an employee or an employee's dependent and the employer or insurer to settle any claim, which is not upon appeal before the court of appeals, for compensation under this chapter is valid where it has been executed in writing and signed by the parties and intervenors in the matter,

and, where one or more of the parties is not represented by an attorney, the commissioner or a compensation judge has approved the settlement and made an award thereon. If the matter is upon appeal before the court of appeals or district court, the court of appeals or district court is the approving body. *The legislature specifically encourages the reduction of litigation through voluntary dispute resolution, including mediated agreements approved by the division under this section.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, after "2;" insert "175.171;"

Page 1, line 15, after "subdivision;" insert "176.136, subdivision 5;"

Page 1, line 17, after "9;" insert "176.451, subdivision 4;"

Page 1, line 22, after "4;" insert "176.521, subdivision 1;"

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

Mr. Solon from the Committee on Commerce, to which was re-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; increasing lending limits; 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; 53.05; 53.06; 56.12; 56.125, subdivisions 2 and 3; 56.131, subdivision 2; and 56.14.

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 53.015, is amended to read:

53.015 [DEFINITIONS.]

Subdivision 1. For the purposes of this chapter, the terms defined in this section shall have the meanings given them.

Subd. 2. "~~Paid in capital~~ *Surplus*" means consideration received in excess of the par value of preferred or common stock.

Subd. 3. "~~Invested income~~ *Undivided profits*" means the net remaining funds resulting from the operation of the corporation and shall include, but not be limited to retained earnings, earned surplus, undivided profits and current earnings.

Subd. 4. "~~Donated capital~~" means ~~all funds contributed by the stockholders, other than funds received in connection with the issuance of stock, and such amounts transferred from invested income, either by declaration of a share dividend or by action of the board of directors.~~

Subd. 5. "~~Contributed capital~~" means the sum total of all funds contributed to the corporation by the stockholders and shall include, but not be limited to preferred stock, common stock, paid-in capital and donated

capital.

Subd. 6. "Appropriated reserves" means dedicated funds transferred from invested income by action of the board of directors, which dedicated funds shall otherwise be known as a capital reserve. "Capital stock" means the par value of preferred or common stock multiplied by the respective number of shares of each type of stock.

Sec. 2. Minnesota Statutes 1986, section 53.02, is amended to read:

53.02 [CAPITAL.]

No corporation shall be organized under this chapter or qualified to do business thereunder with a capital represented by shares of common stock of less than \$25,000 in cities with less than 50,000 people; \$50,000 in cities with more than 50,000 people and less than 100,000 people; and \$75,000 in cities with 100,000 people, or more, according to the last official census; each share of that common stock to have a par value of not less than \$1 per share. No corporation shall begin doing business under this chapter unless the required capital is fully paid, and unless a paid-in capital surplus of no less than ten percent of that required capital shall have also been fully paid and set up. After the required capital of a corporation organized or doing business under this chapter shall have been fully paid and a paid-in surplus capital of not less than ten percent thereof also fully paid and set up, additional capital stock in that corporation may be sold at not less than par, provided, however, that there is always maintained a paid-in surplus capital of at least ten percent of the capital of the corporation represented by shares of common stock.

Sec. 3. Minnesota Statutes 1986, section 53.03, subdivision 5, is amended to read:

Subd. 5. [PLACE OF BUSINESS.] Not more than one place of business may be maintained under any certificate of authorization issued subsequent to the enactment of Laws 1943, chapter 67, pursuant to the provisions of this chapter, but the department of commerce may issue more than one certificate of authorization to the same corporation upon compliance with all the provisions of this chapter governing an original issuance of a certificate of authorization. To the extent that previously filed applicable information remains unchanged, the applicant need not refile this information, unless requested. The filing fee for a branch application shall be \$500 and the investigation fee \$250. If a corporation has been issued more than one certificate of authorization, the corporation shall allocate a portion of contributed capital stock to each office for which a certificate has been issued, in order to comply with the capital requirements of sections 53.02 and 53.05, clause (2), which sections are applicable to each office and the capital allocated thereto in the same manner as if each certificate had been issued to a separate corporation. An industrial loan and thrift corporation with deposit liabilities may change one or more of its locations upon the written approval of the commissioner of commerce. A fee of \$100 must accompany each application to the commissioner for approval to change the location of an established office. An industrial loan and thrift corporation that does not sell and issue thrift certificates for investment may change one or more locations by giving 30 days' written notice to the department of commerce which shall promptly amend the certificate of authorization accordingly.

Sec. 4. Minnesota Statutes 1987 Supplement, 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 30 times the sum of contributed capital and appropriated reserves capital stock and surplus 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 stock and appropriated reserves surplus~~ 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 ~~15 20 percent of the total of its contributed capital and appropriated reserves stock and surplus at all its authorized locations~~ 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. Industrial loan and thrift companies with deposit liabilities must comply with the provisions of section 48.24; or~~

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.

Sec. 5. Minnesota Statutes 1986, section 53.06, is amended to read:

53.06 [DIRECTORS, RESIDENCE.]

At least three-fourths of the directors of any industrial loan and thrift company holding a certificate that includes the right to issue thrift certificates for investment must be residents of the county in which the industrial loan and thrift company maintains its principal place of business, an adjacent county or any county in which the industrial loan and thrift company maintains a place of business pursuant to this chapter Minnesota.

Sec. 6. Minnesota Statutes 1986, section 53.08, is amended to read:

53.08 [DIVIDENDS.]

When an industrial loan and thrift company is organized under this chapter or operating thereunder, the board of directors may declare a dividend of so much of the net profits of the corporation, after providing for all expenses, reserves, interest, and taxes accrued or due from the corporation, as they shall judge expedient, but before any dividend is declared, not less than one-tenth of the net profits of the industrial loan and thrift company of the preceding half year, or for such period as is covered by the dividend, shall be carried to an invested income fund or appropriated reserves surplus until the aggregate of invested income undivided profits and appropriated reserves surplus shall amount to 20 percent of its capital represented by shares of common stock.

Sec. 7. Minnesota Statutes 1986, section 53.09, subdivision 3, is amended to read:

Subd. 3. [PENALTIES.] The penalties for violation of this chapter, or for any wrongdoing in connection therewith, shall be the same as those applied to state banks under the laws of this state. *In addition to being subject to the penalties in section 48.28, a company in violation of section 53.05, clause (2), may cure this violation in the manner provided in section 48.28.*

Sec. 8. Minnesota Statutes 1987 Supplement, section 56.12, is amended to read:

56.12 [ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.]

No licensee shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action which is false, misleading, or deceptive. The commissioner may order any licensee to desist from any conduct which the commissioner shall find to be a violation of the foregoing provisions.

The commissioner may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as the commissioner may deem necessary to prevent misunderstanding thereof by prospective borrowers. In lieu of the disclosure requirements of this section and section 56.14, a licensee may give the disclosures required by the federal Truth-in-Lending Act.

A licensee may take a lien upon real estate as security for any loan exceeding \$2,700 in principal amount made under this chapter. The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section: *No loan secured by a first lien on a borrower's primary residence shall be made pursuant to this section if the proceeds of the loan are used to finance the purchase of the borrower's*

~~primary residence~~ and section 56.131, subdivision 2. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with section 47.20, unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed.

If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

No licensee shall conduct the business of making loans under this chapter within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, if the commissioner finds that the character of the other business is such that it would facilitate evasions of this chapter or of the rules lawfully made hereunder. The commissioner may promulgate rules dealing with such other businesses.

No licensee shall transact the business or make any loan provided for by this chapter under any other name or at any other place of business than that named in the license. No licensee shall take any confession of judgment or any power of attorney. No licensee shall take any note or promise to pay that does not accurately disclose the principal amount of the loan, the time for which it is made, and the agreed rate or amount of charge, nor any instrument in which blanks are left to be filled in after execution. Nothing herein is deemed to prohibit the making of loans by mail.

Sec. 9. Minnesota Statutes 1986, section 56.131, subdivision 1, is amended to read:

Subdivision 1. [INTEREST RATES AND CHARGES.] (a) On any loan in a principal amount not exceeding \$35,000 or ten percent of a corporate licensee's ~~contributed~~ capital stock and ~~appropriated reserves surplus~~ as

defined in section 53.015, if greater, a licensee may contract for and receive interest, calculated according to the actuarial method, not exceeding the equivalent of the greater of any of the following:

(1) the total of: (i) 33 percent per year on that part of the unpaid balance of the principal amount not exceeding \$350; and (ii) 19 percent per year on that part of the unpaid balance of the principal amount exceeding \$350; or

(2) 21.75 percent per year on the unpaid balance of the principal amount.

(b) On any loan where interest has been calculated according to the method provided for in paragraph (a), clause (1), interest must be contracted for and earned as provided in that provision or at the single annual percentage rate computed to the nearest 1/100 of one percent that would earn the same total interest at maturity of the contract as would be earned by the application of the graduated rates provided in paragraph (a), clause (1), when the debt is paid according to the agreed terms and the calculations are made according to the actuarial method.

(c) Loans may be interest-bearing or precomputed.

(d) To compute time on interest-bearing and precomputed loans, including, but not limited to the calculation of interest, a day is considered 1/30 of a month when calculation is made for a fraction of a calendar month. A year is 12 calendar months. A calendar month is that period from a given date in one month to the same numbered date in the following month, and if there is no same numbered date, to the last day of the following month. When a period of time includes a whole month and a fraction of a month, the fraction of a month is considered to follow the whole month.

In the alternative, for interest-bearing loans, a licensee may charge interest at the rate of 1/365 of the agreed annual rate for each actual day elapsed.

(e) With respect to interest-bearing loans:

(1) Interest must be computed on unpaid principal balances outstanding from time to time, for the time outstanding. Each payment must be applied first to the accumulated interest and the remainder of the payment applied to the unpaid principal balance; provided however, that if the amount of the payment is insufficient to pay the accumulated interest, the unpaid interest continues to accumulate to be paid from the proceeds of subsequent payments and is not added to the principal balance.

(2) Interest must not be payable in advance or compounded. However, if part or all of the consideration for a new loan contract is the unpaid principal balance of a prior loan, then the principal amount payable under the new loan contract may include any unpaid interest which has accrued. The unpaid principal balance of a precomputed loan is the balance due after refund or credit of unearned interest as provided in paragraph (f), clause (3). The resulting loan contract is deemed a new and separate loan transaction for all purposes.

(f) With respect to precomputed loans:

(1) Loans must be repayable in substantially equal and consecutive monthly installments of principal and interest combined, except that the first installment period may be more or less than one month by not more than 15 days, and the first installment payment amount may be larger than the remaining payments by the amount of interest charged for the extra days

and must be reduced by the amount of interest for the number of days less than one month to the first installment payment; and monthly installment payment dates may be omitted to accommodate borrowers with seasonal income.

(2) Payments may be applied to the combined total of principal and precomputed interest until the loan is fully paid. Payments must be applied in the order in which they become due.

(3) When any loan contract is paid in full by cash, renewal or refinancing, or a new loan, one month or more before the final installment due date, a licensee shall refund or credit the borrower with the total of the applicable charges for all fully unexpired installment periods, as originally scheduled or as deferred, which follow the day of prepayment; if the prepayment is made other than on a scheduled payment date, the nearest scheduled installment payment date must be used in the computation; provided further, if the prepayment occurs prior to the first installment due date, the licensee may retain 1/30 of the applicable charge for a first installment period of one month for each day from the date of the loan to the date of prepayment, and shall refund or credit the borrower with the balance of the total interest contracted for. If the maturity of the loan is accelerated for any reason and judgment is entered, the licensee shall credit the borrower with the same refund as if prepayment in full had been made on the date the judgment is entered.

(4) If an installment, other than the final installment, is not paid in full within ten days of its scheduled due date, a licensee may contract for and receive a default charge not exceeding five percent of the amount of the installment, but not less than \$4.

A default charge under this subdivision may not be collected on an installment paid in full within ten days of its scheduled due date, or deferred installment due date with respect to deferred installments, even though a default or deferral charge on an earlier installment has not been paid in full. A default charge may be collected at the time it accrues or at any time thereafter.

(5) If the parties agree in writing, either in the loan contract or in a subsequent agreement, to a deferment of wholly unpaid installments, a licensee may grant a deferment and may collect a deferment charge as provided in this section. A deferment postpones the scheduled due date of the earliest unpaid installment and all subsequent installments as originally scheduled, or as previously deferred, for a period equal to the deferment period. The deferment period is that period during which no installment is scheduled to be paid by reason of the deferment. The deferment charge for a one-month period may not exceed the applicable charge for the installment period immediately following the due date of the last undeferred payment. A proportionate charge may be made for deferment for periods of more or less than one month. A deferment charge is earned pro rata during the deferment period and is fully earned on the last day of the deferment period. Should a loan be prepaid in full during a deferment period, the licensee shall make or credit to the borrower a refund of the unearned deferment charge in addition to any other refund or credit made for prepayment of the loan in full.

(6) If two or more installments are delinquent one full month or more on any due date, and if the contract so provides, the licensee may reduce

the unpaid balance by the refund credit which would be required for prepayment in full on the due date of the most recent maturing installment in default. Thereafter, and in lieu of any other default or deferment charges, the single annual percentage rate permitted by this subdivision may be charged on the unpaid balance until fully paid.

(7) Following the final installment as originally scheduled or deferred, the licensee, for any loan contract which has not previously been converted to interest-bearing under paragraph (f), clause (6), may charge interest on any balance remaining unpaid, including unpaid default or deferment charges, at the single annual percentage rate permitted by this subdivision until fully paid.

Sec. 10. Minnesota Statutes 1986, section 56.131, subdivision 2, is amended to read:

Subd. 2. [ADDITIONAL CHARGES.] In addition to the charges provided for by this section and section 56.155, no further or other amount whatsoever, shall be directly or indirectly charged, contracted for, or received for the loan made, except actual out of pocket expenses of the licensee to realize on a security after default, and except for the following additional charges which may be included in the principal amount of the loan:

(a) lawful fees and taxes paid to any public officer to record, file, or release security;

(b) with respect to a loan secured by an interest in real estate, the following actual closing costs authorized in section 47.20, subdivision 2, clause (1), if they are bona fide, reasonable in amount, and not for the purpose of circumvention or evasion of this section; provided the costs do not exceed one percent of the principal amount or \$250, whichever is greater:

(1) fees or premiums for title examination, abstract of title, title insurance, surveys, or similar purposes;

(2) fees, if not paid to the licensee, an employee of the licensee, or a person related to the licensee, for preparation of a mortgage, settlement statement, or other documents, fees for notarizing mortgages and other documents, and appraisal fees;

(c) the premium for insurance in lieu of perfecting and releasing a security interest to the extent that the premium does not exceed the fees described in paragraph (a).

Sec. 11. Minnesota Statutes 1986, section 56.14, is amended to read:

56.14 [DUTIES OF LICENSEE.]

Every licensee shall:

(1) deliver to the borrower (or if there are two or more borrowers to one of them) at the time any loan is made a statement making the disclosures and furnishing the information required by the federal Truth-in-Lending Act, as amended from time to time, with respect to the contract of loan. A copy of the loan contract may be delivered in lieu of a statement if it discloses the required information;

(2) deliver or mail to the borrower without request, a written receipt within 30 days following payment for each payment by coin or currency made on account of any loan wherein charges are computed and paid on

unpaid principal balances for the time actually outstanding, specifying the amount applied to charges and the amount, if any, applied to principal, and stating the unpaid principal balance, if any, of the loan; and wherein pre-computed charges have been added to the principal of the loan specifying the amount of the payment applied to principal and charges combined, the amount applied to default or extension charges, if any, and stating the unpaid balance, if any, of the precomputed loan contract. A periodic statement showing a payment received by mail complies with this clause;

(3) permit payment to be made in advance in any amount on any contract of loan at any time, but the licensee may apply the payment first to all charges in full at the agreed rate up to the date of the payment;

(4) upon repayment of the loan in full, mark indelibly every obligation and security, other than a mortgage or security agreement which secures a new loan to the licensee, signed by the borrower with the word "Paid" or "Canceled," and release any mortgage or security agreement which no longer secures a loan to the licensee, restore any pledge, and cancel and return any note, and any assignment given to the licensee which does not secure a new loan to the licensee within 20 days after the repayment;

(5) display prominently in each licensed place of business a full and accurate schedule, to be approved by the commissioner, of the charges to be made and the method of computing the same; furnish a copy of the contract of loan to any person obligated on it or who may become obligated on it at any time upon the request of that person;

(6) show in the loan contract or statement of loan the rate or rates of charge on which the charge in the contract is based, expressed in terms of rate or rates per annum. The rate expression shall be printed in at least 8-point type on the loan statement or copy of the loan contract given to the borrower.

Sec. 12. Minnesota Statutes 1986, section 580.03, is amended to read:
580.03 [NOTICE OF SALE; SERVICE ON OCCUPANT.]

Six weeks' published notice shall be given that such mortgage will be foreclosed by sale of the mortgaged premises or some part thereof, and at least four weeks before the appointed time of sale a copy of such notice shall be served in like manner as a summons in a civil action in the district court upon the person in possession of the mortgaged premises, if the same are actually occupied. If there be a building on such premises used by a church or religious corporation, for its usual meetings, service upon any officer or trustee of such corporation shall be a sufficient service upon it.

A copy of the notice of mortgage foreclosure must be mailed to each person who appears of record to have acquired a mortgage interest in the mortgaged premises after the mortgage which is being foreclosed. The notice must be mailed to these persons at the address given in the recorded mortgage at least 20 days before the date of sale. It is not necessary to mail a copy of the notice to a person if:

(1) the recorded mortgage does not give the person's mailing address;
or

(2) the person's interest does not appear of record at the time the notice is first published or the power of attorney to foreclose is filed of record, whichever occurs first.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to commerce; industrial loan and thrift companies; making certain technical corrections; modifying certain definitions; prescribing powers; prescribing the qualifications of the directors of certain companies; providing penalties; regulated loans; prescribing the types of security that may be taken; specifying the loan fees and charges that may be imposed by regulated lenders; regulating mortgage foreclosure notices; amending Minnesota Statutes 1986, sections 53.015; 53.02; 53.03, subdivision 5; 53.06; 53.08; 53.09, subdivision 3; 56.131, subdivisions 1 and 2; 56.14; and 580.03; Minnesota Statutes 1987 Supplement, sections 53.05; and 56.12."

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. 1637: A bill for an act relating to human services; allowing continued hospitalization for a person on a ventilator who has been hospitalized for 30 years; 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. [256B.31] [CONTINUED HOSPITAL CARE FOR LONG-TERM POLIO PATIENT.]

A medical assistance recipient who has been a polio patient in an acute care hospital for a period of not less than 25 consecutive years is eligible to continue receiving hospital care, whether or not the care is medically necessary for purposes of federal reimbursement.

The cost of continued hospital care not reimbursable by the federal government shall be paid with state funds allocated for the medical assistance program. The rate paid to the hospital shall be the rate per day established using Medicare principles for the hospital's fiscal year ending December 31, 1981, adjusted each year by the annual hospital cost index established under section 256.969, subdivision 1, or by other limits in effect at the time of the adjustment. This section does not prohibit a voluntary move to another living arrangement by a recipient whose care is reimbursed under this section."

Delete the title and insert:

"A bill for an act relating to human services; allowing continued hospital care for long-term polio patients; providing for payment from state funds; proposing coding for new law in Minnesota Statutes, chapter 256B."

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 Environment and Natural Resources, to which was referred

S.F. No. 1994: A bill for an act relating to natural resources; authorizing a private sale of surplus state property to the Memorial Hospital Association of Cambridge.

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

Page 1, line 10, delete "or any other law,"

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1678: A bill for an act relating to natural resources; establishing a controlled burn program; requiring permits for controlled burns; providing assistance for controlled burns; establishing the position of controlled burn coordinator; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

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

Delete everything after the enacting clause and insert:

"Section 1. [84.97] [CONTROLLED BURNING.]

Subdivision 1. [PROGRAM ESTABLISHED.] The commissioner shall establish a controlled burning program on public and private land to propagate wildlife requiring new vegetative growth and brush habitats, prairie management and to reduce the wildfire hazard.

Subd. 2. [BURNING PERMITS.] (a) A person may not conduct a controlled burn without a permit.

(b) The commissioner shall provide a manual that describes financial and technical assistance available and provides detailed information on conducting a controlled burn.

Subd. 3. [ASSISTANCE FOR PRIVATE BURNS.] The commissioner may provide financial and technical assistance to persons who desire to conduct controlled burns approved by the commissioner. Technical assistance includes controlled burn plan development, demonstration controlled burns, and personnel assistance for a controlled burn.

Subd. 4. [CONTROLLED BURN COORDINATOR.] The position of controlled burn coordinator is established in the department of natural resources for the purpose of coordinating activities pursuant to subdivision 1.

Sec. 2. [APPROPRIATION.]

\$ is appropriated from the general fund to the commissioner of natural resources for the purposes listed in clauses (1) to (5), to be available until June 30, 1989:

(1) financial and technical assistance for controlled burns on nonstate lands	\$
(2) controlled burns on state land	\$
(3) controlled burn equipment	\$

- (4) *preparation and publication of a controlled burn manual* \$
- (5) *controlled burn coordinator salary and support services* \$

Sec. 3. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to natural resources; establishing a controlled burn program; requiring permits for controlled burns; providing assistance for controlled burns; establishing the position of controlled burn coordinator; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84."

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 Environment and Natural Resources, to which was referred

S.F. No. 1836: A bill for an act relating to appropriations; appropriating money to the commissioner of finance for loan to the western Lake Superior sanitary district.

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

Delete everything after the enacting clause and insert:

"Section 1. [APPROPRIATION.]

Subdivision 1. \$3,500,000 is appropriated from the general fund to the commissioner of finance, to be available for the fiscal year ending June 30, 1988.

Subd. 2. The money appropriated must be loaned to the western Lake Superior sanitary district for a term of nine years, to be repaid without interest on or before October 1, 1997. The loan must be secured by the revenues of the district, including the proceeds paid to the district of any legal action commenced as a result of the failure of any district facilities. The proceeds from the legal action must be immediately applied to the outstanding balance of the loan. The commissioner of revenue shall require the district to execute a loan agreement containing the provisions of this subdivision."

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 Environment and Natural Resources, to which was referred

S.F. No. 1687: A bill for an act relating to natural resources; making changes in certain laws relating to forestry; amending Minnesota Statutes 1986, sections 88.19; 89.01, subdivision 5, and by adding a subdivision; 89.17; and 89.19.

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

Pages 2 and 3, delete section 3

Page 4, after line 3, insert:

"Sec. 5. Minnesota Statutes 1986, section 90.041, is amended by adding a subdivision to read:

Subd. 5. The commissioner may contract as part of the timber sale with the purchaser of state timber at either informal or auction sale for the following forest improvement work to be done on the land included within the sale area: preparation of the site for seeding or planting of seedlings or trees, seeding or planting of seedlings or trees, and other activities relating to forest regeneration."

Page 4, line 8, delete "grant" and insert "trust"

Page 5, line 6, delete "This act" and insert "Section 1" and delete everything after "effective" and insert "August 1, 1988, and applies to crimes committed on or after that date."

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 4 and 5, delete ", and by adding a subdivision"

Page 1, line 5, delete the second "and" and before the period, insert "; and 90.041, by adding 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. 335: A bill for an act relating to occupations and professions; authorizing physical therapy treatment without referral by a physician; prohibiting certain business relationships in the practice of physical therapy; amending Minnesota Statutes 1986, sections 148.75 and 148.76, subdivision 2.

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 148.74, is amended to read:

148.74 [RULES.]

The board is authorized to adopt rules as may be necessary to carry out the purposes of sections 148.65 to 148.78. The secretary of the board shall keep a record of proceedings under these sections and a register of all persons registered under it. The register shall show the name, address, date and number of registration, and the renewal thereof. Any other interested person in the state may obtain a copy of such list on request to the board upon payment of an amount as may be fixed by the board, which shall not exceed the cost of the list so furnished. The board shall provide blanks, books, certificates, and stationery and assistance as is necessary for the transaction of the business of the board and the physical therapy council hereunder, and all money received by the board under sections 148.65 to

148.78 shall be paid into the state treasury as provided for by law. The board shall set by rule the amounts of the application fee and the annual registration fee. *The fees collected by the board must be sufficient to cover the costs of administering sections 148.65 to 148.78.*"

Page 2, line 30, after the semicolon, insert "and"

Page 2, line 31, delete ", other"

Page 2, line 32, delete "than that prohibited by clause (o),"

Page 2, line 36, delete "; and"

Page 3, lines 1 to 11, delete the new language

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "sections" insert "148.74;" and after "148.75" insert a semicolon

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

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

H.F. No. 1850 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.
1850	1858				

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. 1853 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.
1853	1758				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1853 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1853 and insert the language after the enacting clause of S.F. No. 1758, the first engrossment; further, delete the title of H.F. No. 1853 and insert the title

of S.F. No. 1758, the first engrossment.

And when so amended H.F. No. 1853 will be identical to S.F. No. 1758, and further recommends that H.F. No. 1853 be given its second reading and substituted for S.F. No. 1758, 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. 1858 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.
1858	1731				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1858 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1858 and insert the language after the enacting clause of S.F. No. 1731, the first engrossment; further, delete the title of H.F. No. 1858 and insert the title of S.F. No. 1731, the first engrossment.

And when so amended H.F. No. 1858 will be identical to S.F. No. 1731, and further recommends that H.F. No. 1858 be given its second reading and substituted for S.F. No. 1731, 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.

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

S.F. No. 2261: A bill for an act relating to health; regulating the sale of hearing aids; regulating persons who dispense hearing aids; appropriating money; prescribing penalties; amending Minnesota Statutes 1986, section 145.43, subdivision 1; Minnesota Statutes 1987 Supplement, section 145.43, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 153A; repealing Minnesota Statutes 1986, sections 153A.01 to 153A.12.

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

Page 2, lines 35 and 36, delete the new language

Page 3, line 2, after "aid" insert "*or the owner's representative,*"

Page 3, lines 3 to 14, reinstate the stricken language

Page 3, line 15, after the stricken "customer" insert "*owner or the owner's representative*" and reinstate the stricken period

Page 3, line 15, after "aid" insert "or the owner's representative"

Page 4, line 4, delete "SELLER" and insert "DISPENSER" and delete "Seller" and insert "Dispenser"

Page 4, lines 10 and 22, delete "seller" and insert "dispenser"

Page 4, lines 14 and 16, delete "seller's" and insert "dispenser's"

Page 5, line 3, delete "administrative penalties" and insert "enforcement actions"

Page 5, line 20, after "prescription" insert "from a physician" and after "recommendation" insert "from a hearing instrument dispenser or audiologist"

Page 5, line 23, after "PRESCRIPTION" insert "OR RECOMMENDATION" and after "FILLED" insert "BY"

Page 5, line 24, delete "BY" and insert "FROM" and after "DISPENSER" insert "AUDIOLOGIST,"

Page 6, line 16, delete "145.23" and insert "145.43"

Page 6, lines 18, 25, and 28, delete "seller" and insert "dispenser"

Page 6, delete lines 29 and 30

Page 6, line 31, delete "4" and insert "3"

Page 6, line 36, delete "5" and insert "4"

Page 7, line 6, delete "\$" and insert "\$5,000"

Page 7, line 7, delete "\$" and insert "\$25,000"

Page 7, delete lines 9 to 11 and insert:

"The expenses for administering the permit requirements for hearing aid dispensers in section 5, subdivision 1, and the consumer information center under section 9, must be paid from permit fees collected under the authority granted in section 214.06, subdivision 1. The expenses of administering the registration of speech language pathologists, audiologists, and hearing instrument dispensers under the commissioner's general grant of authority in section 214.13 must be paid from registration fees collected pursuant to that section."

Page 7, line 14, delete everything after "to"

Page 7, delete line 15

Page 7, line 16, delete "take enforcement action, and"

Page 7, line 20, delete "sales" and insert "dispensing"

Page 7, line 21, delete "sellers" and insert "dispensers"

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 Environment and Natural Resources, to which was referred

S.F. No. 1752: A bill for an act relating to game and fish; prescribing procedures for commissioner's orders; amending Minnesota Statutes 1986, section 97A.051, subdivision 3.

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.051, subdivision 3, is amended to read:

Subd. 3. [PUBLICATION OF ORDERS AND RULES.] *(a) Before an order or rule is published, the commissioner must consult with the chairs of the environment and natural resources committees of the house of representatives and senate or the chairs' designees and obtain their advisory recommendations. The recommendations are advisory only. Failure or refusal to make a recommendation promptly is considered a positive recommendation.*

(b) All orders and rules promulgated by the commissioner or the director that affect matters in more than three counties must be published once in a legal newspaper in Minneapolis, St. Paul, and Duluth. The orders and rules that do not affect more than three counties must be published once in a legal newspaper in each county affected. An order or rule is not effective until seven days after the publication.

Sec. 2. Minnesota Statutes 1987 Supplement, section 97C.211, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] A person may not operate a private fish hatchery without a private fish hatchery license. A private fish hatchery is a facility for raising fish, *including minnows*, for sale ~~for~~, stocking waters ~~or for~~, angling, or processing.

Sec. 3. Minnesota Statutes 1987 Supplement, section 97C.211, subdivision 2a, is amended to read:

Subd. 2a. [ACQUISITION OF FISH.] *(a) A private fish hatchery may not obtain fish outside of the state unless the fish or the source of the fish are approved by the commissioner. The commissioner may not apply more stringent requirements to fish or a source of fish from outside the state than are applied to fish and sources of fish from within the state. The commissioner must either approve or deny the acquisition within 30 days after receiving a written request for approval. The request may be for annual acquisition if the fish acquired will be processed and not released into public waters.*

(b) If the commissioner denies approval, a written notice must be submitted to the applicant stating the reasons for the denial and the commissioner must:

(1) designate approved sources to obtain the desired fish or fish eggs; or

(2) sell the fish or fish eggs from state fish hatcheries at fair market value.

Sec. 4. [97C.347] [LANDING NETS.]

Subdivision 1. [USE AND POSSESSION.] *A person may use and possess a landing net to net a fish taken by angling.*

Subd. 2. [ELECTRIC LANDING NETS.] *A person may net fish taken by angling with a landing net that discharges an electric current if the net is designed to temporarily immobilize the fish so that it can be safely released.*

Sec. 5. Minnesota Statutes 1986, section 97C.515, is amended by adding a subdivision to read:

Subd. 4. [PRIVATE FISH HATCHERY.] A person with a private fish hatchery license may transport minnows from outside the state to the private fish hatchery. The commissioner may require inspection of the minnows in the same manner as required for minnows raised and transported within the state.

Sec. 6. [REPEALER.]

Minnesota Statutes 1987 Supplement, section 97A.451, subdivision 1, is repealed.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to game and fish; prescribing procedures for commissioner's orders; making changes in private fish hatchery provisions; allowing use and possession of landing nets; allowing use of landing nets discharging electrical current; amending Minnesota Statutes 1986, sections 97A.051, subdivision 3; and 97C.515, by adding a subdivision; Minnesota Statutes 1987 Supplement, section 97C.211, subdivisions 1 and 2a; proposing coding for new law in Minnesota Statutes, chapter 97C; repealing Minnesota Statutes 1987 Supplement, section 97A.451, subdivision 1."

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1561: A bill for an act relating to game and fish; prohibiting the use of meat in baiting bears; amending Minnesota Statutes 1986, section 97B.425.

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.425, is amended to read:

97B.425 [BAITING BEARS.]

A person placing bait to take bear must display a tag at each site where bait is placed and register the sites. The commissioner shall prescribe the method of tagging and registering the sites. ~~A person may not use solid waste containing bottles, cans, plastic, paper, metal, or other materials that are not readily biodegradable as a bait to attract bear.~~ To attract bear a person may not use a bait with:

- (1) meat from mammals, if the meat contains bones;
- (2) bones of mammals;
- (3) solid waste containing bottles, cans, plastic, paper, or metal;
- (4) materials that are not readily biodegradable; or

(5) any part of a swine."

Delete the title and insert:

"A bill for an act relating to game and fish; prohibiting the use of certain meat in baiting bears; amending Minnesota Statutes 1986, section 97B.425."

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

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

S.F. No. 1764: A bill for an act relating to charitable gambling; increasing the time period allowed for cities and counties to review license applications; amending Minnesota Statutes 1986, section 349.213, subdivision 2.

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

Page 1, after line 18, insert:

"Sec. 2. Minnesota Statutes 1986, section 609.75, subdivision 1, is amended to read:

Subdivision 1. [LOTTERY.] (a) A lottery is a plan which provides for the distribution of money, property or other reward or benefit to persons selected by chance from among participants some or all of whom have given a consideration for the chance of being selected.

(b) An in-package chance promotion is not a lottery if all of the following are met:

(1) participation is available, free and without purchase of the package, from the retailer or by mail or toll-free telephone request to the sponsor for entry or for a game piece;

(2) the label of the promotional package and any related advertising clearly states any method of participation and the scheduled termination date of the promotion;

(3) the sponsor on request provides a retailer with a supply of entry forms or game pieces adequate to permit free participation in the promotion by the retailer's customers;

(4) the sponsor does not misrepresent a participant's chances of winning any prize;

(5) the sponsor randomly distributes all game pieces and maintains records of random distribution for at least one year after the termination date of the promotion;

(6) all prizes are randomly awarded if game pieces are not used in the promotion; and

(7) the sponsor provides on request of a state agency a record of the names and addresses of all winners of prizes valued at \$100 or more, if the request is made within one year after the termination date of the promotion.

(c) Except as provided by section 349.40, acts in this state in furtherance of a lottery conducted outside of this state are included notwithstanding its validity where conducted.

(d) The distribution of money, property, or other reward or benefit to persons selected by chance from among participants who have made a contribution through a payroll deduction campaign to a charitable organization, within the meaning of section 309.50, as a precondition to the chance of being selected, is not a lottery."

Amend the title as follows:

Page 1, line 2, delete "charitable"

Page 1, line 4, after the semicolon, insert "providing that promotions conducted in connection with payroll deduction campaigns are not lotteries;"

Page 1, line 5, delete "section" and insert "sections" and before the period, insert "; and 609.75, subdivision 1"

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2217: A bill for an act relating to state lands; authorizing transfer of certain state lands in Ramsey county to the city of Mounds View.

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

Delete everything after the enacting clause and insert:

"Section 1. [CONVEYANCE OF STATE LAND TO CITY OF MOUNDS VIEW.]

Notwithstanding Minnesota Statutes, sections 92.01 to 92.16, 92.45, or any other law, the commissioner of transportation shall convey the land described in this section to the city of Mounds View.

The conveyance shall be by quitclaim deed without consideration in a form approved by the attorney general. The deed must contain a provision that requires the property to revert to the state if the property is not used by the city of Mounds View for a public purpose.

The land to be conveyed is located in Ramsey county consisting of approximately 54.91 acres described as:

South half of the Northeast quarter of Section 5, Township 30, Range 23

This property was acquired by the department of transportation for construction of a new portion of trunk highway No. 10 west of Interstate Highway 35W. The property is mostly wetland and floodplain and is not needed for highway purposes and is located within a conservancy, recreation, and protection district."

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1536: A bill for an act relating to state parks; adding Hill-Annex Mine state park to the state park system; specifying terms and conditions

of acquisition; appropriating funds; amending Minnesota Statutes 1986, section 85.012, 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 85.012, is amended by adding a subdivision to read:

Subd. 27a. Hill-Annex Mine state park, Itasca county.

Sec. 2. [PARK BOUNDARIES.]

Hill-Annex Mine state park consists of the surface interest in land within Itasca county described as Section 16, Township 56 North, Range 23 West, excluding an area containing 6.5 acres more or less which is described as follows:

Starting at the corner common to Sections 17, 16, 20 and 21, Township 56 North, Range 23 West; thence due east on section line 155 feet to point of beginning; thence due east 916 feet; thence due north 330 feet; thence due west 916 feet; thence due south 330 feet to the point of beginning.

Sec. 3. [ACQUISITION.]

When the agreements and transfers required by section 4 have been completed to the satisfaction of the commissioner of natural resources, the commissioner shall acquire by condemnation sufficient ownership interests in the surface estate of the land described in section 2 to create a state park to interpret and provide the public with an opportunity to view and experience natural iron ore open-pit mining operations as conducted on Minnesota's historic iron ranges.

The commissioner may not condemn the mineral estate in the described property, and, in the establishment of the park, shall recognize the possibility that mining may be conducted on the property in the future, and that use of portions of the surface estate may be necessary to these possible future mining operations. Subject to the above conditions, all lands acquired for the Hill-Annex Mine state park must be administered in the same manner as provided for other state parks and must be perpetually dedicated for that use.

Sec. 4. [ESTABLISHMENT AND MAINTENANCE.]

For establishing Hill-Annex Mine state park, the iron range resources and rehabilitation board must take the following actions:

(1) the board must provide the commissioner of natural resources with the necessary equipment to operate the Hill-Annex Mine state park and maintain the access roads for the Hill-Annex Mine tour, provide the commissioner of natural resources with an agreement by local units of government to maintain the access roads for the Hill-Annex Mine tour, or must enter into an agreement with the department of natural resources to maintain these roads at the expense of the board;

(2) the board must acquire and install a water pump and necessary pipeline for dewatering the mine that is of sufficient capacity to efficiently maintain a water level low enough to allow public bus tours down to the bottom of A pocket; and

(3) the board must provide vehicles suitable for transporting visitors through the mine on interpretive tours.

Sec. 5. [APPROPRIATION.]

\$270,000 is appropriated from the general fund to the commissioner of natural resources to operate Hill-Annex Mine state park for fiscal year 1989.

\$160,000 is appropriated to the commissioner of natural resources from the general fund for land acquisition to be available until expended.

Five positions are added to the complement of the division of parks and recreation for staff for Hill-Annex Mine state park."

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 Environment and Natural Resources, to which was referred

S.F. No. 1682: A bill for an act relating to environment; prohibiting sale of certain beverage containers with nondegradable connectors; amending Minnesota Statutes 1986, section 325E.03, subdivision 1.

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

Page 1, line 18, delete "*an individual*" and insert "*a*" and delete "*metal*"

Page 1, line 19, delete "*individual*" and delete "*metal*"

Page 1, delete section 2 and insert:

"Sec. 2. [325E.035] [NONDEGRADABLE CONTAINERS.]

Subdivision 1. [SALE PROHIBITION.] Except as provided in section 325E.03, a person may not sell or offer for sale a sealed container that is connected to another sealed container by means of a device constructed of a material that does not decompose by photodegradation or biodegradation within a reasonable time after exposure to weather elements.

Subd. 2. [PENALTY.] A person who violates subdivision 1 is guilty of a misdemeanor.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1989."

Amend the title as follows:

Page 1, line 3, delete "*beverage*" and after the semicolon, insert "*providing a penalty;*"

Page 1, line 5, before the period, insert "*; proposing coding for new law in Minnesota Statutes, chapter 325E*"

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2090: A bill for an act relating to state lands; authorizing a certain conveyance by the commissioner of natural resources to the city of Big Fork.

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

Page 1, line 14, after the period, insert "*The conveyance must provide that the property reverts back to the state if the city no longer uses the property for public purposes.*"

Page 1, line 15, delete "*and a*"

Page 1, line 16, delete "*residence built thereon*" and insert "*to serve as residential property*"

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1328: A bill for an act relating to public safety; altering certain requirements concerning fencing of unused mine pits and shafts; providing modification to certain public and private liability laws; providing penalties; amending Minnesota Statutes 1986, sections 3.732, subdivision 1; 3.736, subdivision 3; 87.024; 180.01; 180.03, subdivisions 2 and 3; 180.06; 180.10; 466.03, subdivisions 6c and 13.

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

Pages 1 to 4, delete sections 1 and 2 and insert:

"Section 1. Minnesota Statutes 1987 Supplement, section 3.732, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section and section 3.736 the terms defined in this section have the meanings given them.

(1) "State" includes each of the departments, boards, agencies, commissions, courts, and officers in the executive, legislative, and judicial branches of the state of Minnesota and includes but is not limited to the Minnesota housing finance agency, the Minnesota higher education coordinating board, the Minnesota higher education facilities authority, the armory building commission, the Minnesota zoological board, the state agricultural society, *the iron range resources and rehabilitation board*, the University of Minnesota, state universities, community colleges, state hospitals, and state penal institutions. It does not include a city, town, county, school district, or other local governmental body corporate and politic.

(2) "Employee of the state" means all present or former officers, members, directors, or employees of the state, members of the Minnesota national guard, or persons acting on behalf of the state in an official capacity, temporarily or permanently, with or without compensation, but does not include either an independent contractor or members of the Minnesota national guard while engaged in training or duty under United States Code, title 10, or United States Code, title 32, section 316, 502, 503, 504, or

505, as amended through December 31, 1983.

(3) "Scope of office or employment" means that the employee was acting on behalf of the state in the performance of duties or tasks lawfully assigned by competent authority.

Sec. 2. Minnesota Statutes 1987 Supplement, 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 3.7371;

(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, *state land that contains idled or abandoned mine pits or shafts*, and appurtenances, fixtures, and attachments to land that the state has neither affixed nor improved;

(h) 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. *For the purposes of this clause, a water access site, as defined in section 86A.04 or created by the iron range resources and rehabilitation board, that provides access to an idled, water filled mine pit, also includes the entire water filled area of the pit and, further, includes losses caused by the caving or slumping of the mine pit walls;*

(i) 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; and

(n) Any loss caused by an aeration, bubbler, water circulation, or similar system used to increase dissolved oxygen or maintain open water on the ice of public waters, that is operated under a permit issued by the commissioner of natural resources.

The state will not pay punitive damages."

Page 4, line 6, strike "87.022" and insert "87.0221"

Page 7, delete lines 9 to 23 and insert "*request of the county mine inspector, the county board may appropriate money, including money appropriated to the county by the legislature for the purposes of mine safety or inspection, for the expenses of the county mine inspector including expenses that arise from the erection and maintenance, by the county, on county administered land, of fences, barriers, or signs required by chapter 180.*"

Amend the title as follows:

Page 1, lines 6 and 7, delete "3.732, subdivision 1; 3.736, subdivision 3;"

Page 1, line 9, before the period, insert "; Minnesota Statutes 1987 Supplement, sections 3.732, subdivision 1; and 3.736, subdivision 3"

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1891: A bill for an act relating to waste management; requiring certain buildings to provide space for recycling; changing the definition of recyclable materials; specifying the responsibilities of the legislative commission on waste management; adding containment of hazardous waste as an item for which the waste management board may make grants; making industrial waste facilities eligible for processing facility loans; creating additional loan and grant programs for waste tire management; banning used oil from placement on the land; removing the county fee cap for waste disposal in the metropolitan area; adding the chair of the waste management board to the environmental quality board; repealing the expiration date of the legislative commission on waste management; appropriating money; amending Minnesota Statutes 1986, sections 16B.61, subdivision 5; 115A.03, subdivision 25a; 115A.14, subdivision 4; 115A.156, subdivision 3; 115A.165; 115A.912; 115A.919; 115B.17, by adding a subdivision; Minnesota Statutes 1987 Supplement, sections 16B.61, subdivision 3; 115A.156, subdivisions 1 and 2; 115A.162; 115A.48; 115A.916; 115A.95; and 116C.03,

subdivision 2; Laws 1980, chapter 564, article XII, section 1, subdivision 3, as amended; Laws 1987, chapters 348, section 51, subdivision 1; and 404, section 24, subdivisions 4 and 6; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E; repealing Minnesota Statutes 1986, sections 115A.14, subdivision 6; and 115A.90, subdivision 4; Minnesota Statutes 1987 Supplement, sections 115A.14, subdivision 5; 116.55; and 116M.07, subdivision 14.

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.24, subdivision 6, is amended to read:

Subd. 6. [PROPERTY RENTAL.] (a) [LEASES.] The commissioner shall rent land and other premises when necessary for state purposes. The commissioner may lease land or premises for five years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use. The commissioner may not rent non-state-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

(b) [USE VACANT PUBLIC SPACE.] No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available.

(c) [PREFERENCE FOR CERTAIN BUILDINGS.] For needs beyond those which can be accommodated in state owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

(d) [RECYCLING SPACE.] *Leases for space of 30 days or more for 5,000 square feet or more must require that space is provided for recyclable materials.*

Sec. 2. Minnesota Statutes 1986, section 16B.61, is amended by adding a subdivision to read:

Subd. 3a. [RECYCLING SPACE.] The code must require suitable space for the separation, collection, and temporary storage of recyclable materials within or adjacent to new or significantly remodeled structures greater than 1,000 square feet. Residential structures with less than 12 dwelling units are exempt from this subdivision.

Sec. 3. Minnesota Statutes 1986, section 115A.03, subdivision 25a, is amended to read:

Subd. 25a. "Recyclable materials" means materials that are separated from mixed municipal solid waste, ~~by the generator or during collection,~~ for the purpose of recycling, including paper, glass, metals, automobile oil, and batteries.

Sec. 4. Minnesota Statutes 1986, section 115A.14, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The commission shall ~~review the biennial report of the board, the agency municipal project list and municipal needs list reports, and the budget for the agency division of water quality. The commission shall oversee the activities of the board under sections 115A.01 to 115A.72 and the activities of the agency under sections 115A.42 to 115A.46, 115A.49 to 115A.54, and 116.16 to 116.18~~ *oversee the activities of the board under this chapter relating to solid and hazardous waste management, the activities of the agency under sections 116.16 to 116.181 relating to water pollution control, and the activities of the metropolitan council relating to metropolitan waste management under sections 473.801 to 473.848, and direct such changes or additions in the work plan of the board and agency as it deems fit.*

(b) *The commission shall make recommendations to the standing legislative committees on finance and appropriations for appropriations from:*

(1) *the environmental response, compensation, and compliance fund under section 115B.20, subdivision 5;*

(2) *the metropolitan landfill abatement fund under section 473.844; and*

(3) *the metropolitan landfill contingency action fund under section 473.845.*

(c) The commission may conduct public hearings and otherwise secure data and expressions of opinion. The commission shall make such recommendations as it deems proper to assist the legislature in formulating legislation. Any data or information compiled by the commission shall be made available to any standing or interim committee of the legislature upon request of the chair of the respective committee.

Sec. 5. Minnesota Statutes 1987 Supplement, section 115A.156, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The board may make grants to eligible recipients to determine the feasibility and method of developing and operating specific types of commercial facilities and services for collecting ~~and~~, processing, *or containment of hazardous waste* and for improving management of waste rendered nonhazardous and industrial waste. Grants may be made for:

(1) market assessment, including generator surveys;

(2) conceptual design and preliminary engineering;

(3) financial and business planning necessary to address sources of funding, financial security, liability, pricing structure, and similar matters necessary to the development and proper operation of a facility or service;

(4) environmental impact and site analysis, preparation of permit applications, and environmental and permit reviews;

(5) analysis of methods of overcoming identified technical, institutional, legal, regulatory, market, or other constraints; and

(6) analysis of other factors affecting development, operation, and use of a facility or service.

Sec. 6. Minnesota Statutes 1987 Supplement, section 115A.156, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] A person proposing to develop and operate specific collection ~~and~~, processing, *or containment* facilities or services to serve generators in the state and persons seeking to develop or operate specific types of facilities or services to manage industrial waste generated in the state, are eligible for a grant. The board may give preference to applications by associations of two or more generators in the state proposing to develop and operate commercial facilities or services ~~capable of collecting or for collection~~, processing, *or containment* of their hazardous wastes.

Sec. 7. Minnesota Statutes 1986, section 115A.156, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE FOR AWARDED GRANTS.] (a) The board may establish procedures for awarding grants under this section. The procedures for awarding grants shall include consideration of the following factors:

(1) the need to provide collection ~~and~~, processing *or containment* for a variety of types of hazardous wastes;

(2) the extent to which the facility or service would provide a significant amount of processing ~~or~~, collection, *or containment* capacity for waste generated in the state, measured by the volume of waste to be managed, the number and geographic distribution of generators to be served, or the reduction of risk to public health and safety and the environment achieved by the operation of the facility or service;

(3) the availability of the facility or service to all generators needing the service in the area to be served;

(4) the contribution of the facility or service to achieving the policies and objectives of the hazardous waste management plan;

(5) participation by persons with demonstrated experience in developing, designing, or operating hazardous waste collection ~~or~~, processing, *or containment* facilities or services;

(6) the need for assistance from the board to accomplish the work;

(7) the extent to which a proposal would produce and analyze new information; and

(8) other factors established by the board consistent with the purposes of this section.

(b) The board may adopt emergency rules under sections 14.29 to 14.36 to implement the grant program. Emergency rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

Sec. 8. Minnesota Statutes 1987 Supplement, section 115A.162, is amended to read:

115A.162 [INDUSTRIAL OR HAZARDOUS WASTE PROCESSING FACILITY LOANS.]

The board shall review applications for *industrial or hazardous waste processing facility* loans received by the *agriculture and economic development authority* and forwarded to the board under section ~~116M.07, subdivision 9~~ 41A.066. The board may certify a loan application only if it determines that:

(1) the applicant has demonstrated that the proposed facility is technically feasible;

(2) the applicant has made a reasonable assessment of the market for the services offered by the proposed facility;

(3) the applicant has agreed to provide funds for the proposed facility in an amount equal to at least 25 percent of the capital cost of the facility excluding land acquisition cost;

(4) the applicant has agreed to pay the cost of any land acquisition necessary to develop the facility; and

(5) the facility will contribute in a significant way to achievement of the policies and objectives of the hazardous waste management plan and, in particular, to reduce the need for and practice of *industrial or hazardous waste disposal*.

As a condition of its certification the board may require an applicant to agree to provide funds in excess of 25 percent of the capital cost of the facility in addition to any land acquisition costs. In certifying an application or in determining the share of the capital costs that will be provided by the loan, the board may consider the types and volumes of *industrial or hazardous waste* that will be handled by the facility, the number of generators served by the facility, and the extent to which the facility serves the need of smaller businesses that generate *industrial or hazardous waste*. The board may establish additional criteria for certifying loan applications consistent with the provisions of this section.

The board may adopt emergency rules under sections 14.29 to 14.36 to implement the loan program. Emergency rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

Sec. 9. Minnesota Statutes 1986, section 115A.165, is amended to read:

115A.165 [EVALUATION OF GRANT AND LOAN PROGRAMS; REPORT.]

By November 1, ~~1986~~, of each even-numbered year, the board shall evaluate the extent to which the programs provided in sections 115A.152 to 115A.162 have contributed to the achievement of the policies and objectives of the hazardous waste management plan and other related planning documents prepared by the board. The evaluation must consider the amount of waste reduction achieved by generators through the technical and research assistance and waste reduction grant programs and the progress in reducing the need for and practice of disposal achieved through the development grants and the request for proposal program. The board shall report the results of its evaluation to the legislative commission with its recommendations for further action.

Sec. 10. Minnesota Statutes 1987 Supplement, section 115A.48, is amended to read:

115A.48 [MARKET DEVELOPMENT FOR RECYCLABLE MATERIALS AND COMPOST.]

Subdivision 1. [AUTHORITY.] The board shall assist and encourage the development of specific facilities ~~and~~, services, ~~and~~ uses needed to provide adequate, stable, and reliable markets for recyclable materials ~~and~~ compost generated in the state. In carrying out this duty the board shall coordinate and cooperate with the solid waste management efforts of other public agencies and political subdivisions.

Subd. 2. [FACILITY DEVELOPMENT PROPOSALS.] In order to determine the feasibility and method of developing and operating specific types of facilities and services to use recyclable materials ~~and~~ compost generated in the state, the board shall request proposals from and may make grants to persons seeking to develop or operate the facilities or services. Grants may be made for the purposes in section 115A.156, subdivision 1, clauses (1) to (6). A grant must be matched by money or in-kind services provided by the grantee covering at least 50 percent of the project cost. In requesting proposals under this section the board shall follow the procedures provided in section 115A.158, subdivisions 1 and 2, as far as practicable.

Subd. 3. [PUBLIC PROCUREMENT.] The board shall provide technical assistance and advice to political subdivisions and other public agencies to encourage solid waste reduction and development of markets for recyclable materials ~~and~~ compost through procurement policies and practices.

Sec. 11. [115A.541] [PLAN; GRANT REQUIREMENT.]

The board may only approve a plan under section 115A.46 or make a grant for a recycling facility under section 115A.54, subdivision 2a, if it finds that the applicant demonstrates a commitment to recycle materials separated by generators to the extent the program is cost-effective in meeting recycling goals.

Sec. 12. Minnesota Statutes 1986, section 115A.912, is amended to read:

115A.912 [WASTE TIRE COLLECTION MANAGEMENT.]

Subdivision 1. [PURPOSE.] Money appropriated to the ~~agency~~ board for waste tire ~~collection management~~ may be spent for elimination of health and safety hazards of tire dumps and collection sites, tire dump abatement, collection, ~~management~~ and clean up of waste tires, ~~regulation of permitted waste tire facilities, research and studies to determine the technical and economic feasibility of uses for tire derived products, public education on waste tire management, and grants and loans under section 13.~~

Subd. 2. [PRIORITIES FOR SPENDING.] The ~~agency~~ board shall apply the following criteria to establish priorities: (1) tire dumps or collection sites determined by the ~~agency~~ board to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.

Subd. 3. [CONTRACTS WITH COUNTIES.] The ~~agency~~ board may contract with counties for the abatement of waste tire nuisances and may reimburse a county for up to 85 percent of the cost of abatement. A contract with a county for abatement of waste tire nuisances must incorporate a plan approved by the board that provides for the removal and processing of the waste tires in a manner consistent with board standards and ongoing

board abatement activities. A county may recover by civil action its part of abatement costs from the tire collector responsible for a nuisance.

Sec. 13. [115A.913] [WASTE TIRE PROGRAMS.]

Subdivision 1. [LOANS AND GRANTS.] (a) The board may make waste tire processing loans to businesses to finance acquisition of land, buildings, or equipment, installation of equipment, construction of buildings, capital improvements for waste tire processing or preparation for processing, collection and transportation of waste tires, utilization of tire derived products, and to develop markets for waste tire derived products.

(b) The board may make grants for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire recycling project. A grant may not exceed \$30,000 and may not exceed 75 percent of the costs of the study.

Subd. 2. [COLLECTION AND TRANSPORTATION.] The board may make grants to local government units for the cost of establishing waste tire collection sites. Grants may be used for the capital costs of land, structures, and equipment needed to establish waste tire collection sites, and to collect and transport waste tires. A grant may not exceed 50 percent of the cost to a local government unit to establish a waste tire collection site.

Subd. 3. [FEASIBILITY STUDIES.] The board may conduct research and studies to determine the technical and economic feasibility of uses for waste tire derived products.

Subd. 4. [PUBLIC EDUCATION.] The board may conduct a program to inform the public about proper handling and opportunities for processing of waste tires consistent with section 115A.072.

Subd. 5. [REPORT.] By November 15 of each year, the board shall prepare and submit to the legislative commission on waste management a progress report of the board's operations and activities under sections 115A.90 to 115A.914.

Sec. 14. Minnesota Statutes 1987 Supplement, section 115A.916, is amended to read:

115A.916 [USED OIL; LAND DISPOSAL PROHIBITED.]

A person may not place used oil in mixed municipal solid waste or ~~dispose of place used oil in a solid waste disposal facility after January 1, 1988~~ or on the land, unless approved by the agency.

This section does not apply to small amounts of used oil placed on the land resulting from the used oil being used for lubrication of farm machinery. This section may be enforced by the agency pursuant to section 115.071.

Sec. 15. [115A.9162] [USED OIL LOANS AND GRANTS.]

Subdivision 1. [LOANS.] The board may make loans to businesses for the purchase of used oil processing equipment.

Subd. 2. [GRANTS.] The board may make grants to counties for installation of storage tanks to collect used oil. To be eligible for a grant, a county must obtain approval from the commissioner of the agency for the type of tank to be used, the location and installation of the tank, and the proposed ongoing maintenance and monitoring of the collection site. A tank may be located on public or private property and must be made

available to the public for used oil disposal. A grant for a single tank may not exceed \$1,000 and a county may not receive more than \$5,000 in grants for storage tanks.

Sec. 16. Minnesota Statutes 1986, section 115A.919, is amended to read:

115A.919 [COUNTY FEE AUTHORITY.]

A county may impose a fee, by cubic yard of waste or its equivalent, on operators of facilities for the disposal of mixed municipal solid waste located within the county. ~~The fee in the metropolitan area may not exceed 25 cents per cubic yard or its equivalent.~~ The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from one-half the amount of the fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.

Sec. 17. [115A.97] [INCINERATOR ASH.]

(a) Incinerator ash means ash resulting from the combustion of mixed municipal waste and ash from the combustion of refuse derived fuel. Incinerator ash shall be classified as a special solid waste for an interim period which shall expire upon the occurrence of the earliest of the following events:

(1) the United States Environmental Protection Agency establishes testing and disposal requirements for incinerator ash;

(2) the Minnesota pollution control agency adopts rules for proper testing and disposal of incinerator ash; or

(3) March 1, 1990.

(b) During the interim period, incinerator ash shall be evaluated in accordance with a program established by the agency in cooperation with the generators of incinerator ash and shall be stored separate from mixed municipal waste with adequate controls to protect the environment as provided in agency permits. All incinerator ash stored during the interim period shall be subject to the regulations subsequently established. Nothing in this section shall be construed to limit application of chapter 115B to releases resulting from incinerator ash management.

Sec. 18. Minnesota Statutes 1986, section 115B.17, is amended by adding a subdivision to read:

Subd. 14. [REQUESTS FOR REVIEW, INVESTIGATION, AND OVERSIGHT.] (a) The commissioner of the agency may, upon request, assist a person in determining whether real property has been the site of a release or threatened release of a hazardous substance, pollutant, or contaminant. The commissioner may also assist in, or supervise, the development and implementation of reasonable and necessary response actions. Assistance

may include review of agency records and files, and review and approval of a requester's investigation plans and reports and response action plans and implementation.

(b) The person requesting assistance under this subdivision shall pay the agency for the agency's cost, as determined by the commissioner, of providing assistance. Money received by the agency for assistance under this section must be deposited in the environmental response, compensation, and compliance fund.

Sec. 19. Minnesota Statutes 1987 Supplement, section 116C.03, subdivision 2, is amended to read:

Subd. 2. The members of the board are the director of the state planning agency, the director of public service, the director of the pollution control agency, the commissioner of natural resources, *the chair of the waste management board*, the commissioner of agriculture, the commissioner of health, the commissioner of transportation, the chair of the board of water and soil resources, and a representative of the governor's office designated by the governor. The governor shall appoint five members from the general public to the board, subject to the advice and consent of the senate. At least two of the five public members must have knowledge of and be conversant in water management issues in the state.

Sec. 20. [325E.116] [WASTE TIRES; COLLECTION.]

A person who sells automotive tires at retail must accept waste tires from customers for collection and recycling. The person must accept as many waste tires from each customer as tires are bought by that customer.

Sec. 21. Minnesota Statutes 1986, section 473.803, subdivision 4, is amended to read:

Subd. 4. [ADVISORY COMMITTEE.] By July 1, 1984, each county shall establish a solid waste management advisory committee to aid in the preparation of the county master plan ~~and~~, any revisions thereof *and such additional matters as the county deems appropriate*. The committee must consist of ~~one-third~~ citizen representatives, ~~one-third~~ representatives from towns and cities within the county, and ~~one-third~~ representatives from private waste management firms. ~~At least one-third of the members of~~ The committee must ~~be~~ include residents of towns or cities within the county containing ~~solid~~ waste disposal facilities and eligible solid waste disposal sites included in the council's disposal site inventory. Members of the council's solid waste advisory committee who reside in the county are *ex officio* members of the county advisory committee. A representative of the metropolitan council is an *ex officio* member of the committee.

Sec. 22. Laws 1987, chapter 348, section 51, subdivision 1, is amended to read:

Sec. 51. [APPROPRIATIONS; COMPLEMENT.]

Subdivision 1. [APPROPRIATIONS.] The following amounts are appropriated from the solid and hazardous waste account to the agencies and for the purposes and fiscal years specified:

1988

1989

(a) To the waste management board:

(1) For nonhazardous and industrial waste grants and technical assistance under section 3	\$ 25,000	\$ 25,000
(2) For public education under section 4	95,000	95,000
(3) For the solid waste management policy report under section 14	30,000	30,000
(4) For market development for recyclables under section 17	100,000	100,000
(5) For waste reduction and separation projects and technical assistance under section 21	150,000	150,000
(b) To the pollution control agency:		
(1) For the solid waste management policy report under section 14	30,000	30,000
(2) For household hazardous waste management under section 29	215,800	300,200
(3) For pilot waste pesticide collection under section 48	145,800	70,000
(c) To the department of public service for the notice and inspection program under section 36	3,600	3,600

Amounts unexpended in one fiscal year are available for expenditure in the other fiscal year.

Sec. 23. Laws 1987, chapter 404, section 24, subdivision 4, is amended to read:

Subd. 4. Solid Waste and Hazardous Waste Pollution Control

	\$13,074,500	\$13,350,700
Summary by Fund		
General	\$1,828,200	\$1,723,000
Special Revenue	\$ 988,300	\$ 951,700
Public Health	\$ 131,900	\$ 131,900
Environmental	\$2,233,400	\$2,233,400
Metro Landfill Abatement	\$1,134,000	\$1,134,000
Metro Landfill Contingency	\$ 662,000	\$ 162,000
Motor Vehicle Transfer	\$1,473,200	\$1,008,200
Water Pollution Control	\$4,623,500	\$6,006,500

(a) All money in the environmental response, compensation and compliance fund not otherwise appropriated, is appropriated to the pollution control agency for the purposes described in the environmental response and liability act, Minnesota Statutes, section 115B.20, subdivision 2, clauses (a), (b), (c), and (d). This appropriation is available until June 30, 1989.

(b) All money in the metropolitan landfill abatement fund not otherwise appropriated is

appropriated to the pollution control agency for payment to the metropolitan council and may be used by the council for the purposes of Minnesota Statutes, section 473.844. The council may not spend the money until the legislative commission on waste management has made its recommendations on the budget and work program submitted by the council.

(c) Any unencumbered balance from the metropolitan landfill contingency fund remaining in fiscal year 1988 does not cancel but is available for fiscal year 1989.

(d) A solid and hazardous waste account is created as a separate fund in the state treasury. The commissioner of finance shall transfer \$919,000 from the motor vehicle transfer fund and \$680,000 from the water pollution control fund over the biennium to the solid and hazardous waste fund.

(e) \$100,000 is appropriated for the household hazardous waste program created in the law styled as H.F. No. 794 of the 1987 legislative session. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

(f) \$1,973,200 the first year and \$2,008,200 the second year are from the motor vehicle transfer fund ~~for use in cleanup of waste tire dumps, as prioritized by the agency for waste tire management under section 12.~~ Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$4,500,000 the first year and \$5,900,000 the second year are appropriated from the water pollution control fund for transfer to the environmental response, compensation, and compliance fund. *The appropriations in paragraph (f) are available until expended.*

Sec. 24. Laws 1987, chapter 404, section 24, subdivision 6, is amended to read:

Subd. 6. Balances Canceled

\$6,235,800 the first year and \$6,117,200 the second year of the balance in the water pollution control fund must be canceled and transferred to the general fund on July 1, 1987, and July 1, 1988, respectively.

~~\$2,425,200 the first year and \$2,925,200 the second year~~ of the balance in the motor vehicle transfer fund must be canceled and transferred

to the general fund on July 1, 1987, and July 1, 1988, respectively.

Sec. 25. Laws 1980, chapter 564, article XII, section 1, subdivision 3, as amended by Laws 1983, chapter 299, section 31, and chapter 301, section 222, is amended to read:

Subd. 3. WASTE MANAGEMENT BOARD.

15,718,000

This appropriation is available for the following purposes:

(a) General Operations and Management. Approved Complement - 14. These positions are in the unclassified service and their continuation is dependent upon the availability of money from appropriations in this subdivision. When these appropriations have been expended the positions shall be cancelled and the approved complement reduced accordingly. The annual salary of the full-time chairperson of the board shall be \$45,000 established pursuant to section 15A.081, subdivision 1.

(b) Acquisition of Sites and Buffer Areas for Hazardous Waste

Facilities

6,200,000

This appropriation is from the state waste management fund, to be spent pursuant to article II, section 3, subdivision 4. Up to \$3,200,000 is available for, including payment of the costs of staff and independent professional services needed for the selection and acquisition of sites.

(c) Waste Processing Facility

Demonstration Program

8,800,000

This appropriation is from the state waste management fund, to be spent pursuant to article VI, sections 4 and 6. Up to 5 percent is available for administration and technical and professional services.

Sec. 26. [APPROPRIATION; COMPLEMENT.]

Subdivision 1. [WASTE MANAGEMENT BOARD.]

The following amounts are appropriated from the motor vehicle transfer fund to the waste management board for the following purposes:

Waste tire management programs under section 12. 2,200,200

Waste oil loans and grants and market feasibility studies under section 15. 525,000

These appropriations are available until expended.

The complement of the board is increased by six positions.

Subd. 2. [POLLUTION CONTROL AGENCY.] \$238,500 is appropriated to the pollution control agency from the environmental response, compensation, and compliance fund for the purposes of section 18 to be available until June 30, 1989. This appropriation must be returned to the fund through the cost recovery system under section 18.

The complement of the agency is increased by six positions, two of which are full-time temporary in the unclassified service, to develop an automated data base. When the data base is operational the unclassified positions terminate and the approved complement of the agency is reduced accordingly.

Sec. 27. [REPEALER.]

Minnesota Statutes 1986, sections 115A.14, subdivision 6; 115A.90, subdivision 4; 473.149, subdivision 2b; 473.803, subdivision 1a; 473.806; and 473.833; Minnesota Statutes 1987 Supplement, sections 115A.14, subdivision 5; 115A.41; 116.55; and 116M.07, subdivision 14, are repealed.

Sec. 28. [EFFECTIVE DATE.]

Sections 12, 13, 18, 23, 24, 26, and 27 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 13, after the semicolon, insert "providing for interim classification of incinerator ash;"

Page 1, line 18, after "sections" insert "16B.24, subdivision 6;" and delete "subdivision 5" and insert "by adding a subdivision"

Page 1, line 21, after the semicolon, insert "473.803, subdivision 4;"

Page 1, line 22, delete "16B.61, subdivision 3;"

Page 1, line 23, delete "115A.95;"

Page 1, line 30, delete "and"

Page 1, line 31, after the semicolon, insert "473.149, subdivision 2b; 473.803, subdivision 1a; 473.806; and 473.833;"

Page 1, line 32, after "5;" insert "115A.41;"

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. 1718: A bill for an act relating to public safety; regulating boiler operation; amending Minnesota Statutes 1986, sections 183.411, subdivisions 1, 3, and by adding a subdivision; 183.466; 183.51, subdivisions 4, 7, and 10.

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

Page 2, after line 17, insert:

"Sec. 4. Minnesota Statutes 1987 Supplement, section 183.42, is amended

to read:

183.42 [INSPECTION EACH YEAR.]

Every owner, lessee, or other person having charge of boilers, pressure vessels or any boat subject to inspection under this chapter shall cause ~~the same~~ them to be inspected by the division of boiler inspection. Boilers and boats subject to inspection under this chapter ~~shall~~ must be inspected at least annually and pressure vessels inspected at least every two years *except as provided under section 183.45*. A person who fails to have the inspection required by this section shall pay to the commissioner a penalty in the amount of the cost of inspection up to a maximum of \$1,000.

Sec. 5. Minnesota Statutes 1986, section 183.45, is amended to read:

183.45 [INSPECTION.]

Subdivision 1. All boilers and steam generators ~~shall~~ must be inspected by the division of boiler inspection before ~~same~~ they are used and all boilers ~~shall~~ must be inspected at least once each year thereafter *except as provided under subdivision 2*. Inspectors may subject all boilers to hydrostatic pressure or hammer test, and shall ascertain by a thorough internal and external examination that they are well made and of good and suitable material; that the openings for the passage of water and steam, respectively, and all pipes and tubes exposed to heat, are of proper dimensions and free from obstructions; that the flues are circular in form; that the arrangements for delivering the feed water are such that the boilers cannot be injured thereby; and that such boilers and their connections may be safely used without danger to life or property. Inspectors shall ascertain that the safety valves are of suitable dimensions, sufficient in number, and properly arranged, and that the safety valves are so adjusted as to allow no greater pressure in the boilers than the amount prescribed by the inspector's certificate; that there is a sufficient number of gauge cocks, properly inserted, to indicate the amount of water, and suitable gauges that will correctly record the pressure; and that the fusible metals are properly inserted where required so as to fuse by the heat of the furnace whenever the water in the boiler falls below its prescribed limit; and that provisions are made for an ample supply of water to feed the boilers at all times; and that means for blowing out are provided, so as to thoroughly remove the mud and sediment from all parts when under pressure.

Subd. 2. [QUALIFYING BOILER.] (a) "Qualifying boiler" means a boiler of 200,000 pounds per hour or more capacity which has an internal continuous water treatment program approved by the department and which the chief boiler inspector has determined to be in compliance with paragraph (c).

(b) A qualifying boiler must be inspected at least once every 24 months internally and externally while not under pressure, and at least once every 18 months externally while under pressure. If the inspector considers it necessary to conduct a hydrostatic test to determine the safety of a boiler, the test must be conducted by the owner or user of the equipment under the supervision of an inspector.

(c) The owner of a qualifying boiler must keep accurate records showing the date and actual time the boiler is out of service, the reason or reasons therefor, and the chemical physical laboratory analysis of samples of the boiler water taken at regular intervals of not more than 48 hours of operation which adequately show the condition of the water, and any elements

or characteristics thereof, capable of producing corrosion or other deterioration of the boiler or its parts.

(d) If an inspector determines there are substantial deficiencies in equipment or in operating procedures, inspections of a qualifying boiler may be required once every 12 months until such time as the chief boiler inspector finds that the substantial deficiencies have been corrected."

Page 3, after line 31, insert:

"Sec. 10. [EFFECTIVE DATE.]

Sections 4 and 5 are effective the day following final enactment."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "operation" insert "and inspections"

Page 1, line 5, after the first semicolon, insert "183.45;"

Page 1, line 6, before the period, insert "; and Minnesota Statutes 1987 Supplement, section 183.42"

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. 1904: A bill for an act relating to health; requiring a review organization to report certain information to the board of medical examiners; exempting certain disciplinary actions from publication; expanding the grounds for disciplinary action; providing for temporary permit to practice physical therapy; allowing dissemination of data to other states; amending Minnesota Statutes 1986, sections 145.64; 147.02, subdivision 6; 147.091, subdivision 1; 148.71; 214.10, subdivision 8; and proposing coding for new law in Minnesota Statutes, chapter 145.

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

Page 1, line 22, delete the new language

Page 2, line 13, after the period, insert "*This section shall not be interpreted to prevent a review organization, or any institution, organization, or society by which it was established, from producing documents in response to a subpoena issued by the board of medical examiners pursuant to section 147.111, subdivision 9, or providing access to records of a patient pursuant to section 147.161, subdivision 3.*"

Page 2, delete section 2

Page 3, delete lines 1 to 9 and insert:

"Sec. 3. Minnesota Statutes 1986, section 147.02, is amended by adding a subdivision to read:

Subd. 6a. [EXCEPTION TO PUBLICATION REQUIREMENT.] The publication requirement does not apply to disciplinary"

Page 4, line 24, delete "607.341" and insert "609.344"

Page 4, line 25, delete "609.343" and insert "609.345"

Page 7, after line 8, insert:

"Sec. 4. Minnesota Statutes 1986, section 147.111, subdivision 2, is amended to read:

Subd. 2. [INSTITUTIONS.] Any hospital, clinic, prepaid medical plan, or other health care institution or organization located in this state shall report to the board any action taken by the institution or organization or any of its administrators or medical or other committees to revoke, suspend, restrict, or condition a physician's privilege to practice or treat patients in the institution, or as part of the organization, any denial of privileges, or any other disciplinary action. The institution or organization shall also report the resignation of any physicians prior to the conclusion of any disciplinary proceeding, or prior to the commencement of formal charges but after the physician had knowledge that formal charges were contemplated or in preparation. *Each report made under this subdivision must state the nature of the action taken, state in detail the reasons for the action, and identify the specific patient medical records upon which the action was based.* No report shall be required of a physician voluntarily limiting the practice of the physician at a hospital provided that the physician notifies all hospitals at which the physician has privileges of the voluntary limitation and the reasons for it.

Sec. 5. Minnesota Statutes 1986, section 147.111, subdivision 9, is amended to read:

Subd. 9. [SUBPOENAS.] The board may issue subpoenas for the production of any reports required by subdivisions 2 to 7 or any related documents *including patient medical records that may have been considered by a peer review organization. This subdivision does not apply to records of peer review proceedings and consultant reports used exclusively by a peer review organization.*

Page 7, line 24, delete "not" and insert "cannot be"

Page 7, lines 25 and 29, delete "shall expire" and insert "expires"

Page 9, line 36, delete "which" and insert "that" and delete "receive" and insert "obtain"

Page 10, after line 2, insert:

"Sec. 8. [REPEALER.]

Section 2 is repealed effective August 1, 1990."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, delete "report" and insert "produce" and delete "to" and insert "in response to a subpoena from"

Page 1, line 9, delete "subdivision 6" and insert "by adding a subdivision"

Page 1, line 10, after the first semicolon, insert "147.111, subdivisions 2 and 9;" and after the second semicolon, insert "and" and delete "; and" and insert a period

Page 1, delete lines 11 and 12

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

adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2162: A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Itasca county.

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

Page 1, line 16, before "are" insert "*or their successors in interest*"

Page 1, delete lines 20 to 25 and insert:

"(b) If a person other than Bruce R. Olsen and Donna K. Olsen purchases the land, the purchaser shall make payment in full to Bruce R. Olsen and Donna K. Olsen at the time of the sale for the appraised value of the improvements. Failure of a successful bidder to comply with this provision voids the sale and the property must be rebid."

Page 2, delete lines 1 to 3

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2214: A bill for an act relating to natural resources; authorizing the commissioner to sell certain surplus lands to local governments for local recreation or natural resource purposes; specifying the amount above appraised value that the commissioner may pay when acquiring land; transferring certain duties of county auditors and treasurers relating to the sale of state land to the commissioner; authorizing long-term leases of state land for certain purposes; modifying certain provisions of land exchange laws relating to appraisals and fees; amending Minnesota Statutes 1986, sections 84.027, by adding a subdivision; 92.16, subdivision 1; 92.23; 92.24; 92.26; 92.27; 92.50, subdivision 1; 94.343, subdivision 3; and 94.348; Minnesota Statutes 1987 Supplement, section 84.0272; repealing Minnesota Statutes 1986, section 92.25.

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 84.027, is amended by adding a subdivision to read:

Subd. 10. [SALE OF SURPLUS LANDS TO LOCAL GOVERNMENTS FOR RECREATIONAL OR NATURAL RESOURCES PURPOSES.] (a) The commissioner, with the approval of the state executive council, may sell the class of land or interest in land under paragraph (b) to a county, home rule charter or statutory city, town, or other governmental subdivision of the state for public use, including recreational or natural resource purposes.

(b) The commissioner may sell the class of land or interest in land that has been acquired by gift, purchase, or eminent domain and the commissioner has declared surplus. The commissioner shall declare land surplus

in writing and state the reasons why the land or interest in land is no longer needed.

(c) The commissioner shall appraise the land or interest in land before the land or interest in land is sold, and may sell the land or interest in land for less than the appraised value if the commissioner determines, in writing, that it is in the public interest.

(d) The commissioner shall convey the state's interest in the name of the state by quitclaim deed in a form approved by the attorney general. The deed must reserve to the state minerals and mineral rights in the manner provided in sections 93.01 and 93.02, and provide that the land or interest in land reverts to the state if the governmental subdivision acquiring the land or interest in land:

(1) fails to provide the public use intended on the property;

(2) allows a public use other than the public use agreed to by the commissioner at the time of conveyance without the written approval of the commissioner; or

(3) abandons the public use of the property.

Sec. 2. Minnesota Statutes 1987 Supplement, section 84.0272, is amended to read:

84.0272 [PROCEDURE IN ACQUIRING LANDS.]

When the commissioner of natural resources is authorized to acquire lands or interests in lands the procedure set forth in this section shall apply. The commissioner of natural resources shall first prepare a fact sheet showing the lands to be acquired, the legal authority for their acquisition, and the qualities of the land that make it a desirable acquisition. The commissioner of natural resources shall cause the lands to be appraised. An appraiser shall before entering upon the duties of office take and subscribe an oath to faithfully and impartially discharge the duties as appraiser according to the best of the appraiser's ability and that the appraiser is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the sale thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of the appraisal. The commissioner of natural resources ~~shall~~ may not agree to pay more than *ten percent above* the appraised value. New appraisals may be made at the discretion of the commissioner of natural resources.

Sec. 3. Minnesota Statutes 1986, section 84.631, is amended to read:

84.631 [ROAD EASEMENTS ACROSS TRAILS ESTABLISHED ON ACQUIRED RAILROAD RIGHTS-OF-WAY STATE LANDS.]

The commissioner, on behalf of the state, may convey a road easement across ~~any abandoned railroad right-of-way which has been acquired by the state for trail purposes, and which is state land~~ under the commissioner's jurisdiction *other than school trust land*, to a private person requesting an easement for access to property owned by the person ~~only if the following requirements are met:~~ (1) alternative methods to obtain access to the property have been sought and exhausted by the person seeking the easement through the establishment of a town or other local government road; and (2) the commissioner determines that the hardship to the person being deprived of access outweighs any adverse effects to the state-owned land

caused by encumbering the state-owned land with a road easement. On determining that an easement will be granted under this subdivision, the commissioner shall:

(1) require the applicant to pay the market value of the easement; and shall;

(2) provide in that the easement that it shall revert reverts to the state in the event of nonuse. The commissioner may; and

(3) impose other terms and conditions of use as necessary and appropriate under the circumstances.

Sec. 4. [84.632] [CONVEYANCE OF UNNEEDED STATE FLOWAGE EASEMENTS.]

(a) Notwithstanding section 92.45, the commissioner of natural resources may, in the name of the state, release a flowage easement acquired by the state to a landowner whose property is burdened with the flowage easement if the flowage easement is not needed for state purposes.

(b) The entire, or a portion of a, flowage easement may be released by payment of consideration in an amount determined by the commissioner. The conveyance must be by quitclaim deed in a form approved by the attorney general.

(c) Money received for the flowage easement shall be deposited in the account from which money was expended for purchase of the flowage easement.

Sec. 5. Minnesota Statutes 1986, section 85.015, subdivision 1, is amended to read:

Subdivision 1. [ACQUISITION.] (a) The commissioner of natural resources shall establish, develop, maintain, and operate the trails designated in this section. Each trail shall have the purposes assigned to it in this section. The commissioner of natural resources may acquire lands by gift or purchase, in fee or easement, for the trail and facilities related to the trail.

(b) The commissioner of natural resources, in the name of the state, may sell surplus lands not needed for trail purposes to adjoining property owners and leaseholders. The conveyance must be by quitclaim in a form approved by the attorney general for a consideration not less than the appraised value.

Sec. 6. [92.025] [SCHOOL TRUST LAND DEFINITION.]

For purposes of chapters 92 and 94, "school trust land" means land granted by the United States for use of schools within each township, swampland granted to the state, and internal improvement land that are reserved for permanent school fund purposes under the Minnesota Constitution, article XI, section 8, and land exchanged, purchased, or granted to the permanent school fund.

Sec. 7. Minnesota Statutes 1986, section 92.16, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS; DEFAULT, RESALE.] At the time of the sale the commissioner shall execute, acknowledge, and deliver to the purchaser a certificate of sale, numbered and made assignable, certifying the description of the land sold, its quantity, the price per acre, the consideration paid and to be paid, and the time and terms of payment. A certificate must

not be delivered until the sum required by law to be paid at the time of the sale is paid to the treasurer of the county where the sale takes place. The sum includes costs determined by the commissioner to be associated with the sale such as survey, appraisal, publication, deed tax, filing fee, and similar costs. If the purchaser fails to pay the sum, the commissioner may immediately reoffer the land for sale, but no a bid may not be received accepted from the person so failing to pay the original offer.

Sec. 8. Minnesota Statutes 1986, section 92.23, is amended to read:

92.23 [PAYMENTS; RECEIPTS; LIABILITY OF OFFICIALS.]

The holder of a certificate of sale may pay the treasurer of the county containing the land commissioner any amount due on the certificate. The treasurer commissioner shall issue quadruplicate duplicate receipts specifying the date, the name and address of the person making the payment, the amount paid, whether for principal or interest, the fund to which it is applicable, and the number of the certificate. The receipt must be countersigned by the auditor of the county, and has the same effect as if given by the state treasurer. The county treasurer commissioner shall deliver one copy to the holder of the certificate, one to the county auditor, one to the commissioner, and retain one copy.

The liability under the official bonds of county treasurers and of their deputies and employees includes liability for the faithful performance of their duties under this section.

Sec. 9. Minnesota Statutes 1986, section 92.24, is amended to read:

92.24 [MONEY PAID TO STATE TREASURER.]

The county treasurer must hold commissioner shall pay over all money received on account of certificates of sale subject to the order of the state treasurer for deposit as required by section 92.28 and other applicable laws. On June 30 and December 31 each year and at other times when requested by the state treasurer, the county treasurer shall pay into the state treasury the money received since the last payment.

Sec. 10. Minnesota Statutes 1986, section 92.26, is amended to read:

92.26 [STATEMENT OF SALES.]

Before May 2 each year the director commissioner shall transmit to each county treasurer who has executed and returned bond prepare a statement showing the lands sold in that each county, the classes to which they belong, the numbers of the certificates of sale, the name of the persons to whom each was issued, and the amount of principal and interest due on each certificate on June 1. The director commissioner shall provide instructions and forms to enable the treasurer to carry out this chapter forward copies of the statement to the governor and to the commissioner of finance.

Sec. 11. Minnesota Statutes 1986, section 92.27, is amended to read:

92.27 [COUNTY AUDITORS; DUTIES AND POWERS COMMISSIONER'S REPORT ON CLOSE OF SALE.]

At the time required by law to return abstracts of settlement to the commissioner or at any other time requested by the commissioner, the county auditor shall forward to the commissioner all duplicate receipts of principal, interest, or penalties delivered to the auditor, with a certified statement of collections by the county treasurer. The certified statement

~~must specify the amount of each item. The county auditor commissioner or the commissioner's designated agent shall act as clerk of land sales made by the commissioner and may make sales when authorized by the commissioner, in which case the auditor's deputy shall act as clerk. Immediately after the close of all sales, the county auditor commissioner shall prepare a report to the commissioner the description of describing each tract sold, the amount for which it was sold, and the amount paid. For each day while so engaged the county auditor shall be paid \$3. Payment must be made out of any appropriation for the appraisal and sale of these lands.~~

Sec. 12. Minnesota Statutes 1986, section 92.29, is amended to read:

92.29 [LAND PATENTS.]

~~The governor commissioner of natural resources shall sign and issue, in the name of the state and under the seal of the state, attested by the commissioner, a patent for the land described in any certificate of sale when it is presented endorsed with the certificate of the commissioner (1) that the principal and interest specified in it the certificate of sale and all taxes due on this the land have been paid and (2) that. The patent should issue shall be issued to the named patentee. The patentee shall be the purchaser named in the certificate of sale, or the purchaser's successor in interest by execution, judicial, mortgage or tax sale, or the assignee, vendee, heir or devisee of the purchaser, as shown by a properly certified abstract of title or other evidence if the named patentee purchaser's successor is any a person other than the original purchaser named in the certificate of sale. If the certificate of sale has become lost or destroyed, an affidavit stating that fact must be submitted by the applicant for a patent.~~

Sec. 13. Minnesota Statutes 1986, section 92.50, subdivision 1, is amended to read:

Subdivision 1. [LEASE TERMS.] (a) The commissioner of natural resources may lease, ~~at public or private vendue and at the prices and under the terms and conditions the commissioner may prescribe, any state-owned lands land~~ under the commissioner's jurisdiction and control ~~for the purpose of taking and removing:~~

(1) ~~to remove sand, gravel, clay, rock, marl, peat, and black dirt, for storing;~~

(2) ~~to store ore, waste materials from mines, or rock and tailings from ore milling plants;~~

(3) ~~for roads or railroads;~~ or

(4) ~~for any other uses consistent with the interests of the state. Except as otherwise provided in this subdivision, the term of~~

(b) ~~The commissioner shall offer the lease at public or private sale for an amount and under terms and conditions prescribed by the commissioner. Commercial leases for more than 10 years and leases for removal of peat must be approved by the executive council.~~

(c) ~~The lease term may not exceed ten years- except:~~

(1) ~~leases of lands for storage sites for ore, waste materials from mines, or rock and tailings from ore milling plants, or for the removal of peat, or for the use of peat lands for agricultural purposes may not exceed a term of 25 years- Leases for the removal of peat must be approved by the executive council;~~

(2) leases for the use of peat lands for agricultural purposes may not exceed 21 years; and

(3) leases for commercial purposes, including major resort, convention center, or recreational area purposes, may not exceed a term of 40 years.

All (d) Leases must be subject to sale and leasing of the land for mineral purposes and contain a provision for cancellation for just cause at any time by the commissioner upon six months' written notice. A longer notice period, not exceeding three years, may be provided in leases for storing ore, waste materials from mines or rock or tailings from ore milling plants. The commissioner may determine the terms and conditions, including the notice period, for cancellation of a lease for the removal of peat and commercial leases.

(e) Money received from leases under this section must be credited to the fund to which the land belongs.

Sec. 14. Minnesota Statutes 1986, section 94.342, subdivision 3, is amended to read:

Subd. 3. [CLASS C.] ~~No land specifically designated by law as a state park shall be given in exchange hereunder unless expressly authorized by the legislature.~~

No Land bordering on or adjacent to any meandered or other public waters and withdrawn from sale by law ~~shall~~ is Class C land. Class C land may not be given in exchange unless expressly authorized by the legislature or unless through the same exchange the state acquires land on the same or other public waters in the same general vicinity affording at least equal opportunity for access to the waters and other riparian use by the public; provided, that any exchange with the United States or any agency thereof may be made free from this limitation upon condition that the state land given in exchange bordering on public waters shall be subject to reservations by the state for public travel along the shores as provided by Minnesota Statutes 1945, section 92.45, and that there shall be reserved by the state such additional rights of public use upon suitable portions of of such state land as the commissioner of natural resources, with the approval of the land exchange board, may deem necessary or desirable for camping, hunting, fishing, access to the water, and other public uses.

Sec. 15. Minnesota Statutes 1986, section 94.342, is amended by adding a subdivision to read:

Subd. 4. [STATE PARK LAND.] *Land specifically designated by law as a state park may not be given in exchange unless the land is school trust land that is exchanged for Class A or Class C land located outside a state park.*

Sec. 16. Minnesota Statutes 1986, section 94.342, is amended by adding a subdivision to read:

Subd. 5. [SCHOOL TRUST LAND.] *School trust land may be exchanged with other state land only if the permanent school fund advisory committee is appointed as temporary trustee of the school trust land for purposes of the exchange. The committee shall provide independent legal counsel to review the exchanges.*

Sec. 17. Minnesota Statutes 1986, section 94.343, subdivision 3, is amended to read:

Subd. 3. Except as otherwise herein provided, Class A land shall be exchanged only for land of at least substantially equal value to the state, as determined by the commissioner, with the approval of the board. For the purposes of such determination, the commissioner shall cause the state land and the land proposed to be exchanged therefor to be examined and appraised by qualified state appraisers *as provided in section 92.12* in like manner as ~~state school trust~~ land to be offered for sale; provided, that in exchanges with the United States or any agency thereof the examination and appraisal may be made in such manner as the land exchange board may direct. The appraisers shall determine the fair market value of the lands involved, disregarding any minimum value fixed for state land by the state constitution or by law, and shall make a report thereof, together with such other pertinent information respecting the use and value of the lands to the state as they deem pertinent or as the commissioner or the board may require. Such reports shall be filed and preserved in the same manner as other reports of appraisal of state lands. The appraised values shall not be conclusive, but shall be taken into consideration by the commissioner and the board, together with such other matters as they deem material, in determining the values for the purposes of exchange.

Sec. 18. Minnesota Statutes 1986, section 94.343, subdivision 9, is amended to read:

Subd. 9. No exchange of Class A land shall be consummated unless the attorney general shall have given an opinion in writing that the title to the land proposed to be conveyed to the state is good and marketable, free from all liens and encumbrances except reservations herein authorized, *or title insurance is acquired by the commissioner to protect the interests of the state in the title*. If required by the attorney general, the land owner shall submit an abstract of title and make and file with the commissioner an affidavit as to possession of the land, improvements, liens, and encumbrances thereon, and other matters affecting the title.

Sec. 19. Minnesota Statutes 1986, section 94.344, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise ~~herein~~ provided, ~~any~~ Class B land ~~may~~, by resolution of the county board of the county ~~in which~~ *where* the land is ~~situated~~ *located* and with the unanimous approval of the land exchange board, *may* be exchanged for ~~land of the United States any publicly held~~ or privately owned land in the same county ~~in the manner and subject to the conditions herein prescribed~~.

Sec. 20. Minnesota Statutes 1986, section 94.344, subdivision 3, is amended to read:

Subd. 3. Except as otherwise ~~herein~~ provided, Class B land ~~shall may~~ be exchanged only for land of ~~at least~~ substantially equal value *or greater value* to the state, as determined by the county board, with the approval of the commissioner and the land exchange board. *For an exchange involving Class B land for Class A or Class C land, the value of the lands shall be determined by the commissioner, with approval of the land exchange board. For purposes of the determination, the commissioner shall appraise the state and tax-forfeited land proposed to be exchanged in the same manner as school trust land. For the all other purposes of such determination,* the county board shall appraise the state land and the land ~~proposed to be exchanged therefor in the proposed exchange in like the same manner~~ as tax-forfeited land to be offered for sale. The appraised values shall not

be conclusive, but shall be taken into consideration, together with such other matters as may be deemed material, in determining the values for the purposes of exchange.

Sec. 21. Minnesota Statutes 1986, section 94.344, subdivision 7, is amended to read:

Subd. 7. *(a) Except for land described in paragraph (b), before giving final approval to any exchange of Class B land, the county board shall hold a public hearing thereon. At least two weeks before the hearing the county auditor shall post in the auditor's office a notice thereof, containing a description of the lands affected.*

(b) In an exchange of Class B land for Class A or Class C land the commissioner is responsible for holding the public hearing.

Sec. 22. Minnesota Statutes 1986, section 94.344, subdivision 10, is amended to read:

Subd. 10. After approval by the county board, every proposal for the exchange of Class B land shall be transmitted to the commissioner in such form and with such information as the commissioner may prescribe for consideration by the commissioner and by the board. The county attorney's opinion on the title, with the abstract and other evidence of title, if any, shall accompany the proposal. If the proposal be approved by the commissioner and the board and the title be approved by the attorney general, the same shall be certified to the commissioner of revenue, who shall execute a deed in the name of the state conveying the land given in exchange, with a certificate of unanimous approval by the board appended, and transmit the deed to the county auditor to be delivered upon receipt of a deed conveying to the state the land received in exchange, approved by the county attorney; provided, that if any amount is due the state under the terms of the exchange, the deed from the state shall not be executed or delivered until such amount is paid in full and a certificate thereof by the county auditor is filed with the commissioner of revenue. The county auditor shall cause all deeds received by the state in such exchanges to be recorded or registered, and thereafter shall file the deeds or the certificates of registered title in the auditor's office. *If the land received by the county in the exchange is either Class A or Class C land, the commissioner of revenue shall deliver the deed for the Class B land to the commissioner of natural resources and following the recording of this deed, the commissioner of natural resources shall deliver to the county auditor a deed conveying the Class A or Class C land to the county auditor to be recorded or registered, and afterwards file the deeds or the certificate of registered title in the auditor's office.*

Sec. 23. Minnesota Statutes 1986, section 94.348, is amended to read:

94.348 [EXCHANGES OF STATE OWNED LAND, APPRAISAL FEE.]

Subdivision 1. Whenever a private land owner or governmental unit, except the state, presents to the Minnesota land exchange board, an offer to exchange private or publicly held land for Class A state-owned land as defined in section 94.342, the private land owner shall deposit with or governmental unit shall pay to the board an appraisal and survey fee of not less than \$25 nor more than \$100, the amount to be one-half of the cost of appraisal and survey determined by the board, depending upon the area of land involved in the offer commissioner.

Subd. 2. If the offer of the private land owner is accepted by the board and the land exchange is consummated; or, if the board refuses to accept the offer the appraisal fee shall be refunded; otherwise the appraisal fee shall be retained by the board. [APPRAISAL AND SURVEY FEE.] (a) Except as provided in paragraph (b), the appraisal and survey fee shall be retained by the board.

(b) The appraisal and survey fee shall be refunded if:

- (1) the land exchange offer is withdrawn by a private land owner or a governmental unit before money is spent for the appraisal and survey; or
- (2) the board refuses to accept the land exchange offer.

Sec. 24. Minnesota Statutes 1987 Supplement, section 105.392, subdivision 4, is amended to read:

Subd. 4. [PAYMENT AND HELP TO OWNER.] In return for the easement of the owner, the commissioner must provide advice on conservation and development practices on the wetlands and adjacent areas for the purposes of this section as the commissioner determines to be appropriate. The commissioner must make the following payments to the landowner for the easement:

(1) for a permanent easement, 50 percent of the average equalized estimated market value of cropland in the township as established by the commissioner of revenue for the time period when the application is made;

(2) for an easement of limited duration, a lump sum payment equal to the present value of the annual payments for the term of the easement based on 50 percent of the mean adjusted cash rental for cropland in the county as established by the commissioner of revenue 65 percent of the value of the permanent easement value for the time period when the application is made; or

(3) an alternative payment system for easements based on cash rent or a similar system as may be determined by the commissioner.

Sec. 25. [REPEALER.]

Minnesota Statutes 1986, section 92.25, is repealed.

Sec. 26. [EFFECTIVE DATE.]

Sections 6 to 11 and 25 are effective January 1, 1989."

Delete the title and insert:

"A bill for an act relating to natural resources; authorizing the commissioner to sell certain surplus lands to local governments for local recreation or natural resource purposes; authorizing the commissioner of natural resources to convey road and flowage easements in certain circumstances; transferring duties and powers of county auditors and treasurers relating to sales of certain classes of state land to the commissioner; transferring the authority to issue state land patents from the governor to the commissioner; specifying the amount above appraised value that the commissioner may pay when acquiring land; authorizing long-term leases of state land for certain purposes; modifying certain provisions of land exchange laws relating to appraisals and fees; implementing exchanges of public land authorized by the constitution; authorizing exchange of school trust land located within a state park; appointing an independent trustee and legal counsel for land exchanges involving school trust land; providing a procedure for

exchange of Class B land with Class A or Class C land; authorizing governmental units to exchange land in the same manner as private persons; amending Minnesota Statutes 1986, sections 84.027, by adding a subdivision; 84.631; 85.015, subdivision 1; 92.16, subdivision 1; 92.23; 92.24; 92.26; 92.27; 92.29; 92.50, subdivision 1; 94.342, subdivision 3, and by adding subdivisions; 94.343, subdivisions 3 and 9; 94.344, subdivisions 1, 3, 7, and 10; 94.348; Minnesota Statutes 1987 Supplement, sections 84.0272; and 105.392, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 84 and 92; repealing Minnesota Statutes 1986, section 92.25."

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 2165: A bill for an act relating to environment; requiring persons to notify the pollution control agency of and take steps to avoid air pollution; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Delete everything after the enacting clause and insert:

"Section 1. [116.061] [AIR POLLUTION EMISSIONS AND ABATEMENT.]

Subdivision 1. [EMISSION NOTIFICATION REQUIRED.] (a) A person who controls the source of an emission must notify the agency immediately of emissions that:

- (1) cause air pollution endangering human health;*
- (2) cause air pollution damaging property; or*
- (3) cause obnoxious odors constituting a public nuisance.*

(b) If a person who controls the source of an emission has knowledge of an event that has occurred and that will subsequently cause an emission described in paragraph (a), the person must notify the agency when the event occurs.

Subd. 2. [ABATEMENT REQUIRED.] A person who is required to notify the agency under subdivision 1 must minimize the emissions and abate the air pollution and obnoxious odors caused by the emissions."

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1927: A bill for an act relating to health; requiring certification of certain environmental laboratories; establishing an environmental laboratory certification account in the state treasury; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Delete everything after the enacting clause and insert:

"Section 1. [144.97] [DEFINITIONS.]

Subdivision 1. [CERTIFICATION.] "Certification" means written acknowledgment of a laboratory's demonstrated capability to perform tests for a specific purpose.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 3. [CONTRACT LABORATORY.] "Contract laboratory" means a laboratory that performs tests on samples on a contract or fee-for-service basis.

Subd. 4. [LABORATORY.] "Laboratory" means the state, a person, corporation, or other entity, including governmental, that examines, analyzes, or tests samples.

Subd. 5. [SAMPLE.] "Sample" means a substance derived from a non-human source and collected for the purpose of analysis, or a tissue, blood, excretion, or other bodily fluid specimen obtained from a human for the detection of a chemical, etiologic agent, or histologic abnormality.

Sec. 2. [144.98] [CERTIFICATION OF ENVIRONMENTAL LABORATORIES.]

Subdivision 1. [AUTHORIZATION.] The commissioner of health may certify laboratories that test environmental samples.

Subd. 2. [RULES.] The commissioner may adopt rules to implement this section, including:

(1) procedures, requirements, and fee adjustments for laboratory certification, including provisional status and recertification;

(2) standards and fees for certificate approval, suspension, and revocation;

(3) standards for environmental samples;

(4) analysis methods that assure reliable test results;

(5) laboratory quality assurance, including internal quality control, proficiency testing, and personnel training; and

(6) criteria for recognition of certification programs of other states and the federal government.

Subd. 3. [FEES.] (a) An application for certification under subdivision 1 must be accompanied by the annual fee specified in this subdivision. The fees are for:

(1) base certification fee, \$250; and

(2) test category certification fees:

Test Category	Certification Fee
Bacteriology	\$100
Inorganic chemistry, less than 4 contaminants	\$ 50
Inorganic chemistry, 4 or more contaminants	\$150
Chemistry metals, less than 4 contaminants	\$100
Chemistry metals, 4 or more contaminants	\$250

Volatile organic compounds \$300

Other organic compounds \$300.

(b) *The total annual certification fee is the base fee plus the applicable test category fees. The annual certification fee for a contract laboratory is 1.5 times the total certification fee.*

(c) *Laboratories located outside of this state that require an on-site survey will be assessed an additional \$1,200 fee.*

(d) *The commissioner of health may adjust fees under section 16A.128, subdivision 2. Fees must be set so that the total fees support the laboratory certification program. Direct costs of the certification service include program administration, inspections, the agency's general support costs, and attorney general costs attributable to the fee function.*

Subd. 4. [FEES FOR LABORATORY PROFICIENCY TESTING AND TECHNICAL TRAINING.] *The commissioner of health may set fees for proficiency testing and technical training services under section 16A.128. Fees must be set so that the total fees will include the following direct costs of the proficiency testing and technical training services, including salaries, supplies and equipment, travel expenses, and attorney general costs attributable to the fee function.*

Subd. 5. [LABORATORY CERTIFICATION ACCOUNT.] *There is an account in the state treasury called the laboratory certification account. Fees collected under this section and appropriations for the purposes of this section must be put into the laboratory certification account. Money in the laboratory certification account is annually appropriated to the commissioner of health to administer this section.*

Sec. 3. [EFFECTIVE DATE.]

Section 2, subdivision 2, is effective the day after final enactment."

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 Environment and Natural Resources, to which was referred

S.F. No. 1748: A bill for an act relating to fish and game; providing experimental fox hunting trespass exceptions; providing an experimental 23-day pheasant season; providing an experimental mourning dove season; establishing conditions to take blackbirds, cowbirds, grackles, magpies, and crows causing depredation; amending Minnesota Statutes 1986, sections 97A.015, subdivision 52; 97B.001, subdivision 2, and by adding a subdivision; 97B.715, by adding a subdivision; and 97B.731, subdivision 2, and 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 97B.001, subdivision 2, is amended to read:

Subd. 2. [PERMISSION REQUIRED TO ENTER AGRICULTURAL

LAND TO HUNT OR OPERATE VEHICLES.] Except as provided in subdivisions 5 ~~and~~, 6, and section 2, a person may not enter agricultural land to hunt or operate a motor vehicle for pleasure purposes, unless the person obtains permission of the owner, occupant, or lessee.

Sec. 2. Minnesota Statutes 1986, section 97B.001, is amended by adding a subdivision to read:

Subd. 9. [EXPERIMENTAL FOX HUNTING.] Beginning in calendar years 1988 and 1989 from December 16 until February 15, a person on foot taking fox may enter land that is not posted without permission.

Sec. 3. Minnesota Statutes 1986, section 97B.731, subdivision 2, is amended to read:

Subd. 2. [TAKING MOURNING DOVES GENERALLY PROHIBITED.] Except as provided in section 4, mourning doves may not be taken in the state.

Sec. 4. Minnesota Statutes 1986, section 97B.731, is amended by adding a subdivision to read:

Subd. 3. [EXPERIMENTAL MOURNING DOVE SEASON.] In 1988 and 1989 the commissioner may prescribe an open season and limits for mourning doves west of U.S. trunk highway No. 71.

Sec. 5. Minnesota Statutes 1986, section 97B.731, is amended by adding a subdivision to read:

Subd. 4. [BLACKBIRD, COWBIRD, GRACKLE, MAGPIE, AND CROW DEPREDATION.] (a) Yellow-headed red-winged, bi-colored red-winged, Rusty's, and Brewer's blackbirds, cowbirds, grackles, magpies, and crows may be taken if:

(1) committing or about to commit depredation on ornamental or shade trees, agricultural crops, livestock, or wildlife; or

(2) concentrated in numbers and in a manner to constitute a health hazard or other nuisance.

(b) Birds taken under this subdivision or their plumage may not be sold or offered for sale, but may be possessed, transported, and otherwise disposed of or utilized.

Sec. 6. Minnesota Statutes 1986, section 97B.731, is amended by adding a subdivision to read:

Subd. 5. [CROW SEASON.] The commissioner may prescribe an open season and restrictions for taking crows.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 3, delete everything after the semicolon

Page 1, line 4, delete everything before "providing"

Page 1, line 8, delete "97A.015, subdivision 52;"

Page 1, lines 9 and 10, delete "97B.715, by adding a subdivision;"

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

adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1689: A bill for an act relating to game and fish; closing date for fishing season on the Rainy River; repealing Minnesota Statutes 1987 Supplement, section 97C.402.

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

Delete everything after the enacting clause and insert:

"Section 1. [97C.347] [LANDING NETS.]

Subdivision 1. [USE AND POSSESSION.] A person may use and possess a landing net to net a fish taken by angling.

Subd. 2. [ELECTRIC LANDING NETS.] A person may net fish taken by angling with a battery operated landing net that discharges an electric current if the net is designed to temporarily immobilize the fish so that it can be safely released.

Sec. 2. [97C.403] [RAINY RIVER WALLEYE RESTRICTIONS.]

Subdivision 1. [LIMIT.] (a) The possession limit for walleyes taken from the Rainy River is six per day.

(b) Only one walleye over 19-1/2 inches in length may be included in the limit taken from the Rainy River each day.

Subd. 2. [OPEN SEASON.] The open season for walleye in the Rainy River is from the third Saturday in May until April 14.

Sec. 3. [1988-1989 SPRING WALLEYE SEASON.]

From the effective date of this section until April 14, 1988, and from March 1 until April 14, 1989, a person may take walleyes from the Rainy River but the walleyes taken must be released after being caught.

Sec. 4. [REPEALER.]

Minnesota Statutes 1987 Supplement, section 97C.402, is repealed.

Sec. 5. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Delete the title and insert:

"A bill for an act relating to game and fish; prescribing limits and seasons for angling in the Rainy River; proposing coding for new law in Minnesota Statutes, chapter 97C; repealing Minnesota Statutes 1987 Supplement, section 97C.402."

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1674: A bill for an act relating to environment; prescribing criminal penalties for violation of certain statutes, rules, or permits relating

to pollution control; amending Minnesota Statutes 1987 Supplement, section 115.071, subdivision 2; and 609.671.

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

Page 6, line 7, after "who" insert "willfully" and delete "as a" and insert a colon

Page 6, delete line 8

Page 6, line 14, delete "information reporting, monitoring,"

Page 6, line 15, delete "sampling."

Page 6, lines 17, 33, and 36, after the first "or" insert ", with respect to pollution of the waters of the state, chapter"

Page 6, line 22, delete "\$300" and insert "\$2,500"

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

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1806: A bill for an act relating to state lands; authorizing private conveyance of tax-forfeited land in Beltrami county.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1665: A bill for an act relating to environment; authorizing the pollution control agency to train certain persons involved with sewage treatment systems and to charge a training fee; appropriating money; amending Minnesota Statutes 1986, section 115.03, 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. [APPROPRIATION.]

\$225,000 is appropriated from the general fund to the regents of the University of Minnesota to be available until June 30, 1989, for the following purposes:

(a) for personnel in the agricultural engineering department to conduct extension educational programs for on-site sewage treatment

\$75,000

(b) for personnel in the agricultural engineering department to conduct extension educational programs for wastewater treatment in small communities

\$75,000

(c) for personnel in the soil science department to develop and coordinate the physical, chemical, and biological aspects of applying waste materials to soil and their impact on water quality

\$75,000"

Delete the title and insert:

"A bill for an act relating to environment; appropriating money for personnel to deal with rural water supply, waste management, and on-site sewage treatment to deal with water quality problems."

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 Environment and Natural Resources, to which was referred

S.F. No. 1735: A bill for an act relating to game and fish; providing for restitution for wild animals that are illegally killed or injured; providing for civil penalties for wild animals killed or injured; restricting expenditures from restitution to replacement and propagation of wild animals illegally killed or injured; amending Minnesota Statutes 1986, section 97A.065, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Page 2, line 36, delete "*or other persons*"

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

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

S.F. No. 517: A bill for an act relating to agriculture; providing for selection, sale, and development of state land to produce wild rice; amending Minnesota Statutes 1986, section 92.501, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 30.

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

Delete everything after the enacting clause and insert:

"Section 1. [30.30] [WILD RICE LANDS.]

Subdivision 1. [SELECTION OF WILD RICE LANDS TO BE SOLD.]

(a) The commissioner of natural resources and the commissioner of agriculture in joint agreement in consultation with Native American wild rice harvesters, conservation organizations, organizations representing the wild rice industry in the state, and potentially affected counties, towns, and watershed districts, shall select approximately 1,500 acres of state land each year to be offered for sale to persons intending to produce wild rice. The commissioner shall give priority to land that:

(1) is adjacent to existing wild rice production areas; and

(2) *has been requested by a wild rice producer to be sold for wild rice production.*

(b) *Wild rice land that is part of the school trust fund is exempt from selection for sale to wild rice producers.*

(c) *Land is not exempt from selection solely because it may be subject to mineral exploration.*

Subd. 2. [WILD RICE LANDS TO BE SOLD.] (a) *Land selected for wild rice production under subdivision 1 must be offered for public sale by September 1 of each year.*

(b) *All contracts to sell land selected for wild rice production must provide an option for the state to repurchase the parcel at the initial sales price if at least 50 percent of the parcel sold has not been developed for wild rice production within five years of the sale. The commissioner of natural resources may exercise the option to repurchase a parcel that has not been adequately developed, but must consider the market conditions affecting the supply and demand of wild rice production in the state and in the United States before exercising the option.*

Subd. 3. [EXERCISE OF MINERAL RIGHTS.] *If the state exercises its reserved mineral rights in land selected and sold under this section, the owner must be compensated by the state for damage to improvements and any impaired ability to grow wild rice caused by the exercise of mineral rights.*

Subd. 4. [RULES.] *The commissioners of agriculture and natural resources may adopt rules by joint agreement to implement this section.*

Sec. 2. [30.491] [WILD RICE LABELING.]

A person may not label wild rice that is not grown or harvested in this state with labeling that states "Minnesota state grain," "state grain" or otherwise implies that the wild rice is grown or harvested in this state, unless the wild rice being labeled contains at least 80 percent wild rice grown or harvested in this state.

Sec. 3. Minnesota Statutes 1986, section 92.501, subdivision 2, is amended to read:

Subd. 2. [WILD RICE LAND DESIGNATION AND DEVELOPMENT.]

(a) *The commissioner of natural resources and the commissioner of agriculture shall, by joint agreement, prepare a plan in consultation with organizations representing the wild rice industry in the state, Native American wild rice harvesters, conservation organizations, and potentially affected counties, towns, and watershed districts, that designates state land for wild rice production including an inventory of the number of acres of land appropriate and suitable for wild rice development, sale, and leasing in each county. The inventory must include the number of acres suitable for wild rice development that are located on school trust fund lands. Proposed mineral exploration does not exempt land from being designated for wild rice development.*

(b) *The initial designation plan and inventory must be completed by December 31, 1988, and updated every five years. The designation plan and inventory must be distributed to organizations representing the wild rice industry in the state.*

Sec. 4. [FIRST SALE OF SELECTED LANDS.]

Notwithstanding section 1, subdivision 2, the commissioner of natural resources shall complete the first offer of selected wild rice lands by two years after the effective date of this act. The commissioner of natural resources must prepare a report and submit the report to the house of representatives and senate committees on environment and agriculture.

Sec. 5. [REPEALER.]

Sections 1 and 4 are repealed July 1, 1991.

Sec. 6. [EFFECTIVE DATE.]

This act is effective the day after final enactment."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "requiring a report;"

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

Mr. Merriam from the Committee on Finance, to which was referred

H.F. No. 1749: A bill for an act relating to transportation; increasing the tax on gasoline and special fuel to 20 cents per gallon; increasing the share of motor vehicle excise tax revenues dedicated to highways and transit to 35 percent; amending Minnesota Statutes 1986, section 296.02, subdivision 1b; and Minnesota Statutes 1987 Supplement, sections 296.025, subdivisions 2a and 2b; and 297B.09, subdivision 1.

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

Pages 2 to 4, delete section 4 and insert:

"Sec. 4. [APPROPRIATION.]

\$71,580,000 is appropriated from the general fund for fiscal year 1989 for the purposes indicated. One-half of the amounts in paragraphs (a) and (b) must be transferred to the funds indicated on July 15, 1988, and one-half on January 15, 1989.

(a) *To the trunk highway fund* \$53,685,000

(b) *To the transit assistance fund* 17,895,000"

Page 4, delete line 4 and insert:

"Sections 1 to 3 are effective April 1, 1988, and apply to"

Amend the title as follows:

Page 1, line 5, delete "dedicated to" and insert "used for"

Page 1, line 6, after the semicolon, insert "appropriating money;"

Page 1, delete lines 8 and 9 and insert "Supplement, section 296.025, subdivisions 2a and 2b."

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. Lessard from the Committee on Environment and Natural Resources, to which was referred

S.F. No. 1754: A bill for an act relating to economic development; providing methods to remove hazardous substances to facilitate economic development; authorizing loans; appropriating money; amending Minnesota Statutes 1987 Supplement, sections 469.174, subdivision 7, and by adding a subdivision; 469.175, by adding a subdivision; and 469.176, subdivisions 1 and 5; proposing coding for new law in Minnesota Statutes, chapter 116J.

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

Delete everything after the enacting clause and insert:

"Section 1. [116J.990] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this subdivision apply to this section. The definitions in sections 115B.02 and 115C.02, subdivision 10, that are not defined in this subdivision apply to sections 2 to 4.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.

Subd. 3. [DEVELOPMENT RESPONSE ACTION PLAN.] "Development response action plan" means a plan of removal actions or remedial actions developed in accordance with this section.

Subd. 4. [HAZARDOUS SUBSTANCE LOAN.] "Hazardous substance loan" or "loan" means a loan to a municipality to be used by the municipality for the purposes in section 3, subdivision 3, paragraph (b), clause (2).

Subd. 5. [HAZARDOUS SUBSTANCE LOAN FUND.] "Hazardous substance loan fund" or "fund" means the fund created by section 2 and the accounts in the fund, established to finance hazardous substance loans.

Subd. 6. [MUNICIPALITY.] "Municipality" means a home rule charter or statutory city, town, county, school district, special taxing district, housing and redevelopment authority authorized to exercise powers under sections 469.001 to 469.047, port authority authorized to exercise powers under sections 469.048 to 469.089, economic development authority authorized to exercise powers under sections 469.090 to 469.108, or a municipal power agency governed by chapter 453.

Sec. 2. [116J.991] [HAZARDOUS SUBSTANCE LOAN FUND.]

A hazardous substance loan fund is created to be administered by the commissioner. Money in the hazardous substance loan fund shall be used to make or purchase hazardous substance loans and pay the costs incurred making or purchasing hazardous substance loans as provided in this section. The commissioner may require the commissioner of finance to create separate accounts within the fund for use in accordance with the fund's purpose.

Sec. 3. [116J.992] [HAZARDOUS SUBSTANCE LOANS.]

Subdivision 1. [AUTHORIZATION.] The commissioner may make or purchase hazardous substance loans with money in the hazardous substance loan fund.

Subd. 2. [LOAN REPAYMENT OBLIGATION.] A municipality's obligation to repay a hazardous substance loan shall be evidenced by a loan agreement; however, the municipality shall be required to repay at least 85 percent of the principal of the loan. Loan repayment obligations shall be payable solely from amounts pledged to the purpose pursuant to the loan agreement. Payments to be made by the municipality pursuant to the loan agreement may be less than, equal to, or in excess of the principal amount of the loan; provided that the principal amount to be repaid shall not be less than 85 percent of the original principal balance of the loan. The loan may be interest free or may bear interest as the commissioner shall determine based on the available sources of payment as specified in this section.

Subd. 3. [LOAN APPLICATION.] (a) To obtain a hazardous substance loan, a municipality shall submit an application to the commissioner on a form provided for that purpose. The application shall identify the municipality and the proposed uses of the proceeds of the hazardous substance loan and any interest to be earned on it, the proposed sources, amounts, and schedule of repayment of the loan, the property proposed to be benefited by the loan, and the proposed development or redevelopment activities to be undertaken on the property subsequent to the removal actions and remedial actions.

(b) The municipality shall certify on the application that:

(1) the municipality has prepared a development response action plan with respect to the subject property;

(2) the proceeds of the hazardous substance loan will be used to pay or reimburse the costs of: (i) removal actions or remedial actions with respect to hazardous substances or pollutants or contaminants or petroleum releases affecting or which may affect land owned or to be purchased by the municipality, (ii) pollution testing, demolition, and soil compaction correction necessitated by the development response action plan, and (iii) related administrative and legal costs;

(3) the removal actions or remedial actions specified in the development response action plan have been approved by the commissioner of the pollution control agency as reasonable and necessary to protect the public health, welfare, and environment;

(4) after completion of the removal actions or remedial actions specified in the development response action plan the land will be, or is expected to be, developed or redeveloped by a nongovernmental person or persons;

(5) the cost of the remedial actions or removal actions required by the development response action plan is so high as to render development or redevelopment of the site not feasible in the opinion of the municipality without a hazardous substance loan;

(6) the municipality shall certify if the municipality has entered into a binding agreement with a nongovernmental person or persons to develop or redevelop the land proposed to be benefited by the hazardous substance loan;

(7) the municipality shall certify if it has previously received a hazardous substance loan for the property and in the course of carrying out the development response action plan has determined that removal actions or remedial actions are required to be taken in addition to those specified in

the development response action plan; and

(8) the municipality must show that the commissioner of the pollution control agency has reviewed and approved the development response action plan as modified by the additional removal actions or remedial actions taken under clause (7).

Subd. 4. [LOAN PRIORITY AND RESTRICTIONS.] *(a) One-half of the amount available for loans must be restricted to loans of \$3,000,000 or less; the remaining half of the amount available for loans must be restricted to loans of \$500,000 or less.*

(b) Hazardous substance loans shall be made to applicants quarterly. If the commissioner determines that there are insufficient amounts in the hazardous substance loan fund to make all hazardous substance loans applied for, preference shall be given first to applicants that have made the certification described in subdivision 3, paragraph (b), clauses (7) and (8), and second to applicants that have made the certification described in subdivision 3, paragraph (b), clause (6). In allocating loans among projects of a given priority the commissioner may take into account the anticipated effect on the economic condition of the site and surrounding area, including the effect on employment, tax revenues, market value, and blighting influences.

(c) Hazardous substance loans may not be made for a site for which removal actions or remedial actions are scheduled by the pollution control agency to be initially funded during the current or next succeeding fiscal year pursuant to the Environmental Response, Compensation and Liability Act of 1988, United States Code, title 42, section 9601 et seq., the environmental response, compensation and compliance fund under section 115B.20, the petroleum tank release cleanup act under chapter 115C, or other state funding source without the approval of the pollution control agency.

Subd. 5. [LOAN APPROVAL.] *(a) Upon approval of a loan, the commissioner shall notify the municipality that the loan will be made and set aside the amount approved in a special account. The notice shall state the principal amount of the loan and that the loan will be made when all the terms for making and repaying the loan have been agreed upon by the commissioner and the municipality.*

(b) The municipality may borrow from the fund under the same terms that it may issue bonds or other obligations pursuant to any law applicable to the municipality that is consistent with this section.

(c) The loan shall be evidenced by instruments prepared in accordance with this section and the law under which the municipality proposes to issue its obligation.

(d) The loan is repaid solely from the sources specifically pledged to repay the municipality's obligation.

(e) Notwithstanding the law under which the obligation of the municipality is issued, the obligation may be subject to such terms and conditions as are agreed to by the agency and the municipality.

(f) The commissioner may require only tax increment and land sale proceeds from the site with respect to which the loan is being made to be pledged. Amounts shall not be required to be pledged from those sources, if and to the extent stated in the application they are pledged or required

to be pledged to retire other obligations described in the application and incurred or to be incurred to finance a portion of costs of the type eligible for financing under this section or for acquisition of real property and existing improvement, relocation assistance, demolition, soil compaction correction, and administrative and legal expenditures related to the site.

Subd. 6. [RECAPTURE OF COSTS.] A municipality that has received a loan under this section shall use reasonable and practicable measures to recapture the reasonable and necessary costs of remedial action from responsible persons unless recovery is deemed by the municipality to be unlikely due to inability to locate responsible persons, the high cost of pursuing remedies in relation to any likely recovery or the financial capacity of responsible persons. After provision for costs of collection, the municipality shall apply all amounts recaptured from responsible persons to repay the obligations owed under the loan agreement. The commissioner may require the municipality to assign any claim against a responsible party to the state if the commissioner of the agency is willing to pursue the claim. Cost recovery sought under this subdivision must conform to the requirements of section 115B.17, subdivision 6, except that amounts recovered must be deposited in the loan fund established in section 2.

Subd. 7. [ACCOUNTING OF COSTS.] Upon completion of the development response action plan, the municipality shall submit an accounting of costs incurred to the commissioner, together with any unexpended loan proceeds, including any unexpended investment earnings on proceeds, which shall be applied to the payment of the obligations under the loan agreement.

Subd. 8. [RULES.] The commissioner may adopt permanent rules to implement this section.

Sec. 4. [116J.993] [DEVELOPMENT RESPONSE ACTION PLAN.]

(a) For purposes of section 3, a plan or proposal for removal actions or remedial actions constitutes a development response action plan if the actions contained in the plan or proposal are:

(1) requested by the agency or its commissioner pursuant to section 115B.17, 115C.03, or other law; or

(2) proposed to the commissioner of the pollution control agency by a municipality to respond to a release or threatened release of a hazardous substance, pollutant, contaminant, or petroleum.

(b) The actions specified in a development response action plan approved under section 3, subdivision 3, are deemed authorized as provided in section 115B.17, subdivision 12, and are deemed rendering care and assistance and advice to the pollution control agency or its commissioner as provided in sections 115B.04, subdivision 11, and 115B.05, subdivision 9.

Sec. 5. Minnesota Statutes 1987 Supplement, section 469.174, subdivision 7, is amended to read:

Subd. 7. [ORIGINAL ASSESSED VALUE.] (a) "Original assessed value" means the assessed value of all taxable real property within a tax increment financing district as most recently certified by the commissioner of revenue as of the date of the request by an authority for certification by the county auditor, together with subsequent adjustments as set forth in section 469.177, subdivisions 1 and 4. In determining the original assessed value the assessed value of real property exempt from taxation at the time of the request shall

be zero, except for real property which is tax exempt by reason of public ownership by the requesting authority and which has been publicly owned for less than one year prior to the date of the request for certification, in which event the assessed value of the property shall be the assessed value as most recently determined by the commissioner of revenue.

(b) The original assessed value of any designated hazardous substance site or hazardous substance subdistrict on January 2 following the date the agency or municipality certifies to the county auditor that:

(1) a loan has been made to the municipality or the agency pursuant to section 3; or

(2) the agency or municipality has entered a redevelopment or other agreement for the removal actions or remedial actions specified in a development response action plan, or otherwise provided funds to finance the development response action plan, shall be equal to the assessed value of the parcel, as most recently determined by the commissioner of revenue, less the reasonable and necessary costs of the removal actions and remedial actions to be undertaken with respect to the parcel as certified to the county auditor by the municipality or agency but not less than zero.

(c) The original assessed value shall be increased by the amount by which it was reduced pursuant to paragraph (b), clause (1), upon repayment in full of the hazardous substance loan made pursuant to section 3, if any, or paragraph (b), clause (2), if the loan has not been made, upon certification by the municipality that the costs of the removal actions and remedial actions have been paid or reimbursed.

(d) For purposes of this subdivision, "real property" shall include any property normally taxable as personal property by reason of its location on or over publicly-owned property.

(e) The terms "removal," "remedial," "action," "hazardous substance," and "pollutant or contaminant" have the meanings assigned by section 115B.02. The term "development response action plan" has the meaning given under section 4.

Sec. 6. Minnesota Statutes 1987 Supplement, section 469.174, is amended by adding a subdivision to read:

Subd. 16. [DESIGNATED HAZARDOUS SUBSTANCE SITE.] "Designated hazardous substance site" means: (1) any parcel or parcels benefitted by a loan made to the municipality or the authority pursuant to section 3, or (2) any parcel or parcels with respect to which the authority or municipality has certified to the county auditor that the authority or municipality has entered into a redevelopment or other agreement providing for, or otherwise has available to it funds, including, without limitation, tax increment which would be made available pursuant to section 469.175, subdivision 1, to finance the removal actions or remedial actions specified in a development response action plan.

Sec. 7. Minnesota Statutes 1987 Supplement, section 469.175, is amended by adding a subdivision to read:

Subd. 7. [CREATION OF HAZARDOUS SUBSTANCE SUBDISTRICT.] (a) A municipality or authority which is creating or has created a tax increment financing district may establish within the district a hazardous substance subdistrict upon the notice and after the discussion, public hearing and findings required for approval of the original plan. The

geographic area of the subdistrict shall be made up of any parcels in the district designated for inclusion by the municipality or authority that are designated hazardous substance sites, and any additional parcels in the district designated for inclusion that are contiguous except for the interposition of a right-of-way. Before or at the time of approval of the tax increment financing plan, the municipality shall make the findings under paragraphs (b) to (d), and shall set forth in writing the reasons and supporting facts for each.

(b) The proposed development or redevelopment, in the opinion of the municipality, would not reasonably be expected to occur solely through private investment and tax increment otherwise available, and therefore the hazardous substance district is deemed necessary.

(c) Other parcels that are not designated hazardous substance sites are expected to be developed together with a designated hazardous substance site.

(d) The subdistrict is not larger than, and the period of time during which increments are elected to be received is not longer than, that which is necessary in the opinion of the municipality to provide for the additional costs due to the designated hazardous substance site.

Sec. 8. Minnesota Statutes 1987 Supplement, section 469.176, subdivision 1, is amended to read:

Subdivision 1. [DURATION OF TAX INCREMENT FINANCING DISTRICTS.] (a) Subject to the limitations contained in paragraphs (b) to (f), any tax increment financing district as to which bonds are outstanding, payment for which the tax increment and other revenues have been pledged, shall remain in existence at least as long as the bonds continue to be outstanding.

(b) The tax increment pledged to the payment of the bonds and interest thereon may be discharged and the tax increment financing district may be terminated if sufficient funds have been irrevocably deposited in the debt service fund or other escrow account held in trust for all outstanding bonds to provide for the payment of the bonds at maturity or date of redemption and interest thereon to the maturity or redemption date.

(c) For bonds issued pursuant to section 469.178, subdivisions 2 and 3, the full faith and credit and any taxing powers of the municipality or authority shall continue to be pledged to the payment of the bonds until the principal of and interest on the bonds has been paid in full.

(d) No tax increment shall be paid to an authority for a tax increment financing district after three years from the date of certification of the original assessed value of the taxable real property in the district by the county auditor or after August 1, 1982, for tax increment financing districts authorized prior to August 1, 1979, unless within the three-year period (1) bonds have been issued pursuant to section 469.178, or in aid of a project pursuant to any other law, except revenue bonds issued pursuant to sections 469.152 to 469.165, prior to August 1, 1979, or (2) the authority has acquired property within the district, or (3) the authority has constructed or caused to be constructed public improvements within the district.

(e) No tax increment shall in any event be paid to the authority from a redevelopment district after 25 years from date of receipt by the authority of the first tax increment, after 25 years from the date of the receipt for a

housing district, after 25 years from the date of the receipt for a mined underground space development district, and after eight years from the date of the receipt, or ten years from approval of the tax increment financing plan, whichever is less, for an economic development district.

For tax increment financing districts created prior to August 1, 1979, no tax increment shall be paid to the authority after 30 years from August 1, 1979.

(f) Modification of a tax increment financing plan pursuant to section 469.175, subdivision 4, shall not extend the durational limitations of this subdivision.

If a parcel of a district is part of a designated hazardous substance site or a hazardous substance subdistrict, tax increment may be paid to the authority from the parcel for longer than the period otherwise provided by this subdivision. The extended period for collection of tax increment shall begin on the date of receipt of the first tax increment from the parcel that is more than any tax increment received from the parcel before the date of the loan or certification and received after the earlier of: (1) date of a loan made to the municipality or authority pursuant to section 3; or (2) the date of certification to the county auditor described in section 6, clause (2). The extended period for collection of tax increment shall be the lesser of: (1) 25 years from the date of commencement of the extended period; or (2) the period necessary to recover the costs of removal actions or remedial actions specified in a development response action plan.

Sec. 9. Minnesota Statutes 1987 Supplement, section 469.176, subdivision 5, is amended to read:

Subd. 5. [REQUIREMENT FOR AGREEMENTS.] No more than 25 percent, by acreage, of the property to be acquired within a project which contains a redevelopment district, or ten percent, by acreage, of the property to be acquired within a project which contains a housing or economic development district, as set forth in the tax increment financing plan, shall at any time be owned by an authority as a result of acquisition with the proceeds of bonds issued pursuant to section 469.178 unless prior to acquisition in excess of the percentages, the authority has concluded an agreement for the development or redevelopment of the property acquired and which provides recourse for the authority should the development or redevelopment not be completed. *This subdivision does not apply to a parcel of a district that is a designated hazardous substance site established under section 6 or part of a hazardous substance subdistrict established under section 7.*

Sec. 10. [APPROPRIATION.]

Subdivision 1. [TRADE AND ECONOMIC DEVELOPMENT.] \$.... is appropriated from the state building fund to the commissioner of trade and economic development for the purpose of making or purchasing hazardous substance loans under section 3. Funds deposited in the hazardous substance loan fund from loan repayments provided in section 3 are appropriated to the commissioner of trade and economic development for the purpose of making or purchasing hazardous substance loans. This appropriation is available until expended.

Subd. 2. [POLLUTION CONTROL AGENCY.] \$.... is appropriated from the general fund to the commissioner of the pollution control agency for the purposes specified in section 3.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 9 are effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "economic development" and insert "environment"

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. 1388: A bill for an act relating to health; providing for a Medicare enrollee's consumer bill of rights; providing for a reconsideration process if service is denied or limited; allowing for a determination of urgent need; proposing coding for new law in Minnesota Statutes, chapter 62D.

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 62D.07, subdivision 3, is amended to read:

Subd. 3. ~~An evidence~~ *Contracts and evidences* of coverage shall contain:

(a) No provisions or statements which are unjust, unfair, inequitable, misleading, deceptive, or which are untrue, misleading or deceptive as defined in section 62D.12, subdivision 1; and

(b) A clear, concise and complete statement of:

(1) The health care services and the insurance or other benefits, if any, to which the enrollee is entitled under the health maintenance contract;

(2) Any exclusions or limitations on the services, kind of services, benefits, or kind of benefits, to be provided, including any deductible or copayment feature *and requirements for referrals, prior authorizations, and second opinions*;

(3) Where and in what manner information is available as to how services, including emergency and out of area services, may be obtained;

(4) The total amount of payment and copayment, if any, for health care services and the indemnity or service benefits, if any, which the enrollee is obligated to pay with respect to individual contracts, or an indication whether the plan is contributory or noncontributory with respect to group certificates; and

(5) A description of the health maintenance organization's method for resolving enrollee complaints and a statement identifying the commissioner as an external source with whom grievances may be registered.

(c) On the cover page of the evidence of coverage *and contract*, a clear and complete statement of enrollees' rights as consumers, ~~including but not limited to a description of each of the following~~. *The statement must be captioned "Important Consumer Information and Enrollee Bill of Rights" and must include but not be limited to the following provisions in the following language or in substantially similar language approved in advance by the commissioner:*

CONSUMER INFORMATION

(1) **COVERED SERVICES:** *Services provided by (name of health maintenance organization) will be covered only if services are provided by participating (name of health maintenance organization) providers or authorized by (name of health maintenance organization). Your contract fully defines what services are covered and describes procedures you must follow to obtain coverage.*

(2) **PROVIDERS:** *Enrolling in (name of health maintenance organization) does not guarantee services by a particular provider on the list of providers. When a provider is no longer part of (name of health maintenance organization), you must choose among remaining (name of the health maintenance organization) providers.*

(3) **REFERRALS:** *Certain services which are covered are available only by referral. All referrals to non-(name of health maintenance organization) providers must be authorized by (name of health maintenance organization).*

(4) **EMERGENCY SERVICES:** *Emergency services from providers who are not affiliated with (name of health maintenance organization) will be covered only if proper procedures are followed. Your contract explains the procedures and benefits associated with emergency care from (name of health maintenance organization) and non-(name of health maintenance organization) providers.*

(5) **EXCLUSIONS:** *Certain services or medical supplies are not covered. You should read the contract for a detailed explanation of all exclusions.*

(6) **CONTINUATION:** *You may convert to an individual health maintenance organization contract or continue coverage under certain circumstances. These continuation and conversion rights are explained fully in your contract.*

(7) **CANCELLATION:** *Your coverage may be canceled by you or (name of health maintenance organization) only under certain conditions. Your contract describes all reasons for cancellation of coverage.*

ENROLLEE BILL OF RIGHTS

(1) *based upon the delivery system of each health maintenance organization; a statement which describes any type of health care professional as defined in section 145-61, whose services may be available only by referral of the health maintenance organization's participating staff;*

(2) *Enrollees have the right to available and accessible services which can be secured as promptly as appropriate for the symptoms presented; in a manner which assures continuity and, when medically necessary, the right to including emergency services available 24 hours a day and seven days a week;*

(3) *(2) Enrollees have the consumer's right to be informed of health problems, and to receive information regarding treatment alternatives and risks which is sufficient to assure informed choice;*

(4) *(3) Enrollees have the right to refuse treatment; and*

(5) *the right to privacy of medical and financial records maintained by the health maintenance organization and its health care providers, in accordance with existing law;*

(6) (4) *Enrollees have the right to file a grievance with the health maintenance organization and the commissioner of health and the right to initiate a legal proceeding when experiencing a problem with the health maintenance organization or its health care providers;*

(7) *the right to initiate a legal proceeding when dissatisfied with the health maintenance organization's final determination regarding a grievance;*

(8) *the right of the enrollee and dependents to continue group coverage in the event the enrollee is terminated or laid off from employment, provided that the cost of such coverage is paid by the enrollee and furthermore, the right of the enrollee to convert to an individual contract at the end of the continuation period;*

(9) *the right for notification of enrollees regarding the cancellation or termination of contracts with participating primary care professionals; and the right to choose from among remaining participating primary care professionals;*

(10) *the right to cancel an individual health maintenance contract within ten days of its receipt and to have premiums paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual is responsible for repaying the health maintenance organization for any services rendered or claims paid by the health maintenance organization during the ten days; and*

(11) (5) *Enrollees have the right to a grace period of 31 days for the payment of each premium for an individual health maintenance contract falling due after the first premium during which period the contract shall continue in force; and*

(6) *Medicare enrollees have the right to voluntarily disenroll from the health maintenance organization and the right not to be requested or encouraged to disenroll except in circumstances specified in federal law.*

Sec. 2. Minnesota Statutes 1986, section 62D.09, subdivision 1, is amended to read:

Subdivision 1. (a) Any written marketing materials which may be directed toward potential enrollees and which include a detailed description of benefits provided by the health maintenance organization shall include a statement of consumer rights as described in section 62D.07, subdivision 3, ~~paragraph~~ paragraphs (b) and (c). Prior to any oral marketing presentation, the agent marketing the plan must inform the potential enrollees that any complaints concerning the material presented should be directed to the health maintenance organization, the commissioner of health, or, if applicable, the employer.

(b) Detailed marketing materials must affirmatively disclose all exclusions and limitations in the organization's services or kinds of services offered to the contracting party, including but not limited to the following types of exclusions and limitations:

(1) *health care services not provided;*

(2) *health care services requiring copayments or deductibles paid by enrollees;*

(3) *the fact that access to health care services does not guarantee access to a particular provider type; and*

(4) health care services that are or may be provided only by referral of a physician.

(c) No detailed marketing materials may lead consumers to believe that all health care needs will be covered. All marketing materials must alert consumers to possible uncovered expenses with the following language in bold print: "THIS HEALTH CARE PLAN MAY NOT COVER ALL YOUR HEALTH CARE EXPENSES; READ YOUR CONTRACT CAREFULLY TO DETERMINE WHICH EXPENSES ARE COVERED." Immediately following the disclosure required under paragraph (b), clause (3), consumers must be given a telephone number to use to contact the health maintenance organization for specific information about access to provider types.

(d) The disclosures required in paragraph (b) are not required on billboards or single page, image, and name identification advertisement.

Sec. 3. Minnesota Statutes 1986, section 62D.09, is amended by adding a subdivision to read:

Subd. 4. Every health maintenance organization shall provide the information described in section 62D.07, subdivision 3, paragraphs (b) and (c), to enrollees or their representatives on request, within a reasonable time. Information on how to obtain referrals, prior authorization, or second opinion shall be given to the enrollee or an enrollee's representative in person or by telephone within one business day following the day the health maintenance organization or its representative receives the request for information.

Sec. 4. Minnesota Statutes 1986, section 62D.09, is amended by adding a subdivision to read:

Subd. 5. Each health maintenance organization shall issue a membership card to its enrollees. The membership card must:

- (1) identify the health maintenance organization;
- (2) include the name, address, and telephone number to call if the enrollee has a complaint;
- (3) include the telephone number to call to receive authorization for emergency care; and
- (4) include the telephone number to appeal to the commissioner of health complaint investigator.

Sec. 5. Minnesota Statutes 1986, section 62D.11, is amended by adding a subdivision to read:

Subd. 3. [DENIAL OF SERVICE.] Within a reasonable time after receiving an enrollee's written or oral communication to the health maintenance organization concerning a refusal of service or inadequacy of services, the health maintenance organization shall provide the enrollee with a written statement of the reason for the refusal of service, and a statement approved by the commissioner of health which explains the health maintenance organization complaint procedures, and in the case of Medicare enrollees, which also explains Medicare appeal procedures.

Sec. 6. Minnesota Statutes 1986, section 62D.11, is amended by adding a subdivision to read:

Subd. 4. [COVERAGE OF SERVICE.] A health maintenance organization may not deny or limit coverage of a service which the enrollee has

already received:

(1) solely on the basis of lack of prior authorization or second opinion, to the extent that the service would otherwise have been covered by the health maintenance organization; or

(2) which is home care or skilled nursing facility service by a nonparticipating provider, if such service was ordered or recommended by a participating provider, or was part of a discharge plan of a participating provider, and the enrollee was not given written notice, prior to receiving the service, that this service by a nonparticipating provider would not be covered, and listing the participating providers of this service available in the enrollee's area.

Sec. 7. Minnesota Statutes 1986, section 62D.20, is amended to read:

62D.20 [RULES.]

Subdivision 1. [RULEMAKING.] The commissioner of health may, pursuant to chapter 14, promulgate such reasonable rules as are necessary or proper to carry out the provisions of sections 62D.01 to 62D.29. Included among such rules shall be those which provide minimum requirements for the provision of comprehensive health maintenance services, as defined in section 62D.02, subdivision 7, and reasonable exclusions therefrom. Nothing in such rules shall force or require a health maintenance organization to provide elective, induced abortions, except as medically necessary to prevent the death of the mother, whether performed in a hospital, other abortion facility, or the office of a physician; the rules shall provide every health maintenance organization the option of excluding or including elective, induced abortions, except as medically necessary to prevent the death of the mother, as part of its comprehensive health maintenance services.

Subd. 2. [PRIOR AUTHORIZATION.] The commissioner shall adopt rules that address the issue of appropriate prior authorization requirements, considering consumer needs, administrative concerns, and the nature of the benefit.

Sec. 8. [QUALITY ASSURANCE.]

The commissioner of health shall prepare a report to the legislature before January 15, 1989, that describes the state's efforts to assess and to improve quality assurance standards of health maintenance organizations licensed under chapter 62D. The commissioner of human services shall contribute information and data from the state's programs to enroll medical assistance recipients in prepayment plans. The report shall provide recommendations for improvement of health maintenance organization quality assurance mechanisms and operating procedures to the legislature and the health maintenance organizations.

Sec. 9. [MANDATED BENEFITS.]

The commission on health plan regulatory reform, established by Laws 1987, chapter 370, shall address the issues related to mandated benefits. Consumer choice and access to the most appropriate and cost-effective health care providers must be investigated and considered in light of the structure of managed care plans that are being designed and offered currently. The commission shall consider the long-term savings associated with a broad choice of provider groups available to consumers."

Delete the title and insert:

"A bill for an act relating to health; setting forth requirements for statements of exclusions and limitations; requiring detailed statement when coverage is denied; clarifying statement of enrollee bill of rights; setting forth requirements for marketing materials; requiring membership card; requiring written denial of service; prohibiting denial of coverage in certain circumstances; requiring report; amending Minnesota Statutes 1986, sections 62D.07, subdivision 3; 62D.09, subdivision 1, and by adding subdivisions; 62D.11, by adding subdivisions; and 62D.20."

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. 2130: A bill for an act relating to agriculture; establishing liability for persons injured while using private land for recreational purposes with or without charge; establishing duty of care and liability for persons using a "pick your own" farm; amending Minnesota Statutes 1986, sections 87.01; 87.021; 87.0221; 87.023; 87.024; 87.025; 87.026; and 87.03.

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

Page 5, after line 20, insert:

"Sec. 9. [92.70] [LAND USE TRESPASS.]

Subdivision 1. [CASUAL TRESPASS.] (a) A person who uses state or county land for personal economic gain where prohibited is guilty of trespass and a petty misdemeanor not to exceed \$50 per occurrence.

(b) A person violating paragraph (a) may be issued a ticket by a sheriff, conservation officer, or personnel of the department designated by the commissioner. The ticket must identify the trespass, where the trespass occurred, and the official observing the trespass.

(c) The petty misdemeanor shall be paid to the state if the trespass is on state land, or the county owning county land that is trespassed.

Subd. 2. [WILLFUL TRESPASS.] (a) A person who willfully and knowingly uses state or county land for personal economic gain where prohibited is guilty of trespass and a petty misdemeanor not to exceed \$1,000 and is liable to the state or county for a civil penalty in the amount of the damage.

(b) A person violating paragraph (a) may be issued a ticket and summons for a court appearance. The county attorney shall prosecute the petty misdemeanor and demand the civil penalty.

(c) Damages must be determined as the greater of:

(1) the cost to restore the state or county land to the condition it was in before the trespass occurred plus an amount to compensate the state or county for the loss of use; or

(2) the economic gain realized by the person committing the trespass.

(d) The petty misdemeanor and civil penalty shall be paid to the court and the court administrator shall pay:

(1) for a trespass on county land, the entire amount to the county to be used for restoration of the trespass and county land improvement purposes;

and

(2) for a trespass on state land, one-half of the petty misdemeanor to the county where the trespass occurred and the remaining amount of the petty misdemeanor and the civil penalty to the commissioner of natural resources for restoration of the trespass and state land improvement purposes."

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "prohibiting certain trespassing on state or county land; prescribing penalties;"

Page 1, line 8, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 92"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1086, 2114, 1603, 1732, 2039, 2117, 1721, 1958, 2142, 995, 1994, 1687, 1752, 1561, 1764, 2217, 1682, 2090, 1328, 1718, 1904, 2162, 2214, 2165, 1748, 1689, 1674, 1806, 517 and 1388 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1850, 1853 and 1858 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Frederickson, D.R. moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1762. The motion prevailed.

Ms. Berglin moved that the name of Mr. Marty be added as a co-author to S.F. No. 2103. The motion prevailed.

Mr. Davis moved that the name of Mr. Pehler be added as a co-author to S.F. No. 2189. The motion prevailed.

Mr. Pehler moved that the name of Mr. Bertram be added as a co-author to S.F. No. 2272. The motion prevailed.

Mr. Davis moved that the name of Mrs. Adkins be added as a co-author to S.F. No. 2326. The motion prevailed.

Mr. Luther moved that the names of Messrs. Solon and Belanger be added as co-authors to S.F. No. 2329. The motion prevailed.

Mr. Vickerman moved that the name of Mr. Bertram be added as a co-author to S.F. No. 2330. The motion prevailed.

Mr. Belanger moved that the name of Mr. Freeman be added as a co-author to S.F. No. 2355. The motion prevailed.

Mr. Wegscheid moved that S.F. No. 1511 be withdrawn from the Committee on Commerce and returned to its author. The motion prevailed.

Mr. Cohen moved that S.F. No. 2266 be withdrawn from the Committee on Health and Human Services and re-referred to the Committee on Judiciary. The motion prevailed.

Mr. Beckman moved that S.F. No. 2345 be withdrawn from the Committee on Economic Development and Housing and re-referred to the Committee on Agriculture. The motion prevailed.

Mr. Wegscheid introduced—

Senate Resolution No. 116: A Senate resolution congratulating Heather Gustafson for being the 1988 State High School Class AA Girls All-Around Gymnast Champion.

Referred to the Committee on Rules and Administration.

Messrs. Luther; Moe, R.D.; Benson; Frank and Mehrkens introduced—

Senate Concurrent Resolution No. 14: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 14 be laid on the table. The motion prevailed.

Mrs. Brataas, Messrs. Storm, Ramstad, Knutson and Knaak introduced—

Senate Concurrent Resolution No. 15: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 15 be laid on the table. The motion prevailed.

Ms. Berglin, Messrs. Frederickson, D.J.; Marty; Spear and Ms. Piper introduced—

Senate Concurrent Resolution No. 16: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 16 be laid on the table. The motion prevailed.

Messrs. Solon; Morse; Johnson, D.E.; Gustafson and Pogemiller introduced—

Senate Concurrent Resolution No. 17: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 17 be laid on the table. The motion prevailed.

Messrs. Brandl, Davis, Cohen, Diessner and Peterson, R. W. introduced—

Senate Concurrent Resolution No. 18: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 18 be laid on the table. The motion prevailed.

Messrs. Purfeerst, Wegscheid, Dicklich, DeCramer and Novak introduced—

Senate Concurrent Resolution No. 19: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 19 be laid on the table. The motion prevailed.

Messrs. Frederick; Vickerman; Moe, D.M. and Ms. Peterson, D.C. introduced—

Senate Concurrent Resolution No. 20: A Senate concurrent resolution deploring acts of violence, threats of violence, and other criminal acts against reproductive health care facilities, and exhorting law enforcement agencies to investigate such acts and apprehend and prosecute those responsible for their perpetration.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 20 be laid on the table. The motion prevailed.

Messrs. Cohen and Moe, D.M. introduced—

Senate Concurrent Resolution No. 21: A Senate concurrent resolution proclaiming Sunday, May 15, as Ethnic American Day in Minnesota.

Mr. Moe, R.D. moved that Senate Concurrent Resolution No. 21 be laid on the table. The motion prevailed.

CALENDAR

H.F. No. 1886: A bill for an act relating to crime; increasing penalties for advertising, selling, and renting devices designed to make an unauthorized connection to a cable communications system; amending Minnesota Statutes 1986, section 609.80.

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

So the bill passed and its title was agreed to.

CONSENT CALENDAR

H.F. No. 1867: A bill for an act relating to Washington county; repealing a provision for county board expenses; repealing Laws 1965, chapter 524, as amended.

Mr. Moe, R.D. moved that H.F. No. 1867, No. 1 on the Consent Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

S.F. No. 1772: A bill for an act relating to North Suburban Hospital District; authorizing renovation and use of the Fridley Assembly of God Church property for health or social services.

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

So the bill passed and its title was agreed to.

S.F. No. 1780: A bill for an act relating to elections; clarifying certain public campaign financing limits; amending Minnesota Statutes 1986, section 10A.25, subdivision 10; Minnesota Statutes 1987 Supplement, sections 10A.255, subdivision 1; 10A.32, subdivision 3; repealing Minnesota Statutes 1986, section 10A.32, subdivision 3b.

Mr. Pogemiller moved that S.F. No. 1780, No. 3 on the Consent Calendar, be stricken and placed at the top of General Orders. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Moe, D.M.; Waldorf and Wegscheid introduced—

S.F. No. 2388: A bill for an act relating to state agencies; making statutory changes required by executive reorganization orders; amending Minnesota Statutes 1986, sections 43A.23, subdivision 3; 115A.906; 115A.912; and 115A.914; Minnesota Statutes 1987 Supplement, sections 79.34, subdivision 1; and 176.611, subdivisions 2 and 3a; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1987 Supplement, sections 116.55; and 116M.07, subdivision 14.

Referred to the Committee on Governmental Operations.

Mr. Moe, D.M. introduced—

S.F. No. 2389: A bill for an act relating to education; increasing the powers of the state board for community colleges; changing the criteria for board membership; directing the Revisor to prepare a bill reorganizing community college statutes; amending Minnesota Statutes 1986, sections 15.0591, subdivision 2; 136.61, subdivision 1; 136.622; and 136.67, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 136.

Referred to the Committee on Education.

Mr. Brandl introduced—

S.F. No. 2390: A bill for an act relating to metropolitan airports; providing environmental goals for the metropolitan airports commission; amending Minnesota Statutes 1986, section 473.602.

Referred to the Committee on Environment and Natural Resources.

Mrs. Brataas introduced—

S.F. No. 2391: A bill for an act relating to water; providing a classification of the waters of the South Fork of the Zumbro River.

Referred to the Committee on Environment and Natural Resources.

Mr. Wegscheid introduced—

S.F. No. 2392: A bill for an act relating to retirement; Minnesota state retirement system; optional annuities; average salary computation; disability benefits; survivor benefits; amending Minnesota Statutes 1986, sections 353.30, by adding a subdivision; and 353.651, subdivision 3, and by adding subdivisions; Minnesota Statutes 1987 Supplement, sections 353.30, subdivision 3; 353.656, subdivision 3; and 353.657, subdivisions 2 and 3.

Referred to the Committee on Governmental Operations.

Mrs. Lantry introduced—

S.F. No. 2393: A bill for an act relating to utilities; requiring the public utilities commission to transfer a certain telephone exchange from one rate tier to another.

Referred to the Committee on Public Utilities and Energy.

Mr. Luther introduced—

S.F. No. 2394: A bill for an act relating to property interests; setting the effective date of the uniform statutory rule against perpetuities; amending Minnesota Statutes 1987 Supplement, section 501A.05; and Laws 1987, chapter 60, section 10.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 2395: A bill for an act relating to nonprofit corporations; requiring a notice of meetings or elections to inform members whether proxy voting is permitted and the manner of doing so; providing an administrative hearing for certain violations by officers or directors; giving members access to the membership list; amending Minnesota Statutes 1986, sections 317.22, subdivision 4; and 317.28; proposing coding for new law in Minnesota Statutes, chapter 317.

Referred to the Committee on Judiciary.

Mr. Cohen introduced—

S.F. No. 2396: A bill for an act relating to housing; authorizing the Minnesota housing finance agency to participate in and insure energy loans for single family owner-occupied homes; amending Minnesota Statutes 1986, section 462A.05, subdivision 23.

Referred to the Committee on Economic Development and Housing.

Messrs. Morse, DeCramer, Decker and Pehler introduced—

S.F. No. 2397: A bill for an act relating to the state university board; authorizing it to use money held by it to discharge or otherwise provide for the payment of its outstanding revenue bonds; authorizing it to issue revenue bonds to finance the acquisition and betterment of facilities at the state universities subject to obtaining certain approvals; amending Minnesota Statutes 1986, sections 136.31, by adding a subdivision; and 136.41, by adding subdivisions.

Referred to the Committee on Finance.

Mr. Luther introduced—

S.F. No. 2398: A bill for an act relating to elections; providing that statewide computerized voter registration system satisfy requirements for duplicate registration file; establishing voter registration account and appropriating money; changing certain procedures related to registration cards, files, and records; changing certain procedures for filing, voting, arranging names on ballots, and completing summary statements; amending Minnesota Statutes 1986, sections 201.091, subdivisions 2 and 5; 204B.09, subdivision 1; 204D.08, subdivision 5; Minnesota Statutes 1987 Supplement, sections 201.022, subdivision 1; 201.071, subdivision 4; 204C.24, subdivision 1; and 204D.08, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 201.

Referred to the Committee on Elections and Ethics.

Mr. Dahl introduced—

S.F. No. 2399: A bill for an act relating to crimes; making it a crime to sell replica firearms; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 609.

Referred to the Committee on Judiciary.

Mr. Marty introduced—

S.F. No. 2400: A bill for an act relating to crimes; repealing the prohibition against the sale of articles relating to prevention of conception or disease; repealing Minnesota Statutes 1986, section 617.251.

Referred to the Committee on Judiciary.

Messrs. Moe, R.D.; Freeman; Pehler; Samuelson and Dicklich introduced—

S.F. No. 2401: A bill for an act relating to employment; establishing a job skills partnership board; providing customized education and training grants as an economic incentive to new and expanding employers to create jobs or for retraining of current employees who require new skills to keep pace with technological advances; providing comprehensive programs for addressing the problem of dislocated workers; proposing coding for new law in Minnesota Statutes, chapter 268; repealing Minnesota Statutes 1986, sections 116L.01; 116L.03, subdivisions 3 and 4; 116L.04; 116L.05; and Minnesota Statutes 1987 Supplement, sections 116L.02; and 116L.03, subdivisions 1, 2, 5, and 7.

Referred to the Committee on Education.

Mr. Peterson, R.W. introduced—

S.F. No. 2402: A bill for an act relating to criminal procedure; updating the wiretap law to conform to modern electronic communication technologies; providing procedures for interception of wire, electronic, or oral communication; regulating use of pen registers and trap and trace devices; prescribing penalties; amending Minnesota Statutes 1986, section 626A.01, subdivisions 3, 4, 5, 6, 8, 9, and by adding subdivisions; 626A.02, subdivisions 1, 2, and by adding subdivisions; 626A.03, subdivisions 1, and 2; 626A.05, subdivision 1; 626A.06, subdivisions 3, 4, 5, 6, and by adding subdivisions; 626A.08, subdivision 1; 626A.09, subdivisions 1, 2, 3, 4, and 5; 626A.10, subdivisions 1 and 2; 626A.11, subdivisions 1 and 2, and by adding a subdivision; 626A.12, subdivision 1, and by adding a subdivision; 626A.13; Minnesota Statutes 1987 Supplement, section 626A.05, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 8; 388; 609; and 626A.

Referred to the Committee on Judiciary.

Messrs. Dicklich, Waldorf and Dahl introduced—

S.F. No. 2403: A bill for an act relating to education; conditioning University of Minnesota appropriations on the restructuring of governance of the university by the board of regents.

Referred to the Committee on Education.

Mr. Dahl introduced—

S.F. No. 2404: A bill for an act relating to trade regulation; making certain requirements for moving picture projector operators and projection rooms; granting power to state fire marshal; amending Minnesota Statutes 1986, section 299H.23; proposing coding for new law in Minnesota Statutes, chapter 299H.

Referred to the Committee on General Legislation and Public Gaming.

Messrs. Cohen, Marty and Brandl introduced—

S.F. No. 2405: A bill for an act relating to economic development; including labor organizations and community groups in the organizations that are eligible for assistance from various entities; amending Minnesota Statutes 1987 Supplement, sections 116O.06, subdivision 1; and 116O.08, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Messrs. Morse and Davis introduced—

S.F. No. 2406: A bill for an act relating to agriculture; repealing Laws 1984, chapter 509, section 2.

Referred to the Committee on Agriculture.

Messrs. Morse and Frank introduced—

S.F. No. 2407: A bill for an act relating to economic development; authorizing the establishment of regional alliance commissions; providing an alternative method for the dissolution of regional development commissions; proposing coding for new law in Minnesota Statutes, chapter 462.

Referred to the Committee on Economic Development and Housing.

Mr. Wegscheid introduced—

S.F. No. 2408: A bill for an act relating to retirement; public employees retirement association; providing for the restoration of a normal annuity upon the death of a designated beneficiary to a retired or disabled member who had selected a joint and survivor annuity; increasing the retirement annuity formula for police officer and firefighter members; providing for early retirement at full annuity under certain conditions; regulating nonduty disability benefits; amending Minnesota Statutes 1986, sections 353.30, by adding a subdivision; 353.651, subdivision 3, and by adding subdivisions; Minnesota Statutes 1987 Supplement, sections 353.30, subdivision 3; 353.656, subdivision 3; and 353.657, subdivisions 2 and 3.

Referred to the Committee on Governmental Operations.

Mr. Spear and Ms. Peterson, D.C. introduced—

S.F. No. 2409: A bill for an act relating to financial institutions; interstate bank holding companies; clarifying the divestiture period for noncompliant companies; amending Minnesota Statutes 1986, section 48.95, subdivision 1.

Referred to the Committee on Commerce.

Mr. Wegscheid introduced—

S.F. No. 2410: A bill for an act relating to the city of Farmington; permitting the sale of certain tax-forfeited land.

Referred to the Committee on Environment and Natural Resources.

Mr. Moe, D.M. and Mrs. Lantry introduced—

S.F. No. 2411: A bill for an act relating to local government; authorizing issuance of bonds for repair, restoration, and modernization of the Saint Paul City Hall and Ramsey County Courthouse building.

Referred to the Committee on Local and Urban Government.

Mr. Johnson, D.J. introduced—

S.F. No. 2412: A bill for an act relating to veterans; requiring the establishment of a veterans home in Silver Bay; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 198.

Referred to the Committee on Veterans.

Mr. Moe, D.M. introduced—

S.F. No. 2413: A bill for an act relating to retirement; public employees; authorizing employer deferred compensation plan contributions in certain instances; amending Minnesota Statutes 1986, sections 179A.03, subdivision 19; 179A.07, subdivision 2; and 356.24.

Referred to the Committee on Governmental Operations.

Mr. Kroening introduced—

S.F. No. 2414: A bill for an act relating to public employees; providing for assignment of University of Minnesota job classifications to appropriate units; amending Minnesota Statutes 1986, sections 179A.10, subdivision 4; and 179A.11, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Mr. Lessard introduced—

S.F. No. 2415: A bill for an act relating to game and fish; closing date for fishing season on the Rainy River; repealing Minnesota Statutes 1987 Supplement, section 97C.402.

Referred to the Committee on Environment and Natural Resources.

Mr. Davis introduced—

S.F. No. 2416: A bill for an act relating to elections; permitting cities or counties to use their present voting systems for general elections; amending Minnesota Statutes 1987 Supplement, section 206.80.

Referred to the Committee on Elections and Ethics.

Mr. Davis introduced—

S.F. No. 2417: A bill for an act relating to well abandonment; authorizing cost sharing funds; amending Minnesota Statutes 1986, sections 40.036,

subdivision 1; 40.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 40.

Referred to the Committee on Environment and Natural Resources.

Messrs. Davis and Merriam introduced—

S.F. No. 2418: A bill for an act relating to commerce; requiring tax return preparers to be licensed; establishing a board of tax return preparation services; providing for regulation of tax preparers; providing penalties; appropriating money; amending Minnesota Statutes 1987 Supplement, sections 214.01, subdivision 3; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 326.

Referred to the Committee on Commerce.

Ms. Berglin introduced—

S.F. No. 2419: A bill for an act relating to youth employment; providing planning grants for the design of youth employment programs; appropriating money.

Referred to the Committee on Education.

Mr. Spear and Ms. Piper introduced—

S.F. No. 2420: A bill for an act relating to adoption; permitting independent placements; requiring a preplacement investigation in independent placements; providing for authorized expenses in connection with an adoption; prohibiting certain advertisements in connection with adoption; providing penalties; amending Minnesota Statutes 1986, sections 259.22, subdivision 2; 259.24, subdivisions 2 and 6a; 259.27, by adding subdivisions; and 259.47; proposing coding for new law in Minnesota Statutes, chapter 259.

Referred to the Committee on Judiciary.

Mr. Frank introduced—

S.F. No. 2421: A bill for an act relating to taxation; motor vehicle excise; exempting motor vehicles used for training purposes by certain educational institutions; amending Minnesota Statutes 1987 Supplement, section 297B.03.

Referred to the Committee on Transportation.

Mrs. Lantry introduced—

S.F. No. 2422: A bill for an act relating to human services; regulating location of residential and other facilities; prohibiting further concentration of facilities; amending Minnesota Statutes 1987 Supplement, section 245A.11, subdivision 4, and by adding subdivisions.

Referred to the Committee on Health and Human Services.

Mr. DeCramer introduced—

S.F. No. 2423: A bill for an act relating to agriculture; reappropriating money remaining in the 1987 interest buy-down program.

Referred to the Committee on Agriculture.

Mr. DeCramer introduced—

S.F. No. 2424: A bill for an act relating to education; providing for regional program access revenue; amending Minnesota Statutes 1986, section 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Mr. Luther introduced—

S.F. No. 2425: A bill for an act relating to creditors' remedies; regulating executions, redemptions, exemptions, and garnishments; revising, clarifying, and standardizing procedures; providing certain sanctions; updating certain forms; lengthening the period of effectiveness of summary executions; modifying an employer's obligations with regard to a garnishment summons; proposing coding for new law in Minnesota Statutes, chapters 550 and 571; repealing Minnesota Statutes 1986, sections 550.041; 550.05; 550.14; 550.141; and 571.41 to 571.69.

Referred to the Committee on Judiciary.

Messrs. Luther, Wegscheid, Pehler and Moe, D.M. introduced—

S.F. No. 2426: A bill for an act relating to the state and local governments; providing immunity from civil liability for volunteers serving the state and local governments; amending Minnesota Statutes 1986, section 466.01, by adding a subdivision; Minnesota Statutes 1987 Supplement, section 3.736, subdivision 3; and proposing coding for new law in Minnesota Statutes, chapter 466.

Referred to the Committee on Judiciary.

Mr. Chmielewski introduced—

S.F. No. 2427: A bill for an act relating to vocational rehabilitation; regulating community based employment program services; appropriating money; amending Minnesota Statutes 1987 Supplement, section 129A.08, by adding a subdivision.

Referred to the Committee on Employment.

Mr. Chmielewski introduced—

S.F. No. 2428: A bill for an act relating to workers' compensation; regulating workers' compensation benefits and administration; regulating workers' compensation insurance; requiring certain reports relating to workers' compensation; amending Minnesota Statutes 1986, sections 79.251, subdivisions 2, 3, and 4; 79.252, subdivision 1; 176.011, subdivision 18, and by adding a subdivision; 176.021, subdivision 3; 176.061, subdivision 10; 176.101, subdivisions 1, 2, 4, 5, and 6, and by adding a subdivision; 176.102, subdivisions 1, 7, 9, and 11; 176.105, subdivision 1; 176.111, subdivisions 6, 7, 8, 12, 14, and 20; 176.131, subdivisions 2, 3, and 4; 176.132, subdivisions 1 and 2; 176.135, by adding a subdivision; 176.645, subdivision 2; 176.66, subdivision 11; 176.82; Minnesota Statutes 1987 Supplement, sections 176.102, subdivisions 3, 3a, and 4; 176.111, subdivisions 15 and 21; and 176.131, subdivisions 1 and 8; proposing coding

for new law in Minnesota Statutes, chapters 79 and 176; repealing Minnesota Statutes 1986, sections 79.50; 79.51; 79.52; 79.53; 79.54; 79.55; 79.56; 79.57; 79.58; 79.59; 79.60; 79.61; and 79.62; 176.011, subdivision 26; and 176.101, subdivisions 3a to 3u.

Referred to the Committee on Employment.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 1:00 p.m., Wednesday, March 9, 1988. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate