

SIXTY-NINTH DAY

St. Paul, Minnesota, Monday, March 12, 1990

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. Nathan Tuff.

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

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Peterson, R.W. was excused from the Session of today. Mr. Brandl was excused from the Session of today at 2:35 p.m. Mr. Johnson, D.E. was excused from the Session of today from 2:00 to 3:30 p.m.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1555, 1989 and 2018.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 8, 1990

FIRST READING OF HOUSE BILLS

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

H.F. No. 1555: A bill for an act relating to fees; providing for fees charged by county recorder; amending Minnesota Statutes 1988, section 357.18, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1238, now on General Orders.

H.F. No. 1989: A bill for an act relating to motor vehicles; allowing tax-exempt license plates for vehicles used for driver education programs at nonpublic high schools; amending Minnesota Statutes 1989 Supplement, section 168.012, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 2018: A bill for an act relating to newspapers; changing filing requirements for qualification as a legal newspaper; amending Minnesota Statutes 1988, section 331A.02, subdivision 1.

Referred to the Committee on Judiciary.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 1790, 1952, 2395 and the report pertaining to appointments. The motion prevailed.

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

S.F. No. 1255: A bill for an act relating to public safety; creating the Minnesota advisory council on fire protection systems; requiring licensing and certifying of the fire protection industry; providing for rules and an exemption; creating fire protection systems account; providing for fees and a surcharge; imposing a penalty; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 299K.

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

Page 2, delete lines 22 to 27 and insert:

"Subdivision 1. [COMPENSATION; REMOVAL; EXPIRATION.] The Minnesota advisory council on fire protection systems and its members are governed by section 15.059, except that the terms of members are governed by subdivision 2."

Page 2, line 28, delete "nine" and insert "the commissioner of public safety or the commissioner's designee, the commissioner of labor and industry or the commissioner's designee, and seven"

Page 2, line 29, delete " , each"

Page 3, line 2, delete everything after the period and insert "*The commissioners or their designees are nonvoting members.*"

Page 3, delete lines 3 and 4

Page 3, line 12, after "*equipment*" insert a comma

Page 3, line 28, delete "*The commissioner may also adopt emergency rules.*"

Page 4, line 5, delete the comma

Page 6, line 11, delete "*monthly*" and insert "*quarterly*"

Page 6, line 13, delete "*month*" and insert "*quarter*"

Page 6, line 22, delete "*month or*"

Page 6, line 25, delete the comma

Page 7, line 28, delete "*Sections 1 to 3, 6, and 8 are effective January 1, 1990.*"

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. 1869: A bill for an act relating to occupational safety and health; requiring employers to prepare and implement a written program that describes how they will reduce the extent and severity of work-related injuries and illnesses; amending Minnesota Statutes 1988, section 182.653, by adding a subdivision.

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

Page 1, line 11, after "*employer*" insert "*covered by this section*"

Page 1, line 22, delete "*it*" and insert "*the plan*" and after "*all*" insert "*affected*"

Page 2, delete lines 4 to 8 and insert:

"Sec. 2. Minnesota Statutes 1988, section 182.653, is amended by adding a subdivision to read:

Subd. 8a. [STANDARD INDUSTRIAL CLASSIFICATION LIST.] The commissioner shall adopt, in accordance with section 182.655, a rule specifying a list of standard industrial classifications of employers who must comply with subdivision 8. The commissioner shall demonstrate the need to include each industrial classification on the basis of the safety record or worker's compensation record of that industry segment. The list shall be updated every two years.

Sec. 3. [182.6731] [SAFETY AWARDS.]

The commissioner may present awards to businesses that have excellent safety records. The award shall be presented jointly to the company and its employees. The commissioner may solicit advice on what businesses shall receive the awards from representatives of labor and business.

Sec. 4. [APPROPRIATION.]

\$ is appropriated from the general fund to the commissioner of labor and industry for the purpose of section 3."

Amend the title as follows:

Page 1, line 2, delete "occupational safety and health" and insert "labor"

Page 1, line 5, after "illnesses;" insert "providing for safety awards by the commissioner of labor and industry; appropriating money;"

Page 1, line 7, delete "a subdivision" and insert "subdivisions; proposing coding for new law in Minnesota Statutes, chapter 182"

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

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

S.F. No. 1551: A bill for an act relating to education; requiring students on all HECB advisory groups; amending Minnesota Statutes 1988, section 136A.02, subdivision 7, and by adding a subdivision.

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

Page 1, line 9, after "must" insert ", if requested by the student advisory council,"

Page 1, line 10, delete "each" and insert "an"

Page 1, line 12, after "student" insert "member or"

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 136A.02, subdivision 7, is amended to read:

Subd. 7. [STUDENT ADVISORY COUNCIL.] A student advisory council to the board is established. The members of the council shall include the chair of the University of Minnesota university student senate, the state chair of the Minnesota state university student association, the president of the Minnesota community college student association, the president of the Minnesota vocational technical student association, the president of the Minnesota association of private college students, and a student who is enrolled in a private vocational school registered under this chapter, to be appointed by the Minnesota association of private post-secondary schools. A member may be represented by a designee.

The advisory council shall:

(1) bring to the attention of the board any matter that the council believes needs the attention of the board;

(2) make recommendations to the board as the council deems appropriate;

(3) review and comment upon proposals and other matters before the board;

(4) *appoint student members to board advisory groups as provided in section 1;*

(5) provide any reasonable assistance to the board; and

~~(5)~~ (6) select one of its members to serve as chair. The board shall inform

the council of all matters under consideration by the board and shall refer all proposals to the council before the board acts or sends the proposals to the governor or the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The student advisory council shall report to the board quarterly and at other times that the council considers desirable. The council shall determine its meeting time, but the council shall also meet with the executive director of the board within 30 days after the director's request for a council meeting. The student advisory council shall meet quarterly with the higher education advisory council and the board executive committee. The council expires June 30, 1993."

Amend the title as follows:

Page 1, line 2, delete "requiring" and insert "providing for" and delete "all"

Page 1, line 3, after "groups" insert "if requested"

Page 1, line 4, delete "subdivision 7, and"

Page 1, line 5, before the period, insert "§ Minnesota Statutes 1989 Supplement, section 136A.02, subdivision 7"

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. 1703: A bill for an act relating to natural resources; authorizing the enforcement of certain natural resource laws by conservation officers; amending Minnesota Statutes 1988, section 97A.205.

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. 1790: A bill for an act relating to health; establishing a legislative task force to study the regulation of health insurance premium rates and health care costs.

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

Page 1, line 15, delete everything after the period

Page 1, line 16, delete "century,"

Page 1, line 18, after the period, insert "*The legislature is also concerned that state residents should receive value for the insurance premiums paid in the form of coverage for necessary and appropriate health services.*"

Page 1, line 20, delete "will be" and insert "is available and"

Page 1, line 22, delete "There is"

Page 1, line 23, delete "established a" and insert "The"

Page 1, line 24, delete ". The task force shall consist" and insert "and cost containment practices consists"

Page 2, lines 1 and 2, delete "*senate majority leader*" and insert "*sub-committee on committees of the senate rules and administration committee*"

Page 2, line 13, delete "and"

Page 2, line 14, after "*rates*" insert ", and insurance industry practices related to cost containment"

Page 2, line 18, after the period, insert "*The task force shall study industry cost containment practices, including utilization review issues, to evaluate their impact on the insurance and health coverage subscribers receive.*"

Page 2, line 24, delete "and" and insert a comma

Page 2, line 25, after the comma, insert "*and utilization review activities,*"

Page 2, line 30, after the period, insert "*The task force shall study the issue of state regulation of utilization review activities to ensure appropriate consumer access and coverage for necessary health care.*"

Page 2, line 33, after "*organizations*" insert ", while ensuring continued access to appropriate health insurance coverage"

Page 2, after line 33, insert:

"(f) The legislative task force shall study the denial of health care benefits to Minnesota consumers. The task force shall review denial rates and appeals processes available to consumers. The task force shall examine systems, processes, and standards of criteria used for medical necessity determinations by insurers. The task force shall seek input from consumers, health care providers, and representatives of insurance and health maintenance organizations."

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

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

S.F. No. 1768: A bill for an act relating to financial institutions; regulating electronic fund transfer facilities; providing for access by other transmission facilities; amending Minnesota Statutes 1988, section 47.65, 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 1988, section 47.61, is amended by adding a subdivision to read:

Subd. 8. [MINNESOTA TRANSMISSION FACILITY.] "Minnesota transmission facility" means (1) a transmission facility which is owned or controlled by a financial institution located in Minnesota; (2) a transmission facility owned or controlled by a bank holding company or savings and loan holding company domiciled or headquartered in Minnesota; or (3) a transmission facility established in Minnesota and approved by the commissioner under section 47.65, subdivision 1, as of the effective date of section 2.

Sec. 2. Minnesota Statutes 1988, section 47.65, is amended by adding a subdivision to read:

Subd. 1a. [TERMS.] A Minnesota transmission facility which is used by, or made available to, any other Minnesota transmission facility must be made available on fair, equitable, and nondiscriminatory terms to all other Minnesota transmission facilities upon request of such Minnesota transmission facility. A person requesting use of a Minnesota transmission facility shall be permitted its use only if the person conforms to reasonable technical operating standards which have been established by the Minnesota transmission facility.

The charges required to be paid to a Minnesota transmission facility must be related to the costs of establishing, operating, and maintaining the facility plus a reasonable return on those costs to the owner of the facility. The charges may provide for amortization of development costs and capital expenditures over a reasonable period of time; provided that the charges as may be separately determined and established from time to time by each Minnesota transmission facility, are fair, equitable, and nondiscriminatory."

Delete the title and insert:

"A bill for an act relating to financial institutions; regulating electronic fund transfer facilities; providing for access by other transmission facilities; amending Minnesota Statutes 1988, sections 47.61, by adding a subdivision; and 47.65, by adding a subdivision."

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. 2140: A bill for an act relating to workers' compensation; establishing a method of premium calculation for workers' compensation insurance; amending Minnesota Statutes 1988, section 79.52, 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. [WORKERS' COMPENSATION ADVISORY TASK FORCE; CONTRACTORS PREMIUM CALCULATION STUDY.]

A workers' compensation advisory task force is hereby created to study the feasibility and advisability of calculating premium for workers' compensation insurance with respect to all contractor employer classifications, pursuant to the classification plan required to be filed under Minnesota Statutes, section 79.61, on the basis of total hours worked during the policy coverage period rather than on the basis of total payroll. The advisory task force shall consist of the commissioner of labor and industry, the commissioner of commerce, one public member, one member representing union contractor employers, one member representing non-union contractor employers, and one member representing the workers' compensation insurance rating association. The public and contractor employer members shall be appointed by the commissioner of labor and industry.

Members of the advisory task force shall not receive per diem, but shall receive expenses as provided under Minnesota Statutes, section 15.059, subdivision 6. The task force shall make findings and recommendations to the commissioner of labor and industry by January 1, 1991. The commissioner of labor and industry shall provide a report to the senate employment committee and the house of representatives labor and management relations committee by February 1, 1991, concerning the findings and recommendations of the advisory task force. The advisory task force shall expire on January 1, 1991.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to workers' compensation; creating an advisory task force to study a new workers' compensation premium calculation method for contractor employers; requiring a report to the legislature."

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

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

S.F. No. 2114: A bill for an act relating to the operation of state government; changing certain procedures and limits for contracts with the state; establishing an advisory task force; authorizing reimbursement of certain expenses; changing certain vehicle marking and color provisions; clarifying certain transfer authority; protecting governments that purchase certain insurance; amending Minnesota Statutes 1988, sections 3.736, subdivision 8; 16B.07, subdivision 3; 16B.09, by adding a subdivision; 16B.17, subdivision 3; 16B.41, subdivision 4; 16B.58, subdivision 7; 16B.85, subdivision 5; and 466.06; and Minnesota Statutes 1989 Supplement, sections 16B.54, subdivision 2; and 40.46, subdivision 1.

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

Page 1, line 27, after "insurance" insert "or reinsurance"

Page 2, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1988, section 16B.09, subdivision 5, is amended to read:

Subd. 5. [COOPERATIVE AGREEMENTS PURCHASING REVOLVING FUND.] *The cooperative purchasing revolving fund is a separate account in the state treasury. The commissioner may charge a fee to cover the commissioner's administrative expenses to government units that have joint or cooperative purchasing agreements with the state under section 471.59. The fees collected must be deposited in the revolving fund established by this subdivision. Money in the fund is appropriated to the commissioner to administer the programs and services covered by this section."*

Page 3, after line 21, insert:

"Sec. 5. Minnesota Statutes 1988, section 16B.17, subdivision 4, is amended to read:

Subd. 4. [REPORTS.] After completion of performance under a consultant or professional and technical services contract, the agency shall evaluate the performance under the contract and the utility of the final product. This evaluation must be delivered to the commissioner, who shall retain all the evaluations for future reference. The commissioner shall submit to the governor and the legislature a monthly listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report must identify the parties and the contract amount, duration, and tasks to be performed. The commissioner shall also issue quarterly reports summarizing the contract review activities of the department during the preceding quarter.

Sec. 6. Minnesota Statutes 1988, section 16B.24, subdivision 10, is amended to read:

Subd. 10. [CHILD CARE SERVICES SPACE.] For state office space that is leased, purchased, or substantially remodeled after August 1, 1988, the commissioner shall consider including space usable for child care services or for a workplace school. Child care Space must be included if the commissioner determines that it is needed and that it could be provided at reasonable cost. The commissioner may prepare a day care site sites as a common usage space for the capitol complex.

Sec. 7. Minnesota Statutes 1989 Supplement, section 16B.28, subdivision 3, is amended to read:

Subd. 3. [REVOLVING FUND.] (a) [CREATION.] The materials distribution revolving fund is a separate fund in the state treasury. All money relating to the resource recovery program established under section 115A.15, subdivision 1, all money resulting from the acquisition, acceptance, warehousing, distribution, and public sale of surplus property, and all money resulting from the sale of centrally acquired, warehoused, and distributed supplies, materials, and equipment; and all money relating to the cooperative purchasing venture established under section 471.59 must be deposited in the fund. Money paid into the materials distribution revolving fund is appropriated to the commissioner for the purposes of the programs and services referred to in this section.

(b) [TRANSFER OR SALE TO STATE AGENCY.] When the state or an agency operating under a legislative appropriation obtains surplus property from the commissioner, the commissioner of finance must, at the commissioner's request, transfer the cost of the surplus property, including any expenses of acquiring, accepting, warehousing, and distributing the surplus property, from the appropriation of the state agency receiving the surplus property to the materials distribution revolving fund. The determination of the commissioner is final as to the cost of the surplus property to the state agency receiving the property.

(c) [TRANSFER OR SALE TO OTHER GOVERNMENTAL UNITS OR NONPROFIT ORGANIZATIONS.] When any governmental unit or nonprofit organization other than a state agency receives surplus property, supplies, materials, or equipment from the commissioner, the governmental unit or nonprofit organization must reimburse the materials distribution revolving fund for the cost of the property, including the expenses of acquiring, accepting, warehousing, and distributing it, in an amount the commissioner sets. The commissioner may, however, require the governmental unit or nonprofit organization to deposit in advance in the materials distribution revolving fund the cost of the surplus property, supplies, materials,

and equipment upon mutually agreeable terms and conditions. The commissioner may charge a fee to political subdivisions and nonprofit organizations to establish their eligibility for receiving the property and to pay for costs of storage and distribution."

Page 5, lines 9 and 10, delete the new language

Page 5, after line 35, insert:

"Sec. 11. Minnesota Statutes 1988, section 16B.60, is amended by adding a subdivision to read:

Subd. 9. [HISTORIC BUILDING.] "Historic building" means a state-owned building that is on the national register of historic places.

Sec. 12. Minnesota Statutes 1988, section 16B.60, is amended by adding a subdivision to read:

Subd. 10. [EQUIVALENT PROTECTION.] "Equivalent protection" means a measure other than a code requirement that provides essentially the same protection against a hazard that would be provided by a code requirement.

Sec. 13. [16B.625] [EXEMPTIONS.]

The commissioner, the secretary of the senate, and the speaker of the house of representatives may exempt a part of a historic building occupied, respectively, by a state agency, the senate, or the house of representatives from the state or another building, fire, safety, or other code if the exemption is necessary to preserve the historic or esthetic character of the building or to prevent theft, vandalism, terrorism, or another crime. When an exemption is from a code requirement designed to protect against personal injury, the provision of equivalent protection must be considered."

Page 6, line 10, before the comma, insert "or reinsurance"

Page 6, line 29, strike "the"

Page 6, line 30, delete "commissioners" and strike "of natural resources" and delete "and administration" and insert "state agencies and departments"

Page 6, line 36, strike "under section 84.0273"

Page 7, line 31, after "insurance" insert "or reinsurance"

Page 8, after line 5, insert:

"Sec. 17. Minnesota Statutes 1988, section 471.59, subdivision 1, is amended to read:

Subdivision 1. [AGREEMENT.] Two or more governmental units, by agreement entered into through action of their governing bodies, may jointly or cooperatively exercise any power common to the contracting parties or any similar powers, including those which are the same except for the territorial limits within which they may be exercised. The agreement may provide for the exercise of such powers by one or more of the participating governmental units on behalf of the other participating units. The term "governmental unit" as used in this section includes every city, county, town, school district, other political subdivision of this or ~~any adjoining~~ another state, and any agency of the state of Minnesota or the United States, and includes any instrumentality of a governmental unit. For the purpose of this section, an instrumentality of a governmental unit means an instrumentality having independent policy making and appropriating authority."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "creating a cooperative purchasing revolving fund; directing commissioner of administration to consider making state-owned space available for a workplace school;"

Page 1, line 7, after the semicolon, insert "permitting exemptions from building and other codes to preserve historic state buildings;"

Page 1, line 10, delete "by adding a"

Page 1, line 11, after the first "subdivision" insert "5" and delete "subdivision 3;" and insert "subdivisions 3 and 4; 16B.24, subdivision 10;"

Page 1, line 12, after the second semicolon, insert "16B.60, by adding subdivisions;"

Page 1, line 13, delete the first "and" and after the second semicolon, insert "471.59, subdivision 1;"

Page 1, line 14, after "sections" insert "16B.28, subdivision 3;"

Page 1, line 15, before the period, insert "; proposing coding for new law in Minnesota Statutes, chapter 16B"

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

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

S.F. No. 2194: A bill for an act relating to hazardous materials; directing the commissioner of public safety to plan a system for a regional hazardous materials incident response program; establishing an advisory council; appropriating money.

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

Page 1, line 10, delete "*and implement*"

Page 2, line 12, delete "*is created and*"

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. 2063: A bill for an act relating to health; requiring an environmental impact statement for burning of PCBs; authorizing counties to be compensated for human health risks; requiring permits and local approval before burning PCBs; requiring a report to the public utilities commission and a return of savings to ratepayers; amending Minnesota Statutes 1988, section 116.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Page 2, line 4, after "a" insert "*significant*"

Page 2, line 9, after "by" insert "*the Minnesota pollution control agency, in consultation with*"

Page 2, delete lines 10 to 13 and insert:

"Subd. 4. [LOCAL RESOLUTION.] As"

Page 2, line 16, delete "After the"

Page 2, delete lines 17 to 22

Amend the title as follows:

Page 1, delete line 6

Page 1, line 7, delete everything before "amending"

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

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

S.F. No. 1753: A bill for an act relating to privacy; providing for a cause of action for invasion of privacy; proposing coding for new law as Minnesota Statutes, chapter 554.

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

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

S.F. No. 1726: A bill for an act relating to child care funding; authorizing the commissioner of human services to promulgate rules directing county boards to establish certain payment policies; amending Minnesota Statutes 1989 Supplement, section 256H.02.

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

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

S.F. No. 1952: A bill for an act relating to health; eliminating the office of social work and mental health boards; modifying the duties of the board of unlicensed mental health service providers; requiring all mental health service providers to file with the board; amending Minnesota Statutes 1988, sections 148B.01, subdivision 7; 148B.07; 148B.41, subdivision 1; 148B.42, subdivision 2, and by adding a subdivision; 148B.43; and 148B.46, subdivision 1; Minnesota Statutes 1989 Supplement, sections 148B.17; 148B.40, subdivision 3; and 148B.42, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1988, sections 148B.01, subdivision 2; 148B.02; and 148B.171.

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

Delete everything after the enacting clause and insert:

"Section 1. [REPORT ON METHODS OF COORDINATING SOCIAL WORK AND MENTAL HEALTH BOARDS.]

(a) The commissioner of health shall convene an interagency task force consisting of health department staff and representatives from the commissioner of human services and the boards of social work, marriage and family therapy, unlicensed mental health service providers, medical examiners, nursing, and psychology to study the current system of monitoring and regulating both licensed and unlicensed individuals who practice mental health counseling, psychotherapy, psychiatry, psychiatric nursing, social work, professional counseling, chemical dependency counseling, and similar activities. The task force shall make recommendations for improving coordination, administrative efficiency, and effectiveness of the activities of the department of health and the boards that monitor and regulate these social work and mental health occupations and professions. The task force shall solicit and consider the comments and recommendations of affected individuals, associations, and government agencies. In developing its recommendations, the task force shall consider:

(1) methods of monitoring or regulating unlicensed practitioners and whether this activity should be administered by the health department, an independent administrative agency, a board, or another entity;

(2) a surcharge on license fees of all social work and mental health boards to finance the monitoring or regulation of unlicensed practitioners;

(3) methods of coordinating the various systems for accepting and investigating complaints;

(4) coordinated information systems to identify individuals who have been denied a license or have been subject to disciplinary action by another licensing board or agency; and

(5) other relevant issues identified by the task force.

(b) The commissioner of health shall report to the legislature by December 1, 1990, with the results of the study and the recommendations of the task force.

Sec. 2. [EXEMPTION.]

For the biennium ending June 30, 1991, the board of unlicensed mental health service providers is exempt from Minnesota Statutes, sections 16A.128, subdivision 1, and 214.06, subdivision 1."

Delete the title and insert:

"A bill for an act relating to health; requiring a study of methods of improving systems for regulating social work and mental health occupations and professions; exempting the board of unlicensed mental health service providers from certain license fee requirements."

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

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

S.F. No. 1835: A bill for an act relating to health; requiring insurers to provide medical malpractice insurance premium discounts to qualifying physicians and professional nurse-midwives; requiring the commissioner of administration to purchase vaccine for resale to medical providers at discounted prices; declaring the goal of the legislature to achieve full

funding for the WIC program by 1993; establishing additional responsibilities of the commissioner of health relating to the WIC program; requiring the commissioner of human services to seek federal approval to eliminate eligibility redeterminations for certain pregnant women and infants; expanding eligibility for the children's health plan to include certain pregnant women and children up to age six; increasing medical assistance income limits for pregnant women and children up to age seven; increasing payment rates for prenatal care and delivery services; requiring a plan to improve utilization rates for prenatal care and preventive care for children; expanding the prenatal care media outreach campaign; requiring the boards of medical examiners and nursing to report on complaints relating to obstetrics, gynecology, prenatal care, and delivery; requiring a report; appropriating money; amending Minnesota Statutes 1988, sections 214.07, subdivision 1, and by adding a subdivision; and 256.936, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 145.894; 256.936, subdivision 1; 256B.04, subdivision 17; and 256B.057, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 60A and 144.

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

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

S.F. No. 1739: A bill for an act relating to metropolitan government; clarifying provisions for compensation; amending Minnesota Statutes 1988, sections 473.123, subdivision 5; and 473.141, subdivision 7; Minnesota Statutes 1989 Supplement, sections 473.605, subdivision 2; and 473.704, subdivision 6.

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

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

S.F. No. 1022: A bill for an act relating to economic development; requiring a job impact statement of certain government units; providing prefeasibility study grants; requiring the employer who engages in a plant closing or mass layoff to pay community benefits, severance pay, and health benefits; establishing a community response committee; requiring repayment of certain financial assistance to businesses; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Page 5, line 4, delete "*secure*" and insert "*coordinate the securing of*"

Page 5, line 17, delete "*in*" and insert "*to coordinate the*"

Page 5, line 18, delete "*the*" and insert "*of*"

Pages 6 and 7, delete article 2

Page 7, line 25, delete "3" and insert "2"

Page 7, line 27, delete "PLANT CLOSINGS" and insert "EMPLOYEE DISPLACEMENT"

Page 8, lines 2 and 32, delete "*a plant closing*" and insert "*employee displacement*"

Page 8, after line 15, insert:

"Subd. 7. [EMPLOYEE DISPLACEMENT.] "*Employee displacement*" means the shutdown or termination of operations of an establishment, within three years of an acquisition by an employer, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 25 or more employees, excluding any part-time employees."

Page 8, line 16, delete "7" and insert "8"

Page 8, line 26, delete "8" and insert "9"

Page 8, line 29, delete "9" and insert "10"

Page 9, line 4, delete "10" and insert "11"

Page 9, lines 6 and 8, delete "*plant*"

Page 9, lines 7 and 9, delete "*closing*" and insert "*employee displacement*"

Page 9, line 10, delete "11" and insert "12"

Page 9, delete lines 13 to 18

Page 9, line 29, delete "*a*" and insert "*an*"

Page 9, lines 30, 34, and 35, delete "*plant closing*" and insert "*employee displacement*"

Page 10, line 18, delete "*a plant closing*" and insert "*an employee displacement*"

Page 10, lines 22 and 34, delete "*plant closing*" and insert "*employee displacement*"

Page 11, line 4, delete "*a plant closing*" and insert "*an employee displacement*"

Page 11, lines 13 and 16, delete "*plant closing*" and insert "*employee displacement*"

Page 12, line 2, delete "*plant closing*" and insert "*employee displacement*"

Page 12, lines 13, 23, and 33, delete "*a plant closing*" and insert "*an employee displacement*"

Page 13, lines 9 and 29, delete "*a plant closing*" and insert "*an employee displacement*"

Page 13, lines 12 and 19, delete "*plant closing*" and insert "*employee displacement*"

Page 14, lines 3, 24, 28, and 36, delete "*plant closing*" and insert "*employee displacement*"

Page 14, lines 4 and 35, delete "*a plant closing*" and insert "*an employee displacement*"

Page 14, line 16, delete "*plant*"

Page 14, line 17, delete "*closing*" and insert "*employee displacement*"

Page 15, line 16, delete "*a plant closing*" and insert "*an employee displacement*"

Amend the title as follows:

Page 1, line 4, delete "providing prefeasibility study grants;"

Page 1, line 5, delete "a plant closing" and insert "an employee displacement"

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

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

S.F. No. 2430: A bill for an act relating to financial institutions; establishing a system for the evaluation and rating of community reinvestment by depository financial institutions owned by interstate bank holding companies; providing uniformity with federal financial institutions regulatory practices; regulating public disclosure of uniform rating; amending Minnesota Statutes 1988, sections 48.92, by adding a subdivision; 48.93, subdivision 3; and 48.97, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 47; repealing Minnesota Statutes 1988, section 48.99.

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

Page 1, line 18, after the third comma, insert "*and*"

Page 1, line 19, delete everything after "*powers*"

Page 1, line 20, delete everything before "*that*" and delete "*bank*"

Page 1, line 29, delete "*The commissioner may conduct*"

Page 2, delete lines 1 to 9

Page 2, line 11, delete "*this subdivision*" and insert "*section 46.04*"

Pages 3 and 4, delete section 7

Page 6, delete sections 9 and 10

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, delete "*bank*"

Page 1, line 9, delete everything before "48.93," and insert "section"

Page 1, line 10, delete "and 48.97, subdivision 1;"

Page 1, line 11, delete the semicolon and insert a period

Page 1, delete line 12

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

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

S.F. No. 2223: A bill for an act relating to local government; reauthorizing Ramsey county and the city of St. Paul to issue general obligation bonds to finance the restoration of the concourse of the St. Paul union depot; repealing Minnesota Statutes 1988, section 383A.65, as amended.

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

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

S.F. No. 2179: A bill for an act relating to local government in Ramsey county; eliminating certain performance bonds; permitting fees for inspections by the county surveyor; amending Minnesota Statutes 1988, section 383A.32, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 383A.

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

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

S.F. No. 2383: A bill for an act relating to the city of Upsala; permitting the establishment of a boundary commission.

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

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

S.F. No. 2119: A bill for an act relating to Blue Earth county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

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

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

S.F. No. 2366: A bill for an act relating to the city of Mankato; permitting the adoption of certain ordinances and regulations.

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

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

S.F. No. 2373: A bill for an act relating to Olmsted county; permitting the consolidation of the offices of auditor and treasurer.

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

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

S.F. No. 1946: A bill for an act relating to agriculture; providing for deficiency judgments relating to foreclosure and sale of mortgages on property used in agricultural production; requiring fair market value to be determined by the court; extending period for execution on judgment;

amending Minnesota Statutes 1988, section 582.30, subdivisions 3, 4, 5, 6, and 7.

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

Page 1, line 25, after the period, insert "*At the request of either party*" and reinstate the stricken language

Page 1, lines 26 and 27, reinstate the stricken language

Page 2, line 34, after the period, insert "*At the request of either party*" and reinstate the stricken language

Page 2, lines 35 and 36, reinstate the stricken language

Page 3, delete section 5

Amend the title as follows:

Page 1, line 8, after "5," insert "and" and delete ", and 7"

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

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

S.F. No. 2257: A bill for an act relating to veterans; requiring post-secondary institutions to let veterans apply for college credit for activities and experience in military service in certain cases; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

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

S.F. No. 2435: A bill for an act relating to economic development; appropriating money to prepare land in the city of South St. Paul for economic development; authorizing the sale of state bonds.

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

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

S.F. No. 2278: A bill for an act relating to taxation; extending the duration of enterprise zones; amending Minnesota Statutes Second 1989 Supplement, section 469.167, subdivision 2.

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

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

S.F. No. 1999: A bill for an act relating to agriculture; changing certain duties, procedures, and requirements related to organic food; amending Minnesota Statutes 1988, sections 31.94 and 31.95; repealing Minnesota

Statutes 1988, section 31.95, subdivision 2.

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

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1988, section 31.92, is amended by adding a subdivision to read:

Subd. 1a. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture.

Sec. 2. Minnesota Statutes 1988, section 31.92, is amended by adding a subdivision to read:

Subd. 2a. [MINNESOTA GROWN.] "Minnesota grown" means a product licensed to use the logo or labeling statement under section 17.102, subdivision 1."

Page 1, line 10, strike "DEPARTMENTAL" and insert "COMMISSIONER"

Page 1, lines 11, 12, 15, and 20, strike "department" and insert "commissioner"

Page 2, after line 14, insert:

"Subd. 3a. [CERTIFICATION ORGANIZATIONS.] (a) A Minnesota grown organic product that is labeled "certified" must be certified by a designated certification organization.

(b) A certified organic product sold in this state must be certified by a designated certification organization or by a certification organization approved by the commissioner upon the evaluation and recommendation of the Minnesota organic advisory task force.

(c) The commissioner shall appoint a task force composed of members of the organic industry to advise the commissioner on organic issues.

Subd. 3b. [DISCLAIMER.] Sections 31.92 to 31.95, and actions of the commissioner or department taken under those sections, do not constitute a warranty as to the safety, wholesomeness, or fitness of an article or substance that is certified as organic. A person or other entity may not represent that a certified article or substance is approved or endorsed by the state of Minnesota or the department."

Page 2, delete lines 18 to 33

Page 2, delete section 3

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 4, after "sections" insert "31.92, by adding subdivisions;" and before "and" insert a semicolon

Page 1, line 5, delete everything after "31.95" and insert a period

Page 1, delete line 6

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 re-referred

S.F. No. 2024: A bill for an act relating to Anoka county; authorizing the sale or exchange of certain land.

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

Page 1, lines 6 and 7, delete "*or other law to the contrary.*"

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. 1772: A bill for an act relating to natural resources; establishing Lake of the Woods state forest; amending Minnesota Statutes 1988, section 89.021, by adding a subdivision.

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

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2, is amended to read:

Subd. 2. [DELINEATION OF WETLAND OR MARGINAL LAND.] (a) Before state land is sold, the ~~land must be submitted to the board of water and soil resources to authority selling the land~~ must determine and delineate the marginal land and wetlands to be reserved or restricted by a conservation easement. *The delineation must be reported to the board of water and soil resources before the land is sold. The board may only disapprove the delineation within 60 days after the delineation is reported.* The delineation of the reservation or conservation easement need not be by legal description and may be a description in general terms that identifies the marginal land or wetlands. *For tax-forfeited land the soil and water conservation board of the district where the land is located must review marginal land and wetlands and delineate the reservation or conservation easement.*

(b) Marginal land and wetlands may not be sold unless restricted by a conservation easement with the restrictions provided in section 40.43, subdivision 4, paragraphs (a) and (c), and other restrictions determined necessary by the board of water and soil resources.

Sec. 2. Minnesota Statutes 1988, section 89.021, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHED.] There are hereby established and reestablished as state forests, in accordance with the forest resource management policy and plan, all lands and waters now owned by the state or hereafter acquired by the state, excepting lands acquired for other specific purposes or tax-forfeited lands held in trust for the taxing districts unless incorporated therein as otherwise provided by law; ~~in the townships and sections described as follows:.~~

Page 1, line 8, delete "60" and insert "30a"

Page 17, after line 24, insert:

"Sec. 4. [LAND CLASSIFICATION AGREEMENT LANDS EXEMPTION.]

Notwithstanding Minnesota Statutes, section 40.46, lands sold pursuant to the land classification agreement between the commissioner of natural resources and Lake of the Woods county dated August 1989 need not comply with section 40.46 and are exempt from Minnesota Statutes, section 40.43.

Sec. 5. [INSTRUCTION TO REVISOR.]

The revisor need not include the legal description for state forests under Minnesota Statutes, section 89.021, but must include a history of the session laws establishing or amending the boundaries of state forests under each subdivision in the same manner as provided for state parks under Minnesota Statutes, section 85.012.

The lands described in the session laws establishing or changing the boundaries of each state forest are included in the state forests as established or changed.

The revisor shall renumber Minnesota Statutes, section 89.021, subdivision 59, as subdivision 31a, and subdivision 57 as subdivision 60."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "changing the provisions relating to the delineation of wetland or marginal land; exempting land classification agreement lands from certain requirements;"

Page 1, line 4, after the second comma, insert "subdivision 1, and" and before the period, insert "; Minnesota Statutes 1989 Supplement, section 40.46, subdivision 2"

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

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

S.F. No. 2309: A bill for an act relating to transportation; authorizing the issuance of \$32,000,000 in Minnesota state transportation bonds for the construction and reconstruction of county and city bridges; appropriating money.

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

Page 2, line 13, delete "\$25,600,000" and insert "\$18,880,000"

Page 2, line 15, delete "\$ 6,400,000" and insert "\$ 4,480,000"

Page 2, after line 15, insert:

"(3) to towns \$ 8,640,000"

Amend the title as follows:

Page 1, line 4, delete the second "and" and insert a comma

Page 1, line 5, after "city" insert ", and town"

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

Mr. Purfeerst from the Committee on Transportation, to which was referred S.F. No. 2381: A bill for an act relating to highways; substituting new Legislative Route No. 298 in the trunk highway system.

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

Page 1, line 13, delete "*and*" and insert a comma and delete "*including*"

Page 1, delete lines 14 and 15 and insert "*and the Minnesota correctional facility-Faribault.*"

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

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

S.F. No. 1162: A bill for an act relating to drivers' licenses; providing that court administrators forward driver's license or permit applications and fees to the department of public safety by the next working day; requiring commissioner of public safety to conduct background study on applicant for school bus endorsement; amending Minnesota Statutes 1988, sections 171.06, subdivision 4; and 171.321, by adding a subdivision.

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

Page 1, line 26, before "*working*" insert "*first*"

Page 2, delete section 2

Amend the title as follows:

Page 1, line 2, delete "providing that" and insert "setting deadline for"

Page 1, line 3, after "administrators" insert "to"

Page 1, line 5, delete everything after "safety"

Page 1, delete line 6

Page 1, line 7, delete everything before the semicolon

Page 1, line 8, delete "sections" and insert "section"

Page 1, line 9, delete everything after "4" and insert a period

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

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

S.F. No. 2267: A bill for an act relating to law enforcement; barring traffic citation quotas; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Page 1, delete lines 11 to 13

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. 1097: A bill for an act relating to health; defining the practice of traditional midwifery; providing for parental rights and informed consent disclosure statement; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1988, sections 148.30; 148.31; and 148.32.

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

Delete everything after the enacting clause and insert:

"Section 1. [REVIEW OF THE NEED FOR REGULATION OR CREDENTIALING OF TRADITIONAL MIDWIVES.]

The commissioner of health, in consultation with the human services occupations advisory council, shall undertake a review under Minnesota Statutes, sections 214.13 and 214.141, of the need for regulation or credentialing of traditional midwives. The commissioner shall report to the legislature by December 15, 1990, on the outcome of the review, including recommendations regarding the need for legislative action."

Delete the title and insert:

"A bill for an act relating to health; requiring the commissioner to conduct a review of the need for regulation or credentialing of traditional midwives; requiring a report."

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

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

S.F. No. 2424: A bill for an act relating to insurance; life; regulating policies with accelerated benefits; modifying the application of certain provisions; prescribing a penalty; amending Minnesota Statutes 1989 Supplement, section 61A.072, subdivisions 3 and 4.

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

Page 1, line 18, after the period, insert "A supplemental contract offered under this paragraph must meet all other applicable requirements of this section."

Pages 1 to 3, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1989 Supplement, section 61A.072, is amended by adding a subdivision to read:

Subd. 5. [EXCLUSION.] Subdivision 4 does not apply to contracts or supplemental contracts granting the right to receive accelerated benefits if (1) one of the options for payment provides for lump-sum payment; (2) no conditions or restrictions are imposed on the use of the funds by the insured; and (3) the offeree or insured is given written notice at the time the contract or supplemental contract is offered or sold that (i) Minnesota law sets minimum requirements for life insurance contracts where the right to receive accelerated benefits is contingent upon the insured receiving long-term care services, and (ii) the contract or supplemental contract

being offered or sold does not meet those minimum requirements."

Amend the title as follows:

Page 1, delete line 6 and insert "subdivision 3, and 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. 2217: A bill for an act relating to human services; allowing for a continued level of reimbursement to a nursing home; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision.

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

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

Page 1, line 10, delete "*or rule to the contrary*" and insert "*contrary provisions of chapter 256B or rules adopted under it*"

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

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

S.F. No. 2224: A bill for an act relating to health; granting an exception to the nursing home moratorium; amending Minnesota Statutes 1989 Supplement, section 144A.071, subdivision 3.

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

Page 6, line 24, delete "*separate*" and delete "*another building*" and insert "*a separate facility*"

Page 6, line 25, after "*that*" insert "*was formerly licensed as a hospital and is currently licensed as a nursing facility and that*"

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. 1888: A bill for an act relating to human services; allowing medical assistance coverage of swing bed services to continue after June 30, 1990; repealing Laws 1989, chapter 282, article 3, section 54.

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

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

S.F. No. 2286: A bill for an act relating to health care; increasing the membership of the health care access commission; amending Minnesota Statutes 1989 Supplement, section 62J.02, subdivision 1.

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

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

S.F. No. 2216: A bill for an act relating to occupations and professions; specifying requirements for membership of the board of medical examiners; containing procedural requirements for disciplinary actions; applying reporting requirements to other entities that provide professional liability coverage to physicians; amending Minnesota Statutes 1988, sections 147.01, subdivisions 1, 3, and 4; 147.09; 147.111, subdivision 5; repealing Minnesota Statutes 1988, sections 147.171; 147.24; 147.25; 147.26; 147.27; 147.28; 147.29; 147.30; 147.31; 147.32; 147.33; and Laws 1988, chapter 557, section 6.

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

Page 3, lines 7 to 10, delete the new language

Page 3, line 11, delete the new language and strike the old language

Page 3, line 12, strike "(b)"

Page 3, line 18, strike "(c)" and insert "(b)"

Page 3, line 23, strike "(d)" and insert "(c)"

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

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

S.F. No. 2158: A bill for an act relating to utilities; regulating flexible gas utility rates; repealing sunset provisions relating to flexible gas utility rates; amending Minnesota Statutes 1988, section 216B.163; and Laws 1987, chapter 371, section 4.

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

Page 1, line 17, after "equivalent" insert a comma

Page 1, lines 18 to 20, reinstate the stricken language

Page 2, line 1, strike "any"

Page 2, line 2, strike everything before the comma and insert "*section 216B.03, 216B.05, 216B.06, 216B.07, or 216B.16*" and strike "is authorized to" and insert "*may*"

Page 2, line 10, strike "only" and after "tariff" insert "*only*"

Page 2, lines 11 to 14, reinstate the stricken language

Page 2, line 18, before the period, insert "*unless the customers have or can reasonably acquire the capability to bypass the gas utility's system to obtain gas from a supplier not regulated by the commission*"

Page 2, line 24, strike "shall be" and insert "*are*"

Page 2, line 29, strike "any" and strike "which"

Page 2, lines 30, 33, 35, and 36, strike "any"

Page 2, lines 31 and 32, strike "any other rates" and insert "*another rate*"

Page 2, line 34, strike "which"

Page 3, line 2, strike everything after the period

Page 3, strike lines 3 and 4

Page 3, delete lines 5 to 17 and insert:

"Subd. 4. [RATES AND TERMS OF SERVICE.] Whenever the commission authorizes a flexible tariff, it shall set the terms, and conditions of service for that tariff, ~~which shall include~~ *including*:

(1) ~~that the minimum rate for the tariff, which must recover at least the incremental cost of providing the service;~~

(2) ~~that there is no upward the maximum for the rate for the tariff; and~~

(3) ~~a requirement that a customer who elects to take service under the flexible tariff remain on that tariff for a reasonable period of time; which shall not be less than one year; and~~

(4) ~~that any customer changing from a flexible tariff to the appropriate nonflexible tariff for that class pay all costs incurred by the utility due to that change.~~

The commission may set the terms and conditions of service for a flexible tariff in a gas utility proceeding, a miscellaneous filing, or a complaint proceeding under section 216B.17."

Page 3, line 19, strike "which" and insert "*that*"

Page 3, line 24, strike ", which projection shall be used" and insert "*and use the projection*"

Page 3, line 25, delete "*methodology*" and insert "*method*"

Page 3, line 26, strike "shall" and insert "*may*"

Page 3, line 27, strike "any" and insert "*a*"

Page 4, after line 9, insert:

"Subd. 8. [STUDY AND REPORT.] *The department shall review the operation and effects of any rates implemented under this section. The review must include, at a minimum, an evaluation of the impact of flexible gas rates on alternative energy sources, including indigenous biomass energy, and the impact on the utility and its customers of setting a maximum rate for the tariff. The department shall submit its report to the legislature by January 1, 1995. The department shall assess gas utilities that utilize a flexible tariff under section 1 for the actual cost of conducting the study, not to exceed \$5,000. Each utility utilizing a flexible tariff must be assessed an equal share of the cost.*"

Page 4, after line 14, insert:

"Sec. 3. [APPROPRIATION.]

\$5,000 is appropriated from the general fund to the department of public service for the purpose of conducting the study required by section 1."

Page 4, line 16, delete the first "Section" and insert "Sections" and delete the first "is" and insert "and 3 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "appropriating money;"

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

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

S.F. No. 2302: A bill for an act relating to telephone services; requiring local location identification data bases for 911 systems; classifying data provided for data bases; amending Minnesota Statutes 1988, sections 403.02, by adding a subdivision; and 403.07, by adding subdivisions; Minnesota Statutes 1989 Supplement, section 403.11, subdivision 1.

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

Page 1, line 24, delete the second "The"

Page 1, delete lines 25 to 27

Page 2, delete lines 1 to 6

Page 2, line 7, delete everything before the second "Information"

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

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

S.F. No. 2488: A bill for an act relating to education; establishing a special class of local telephone service provided to schools; proposing monthly rates; providing a levy; amending Minnesota Statutes 1988, sections 237.06; and 275.125, by adding a subdivision.

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

Page 2, delete lines 9 to 12

Page 2, after line 18, insert:

"Sec. 3. [DEADLINE FOR SUBMISSION.]

The service required by section 1, subdivision 2, must be made available and proposed rates must be developed by each telephone company and independent telephone company for submission to the public utilities commission for its approval by January 1, 1991."

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

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

S.F. No. 2229: A bill for an act relating to elections; clarifying language and changing procedures for voter registration, absentee voters, and polling place rosters; defining certain terms; changing certain time limits; amending Minnesota Statutes 1988, sections 200.02, by adding a subdivision; 201.022; 201.023; 201.054, subdivision 1; 201.061, subdivision 1; 201.071, subdivisions 3 and 4; 201.081; 201.091; 201.12, subdivision 2; 201.121, subdivisions 1 and 2; 201.171; 201.211; 201.221; 201.27, subdivision 1; 203B.09; 203B.12, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.45, subdivision 2; 204C.10; 204C.12, subdivision 4; and 204C.27; Minnesota Statutes 1989 Supplement, section 203B.13, subdivision 3a; proposing coding for new law in Minnesota Statutes, chapter 201; and repealing Minnesota Statutes 1988, sections 201.061, subdivision 2; 201.071, subdivisions 5 and 6; and 201.091, subdivision 3.

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

Page 14, after line 6, insert:

"Sec. 18. Minnesota Statutes 1989 Supplement, section 202A.13, is amended to read:

202A.13 [COMMITTEES, CONVENTIONS.]

The rules of each major political party shall provide that for each congressional district and each county or legislative district a convention shall be held at least once every state general election year. Each major political party shall also provide for each congressional district and each county or legislative district an executive committee consisting of a chair and such other officers as may be necessary. The party rules may provide for only one executive committee and one convention where any county and congressional district have the same territorial limits.

A communicatively impaired delegate or alternate who needs interpreter services at a county, legislative district, ~~or~~ congressional district, *or state* convention shall so notify the executive committee of the major political party unit whose convention the delegate or alternate plans to attend. Written notice must be given by certified mail to the executive committee at least 30 days before the convention date. The major political party, not later than 14 days before the convention date, shall secure the services of one or more interpreters if available and shall assume responsibility for the cost of the services. The state central committee of the major political party shall determine the process for reimbursing interpreters.

A visually impaired delegate or alternate to a county, legislative district, ~~or~~ congressional district, *or state* convention may notify the executive committee of the major political party unit that the delegate or alternate requires convention materials in audio tape, Braille, or large print format. Upon receiving the request, the executive committee shall provide all official written convention materials as soon as they are available, so that the visually impaired individual may have them converted to audio tape, Braille, or large print format, prior to the convention.

Sec. 19. Minnesota Statutes 1988, section 203B.04, is amended by adding a subdivision to read:

Subd. 5. [PERMANENT ILLNESS OR DISABILITY.] An eligible voter

who reasonably expects to be permanently unable to go to the polling place on election day because of illness or disability may apply to a county auditor or municipal clerk under this section to automatically receive an absentee ballot application before each election and to have the status as a permanent absentee voter indicated on the voter's registration record. The secretary of state shall adopt rules governing procedures under this subdivision."

Page 19, after line 21, insert:

"Sec. 29. Minnesota Statutes 1988, section 367.03, subdivision 1, is amended to read:

Subdivision 1. [OFFICERS, TERMS.] Except in towns operating under option A, there shall be elected in each town three supervisors as provided in this section. Where a new town has been or may be organized and supervisors have been or may be elected for such town at a town meeting prior to the annual town election, such supervisors shall serve only until the next annual town election at which election three supervisors shall be elected, one for three years, one for two years, and one for one year, so that the term of one shall expire each year. The number of years for which each is elected shall be indicated on the ballot. *When two supervisors are to be elected for three-year terms under option A, a candidate shall indicate on the affidavit of candidacy which of the two offices the candidate is filing for.* At all other annual town elections one supervisor shall be elected for three years to fill the place of the one whose term expires at that time. Except in towns operating under either option B or option D, or both, there shall be elected at the annual town election held in even-numbered years one town clerk, and at the annual town election held in odd-numbered years one town treasurer. The clerk and treasurer each shall serve for a term of two years and until their successors are elected and qualified.

Sec. 30. Minnesota Statutes 1988, section 367.33, subdivision 4, is amended to read:

Subd. 4. [TERMS.] If the additional supervisors are elected at a special election, they shall serve only until the next annual town election, at which the additional members shall stand for election, one for a term of two years and one for a term of three years. ~~The candidate receiving the highest number of votes shall be elected for the longer term. If the additional supervisors are elected at an annual election, one shall serve for a term of two years and the other for a term of three years with the candidate receiving the highest number of votes being elected for the longer term.~~ *A candidate for one of the additional supervisor positions shall specify in the affidavit of candidacy that the candidate is filing for either the two-year or the three-year term.*

Sec. 31. [REPORT TO THE LEGISLATURE.]

The secretary of state shall evaluate the operation of section 19 and shall report to the chairs of the general legislation committee in the house of representatives and the elections and ethics committee in the senate by February 1, 1992."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the second semicolon, insert "providing for certain services to disabled persons at state political party conventions; providing

for persons who are permanently ill or disabled to automatically receive absentee ballot applications before each election; modifying election procedures for town supervisors; requiring a report;"

Page 1, line 11, after the first semicolon, insert "203B.04, by adding a subdivision;"

Page 1, line 13, delete "and" and after the fourth semicolon, insert "367.03, subdivision 1; 367.33, subdivision 4;"

Page 1, line 14, delete "section" and insert "sections 202A.13;"

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. 2489: A bill for an act relating to state lands; authorizing the sale of certain tax-forfeited land in Koochiching and Lincoln counties; authorizing the private sale of certain state lands in Scott, Hubbard, and Fillmore counties; appropriating proceeds of the Scott county conveyance; authorizing the sale of certain surplus land in Lake county; authorizing the sale of certain trust fund land in St. Louis county; authorizing the sale of surplus land in Grant county for recreational purposes.

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

Page 4, line 14, after the period, insert "*The land may not be conveyed without approval by law.*"

Page 9, after line 23, insert:

"Sec. 10. [WASHINGTON COUNTY; WILDLIFE LANDS.]

(a) Notwithstanding the surplus land provisions and public sale provisions of Minnesota Statutes, sections 94.09 to 94.16, the commissioner of natural resources may sell the land described in this section to the independent school district No. 834 for the consideration prescribed in paragraph (b). The conveyance shall be in a form approved by the attorney general and shall be subject to a conservation easement in favor of the state on the wetlands.

(b) The consideration to be paid by independent school district No. 834 shall be negotiated by the commissioner of natural resources and independent school district No. 834. The commissioner of natural resources may only approve the consideration in clause (1) or clause (2). The consideration for the land shall be:

(1) the appraised market value plus up to 15 percent to cover administrative and professional service costs to acquire replacement wildlife lands to be deposited in the wildlife acquisition account under Minnesota Statutes, section 97A.071, and to be appropriated to the commissioner of natural resources for wildlife land acquisition purposes in Washington county; or

(2) transfer to the state of wildlife lands approved by the commissioner of natural resources equal in appraised value to the land conveyed to the independent school district No. 834.

(c) *The land that may be conveyed is described as:*

The Southwest Quarter of the Southwest Quarter, the East Half of the Southwest Quarter, and that part of the Southeast Quarter lying westerly of Washington County Road 67 of Section 4, Township 29 North, Range 20 West."

Page 9, line 25, delete "9" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, before the period, insert "; authorizing the sale of certain wildlife land in Washington county to independent school district No. 834"

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

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

S.F. No. 2290: A bill for an act relating to drivers' licenses; providing for living will designation on driver's license; amending Minnesota Statutes 1988, section 171.07, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 171.06, subdivision 3.

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

Page 1, lines 11, 14, 22, and 24, strike "shall" and insert "must"

Page 1, line 26, delete "shall" and insert "must"

Page 2, line 3, strike "shall" and insert "must"

Page 2, line 17, delete "fees" and insert "fee"

Page 2, line 18, after "issue" insert ", renew, or reissue"

Page 2, line 21, before "The" insert "On payment of the required fee,"

Page 2, lines 22 and 23, delete "on payment of the required fee and at the request of" and insert "if requested by"

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. 2395: A bill for an act relating to unemployment compensation; making various technical changes; regulating eligibility of conservation corps members and entertainers; increasing the income disregard; regulating eligibility for persons receiving holiday pay; regulating administrative hearings; providing for data sharing; appropriating certain federal money; amending Minnesota Statutes 1988, sections 268.08, subdivision 3; 268.10, subdivision 9; and 268.12, subdivision 13; Minnesota Statutes 1989 Supplement, sections 84.965, subdivision 2; 84.98, subdivision 5; 268.04, subdivision 12; 268.07, subdivision 2; 268.12, subdivision 12; 270B.14, subdivisions 2 and 8; and 290.92, subdivision 21.

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

Page 26, delete lines 12 to 18 and insert:

“(a) \$200,000 of funds made available to the state under United States Code, title 42, section 1103, is appropriated from the unemployment compensation fund to the commissioner of jobs and training and is available for obligation until two years after the date of enactment of this section for use in the procurement of electronic data processing equipment by the department of jobs and training for administration of the unemployment compensation program and the system of public employment offices.

(b) The amount that may be obligated during a fiscal year is limited as required by United States Code, title 42, section 1104(d)(2)(D).”

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

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

S.F. No. 2075: A bill for an act relating to public purchasing; establishing programs for purchasing from certain small targeted group businesses and businesses located in economically disadvantaged areas; requiring prompt payment to subcontractors; providing penalties; amending Minnesota Statutes 1988, sections 16A.124, subdivision 1; 16B.07, by adding a subdivision; 16B.20, subdivisions 1 and 3; 161.321, subdivisions 1, 4, 5, and by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 16B.19; 16B.20, subdivision 2; 16B.21; 16B.22; 16B.226; 116J.68; 136.27; 136.72; 137.31, subdivision 6; 161.321, subdivisions 2, 3, and 6; 161.3211; 241.27, subdivision 2; 471.345, subdivision 8; and 473.142; Laws 1989, chapter 352, section 25; proposing coding for new law in Minnesota Statutes, chapters 16A; 16B; and 137; repealing Minnesota Statutes 1989 Supplement, sections 16B.189; 137.31, subdivision 3a; and 645.445, subdivision 5.

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

Page 1, line 30, delete “*must*” and insert “*shall*”

Page 4, line 10, after “*businesses*” insert “*that are majority*” and after “*owned*” insert “*and operated*”

Page 4, lines 18 and 20, delete “*must*” and insert “*shall*”

Page 5, line 1, delete “*commission*” and insert “*commissioner*”

Page 5, line 5, delete “*in excess of \$200,000*”

Page 5, delete lines 8 to 16

Page 5, line 17, delete “*award.*” and delete “*must*” and insert “*shall*”

Page 9, line 9, strike “*A*” and insert “*The*”

Page 9, line 10, strike “*is created. The council*”

Page 9, line 12, strike “*shall*” and insert “*must*”

Page 10, line 6, strike “*shall*” and insert “*must*”

Page 11, line 6, strike “*shall*” and insert “*must*”

- Page 13, line 7, strike "shall" and insert "*must*"
- Page 13, line 15, delete "*felony*" and insert "*misdemeanor*"
- Page 13, line 25, strike "The bureau shall:" and insert "[DUTIES.]"
- Page 13, line 26, after "(a)" insert "*The bureau shall*"
- Page 13, line 29, strike the semicolon and insert a period
- Page 13, line 30, after "(b)" insert "*The bureau shall*"
- Page 14, line 1, strike the semicolon and insert a period
- Page 14, line 2, after "(c)" insert "*The bureau shall*"
- Page 14, line 6, strike the semicolon and insert a period
- Page 14, line 7, after "(d)" insert "*The bureau shall*"
- Page 14, line 9, strike the semicolon and insert a period
- Page 14, line 10, after "(e)" insert "*The bureau shall*"
- Page 14, line 13, strike the semicolon and insert a period
- Page 14, line 14, after "(f)" insert "*The bureau shall*"
- Page 14, line 19, strike the semicolon and insert a period
- Page 14, line 20, after "(g)" insert "*The bureau shall*"
- Page 14, line 26, strike the semicolon and insert a period
- Page 14, line 27, after "(h)" insert "*The bureau shall*"
- Page 14, line 34, strike the semicolon and insert a period
- Page 14, line 35, after "(i)" insert "*The bureau shall*"
- Page 14, line 36, strike the semicolon and insert a period
- Page 15, line 1, after "(j)" insert "*The bureau shall*"
- Page 15, line 3, strike the semicolon and insert a period
- Page 15, line 4, after "(k)" insert "*The bureau shall*"
- Page 15, line 6, strike the semicolon and insert a period
- Page 15, line 7, after "(l)" insert "*The bureau shall*"
- Page 15, line 11, strike the semicolon and insert a period
- Page 15, line 12, after "(m)" insert "*The bureau shall*"
- Page 15, line 14, strike the semicolon and insert a period
- Page 15, line 15, after "(n)" insert "*The bureau shall*"
- Page 15, line 19, strike the semicolon and insert a period
- Page 15, line 20, after "(o)" insert "*The bureau shall*"
- Page 15, line 29, strike "; and" and insert a period
- Page 15, line 30, after "(p)" insert "*The bureau shall*"
- Page 16, line 2, strike "must" and insert "*shall*"
- Page 16, line 32, strike "shall" and insert "*must*"
- Page 17, line 33, delete "*in excess of \$200,000*"

Page 17, line 35, delete "*Each contractor*"

Page 17, delete line 36

Page 18, delete lines 1 to 7

Page 18, line 8, delete everything before "*The*"

Page 18, lines 9 and 35, delete "*must*" and insert "*shall*"

Page 20, line 14, delete "*in excess of \$200,000*"

Page 20, line 16, delete "*Each contractor*"

Page 20, delete lines 17 to 24

Page 20, line 25, delete everything before "*The*"

Page 20, line 26, delete "*must*" and insert "*shall*"

Page 21, lines 25, 32, and 34, strike "pursuant to" and insert "*under*"

Page 23, lines 18 and 19, strike "There is established" and insert "*The Minnesota correctional industries revolving fund is a fund*"

Page 23, line 20, strike everything after "corrections"

Page 23, line 21, strike everything before "to" and insert a comma and strike "shall" and insert "*must*"

Page 23, line 24, strike "heretofore"

Page 23, line 26, strike "shall" and insert "*must*"

Page 23, lines 27 and 28, strike "now or hereafter established"

Page 24, lines 5 and 10, strike "shall" and insert "*must*"

Page 24, line 7, strike "hereinabove" and before the period, insert "*in this subdivision*"

Page 24, line 15, strike "shall" and strike "herein"

Page 24, lines 22 and 31, strike "shall" and insert "*may*"

Page 26, line 22, delete "*in excess of \$200,000*"

Page 26, line 25, delete everything after the period

Page 26, delete lines 26 to 33

Page 26, line 34, delete everything before "*The*"

Page 26, line 35, delete "*must*" and insert "*shall*"

Page 28, line 9, delete "*shall study*"

Page 28, line 10, delete everything after the period

Page 28, delete line 11

Page 28, delete lines 15 to 19

Page 28, line 22, delete everything after the period

Page 28, delete lines 23 to 29

Page 29, line 15, before the period, insert ", and apply only to contracts for which notice of invitation to bid or requests for proposals are issued after that date"

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

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

S.F. No. 1823: A bill for an act relating to the capitol area; providing for a Roy Wilkins memorial in the capitol area; appropriating money.

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

Page 2, line 30, delete everything after the period

Page 2, delete line 31

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

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

S.F. No. 1854: A bill for an act relating to government data practices; establishing procedures for computerized comparisons of data; requiring matching agreements; providing for contesting of data; requiring reviews and reports; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 13B.

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

Delete everything after the enacting clause and insert:

“Section 1. [13B.01] [DEFINITIONS.]

Subdivision 1. [GENERAL.] For purposes of this chapter, the following terms have the meanings given them.

Subd. 2. [BENEFIT PROGRAM.] “Benefit program” means a program administered by a public entity or agent of a public entity that provides cash or in-kind assistance in the form of payments, grants, subsidies, loans, loan guarantees, or any other form of financial assistance to individuals.

Subd. 3. [FRONT END VERIFICATION.] “Front end verification” means a computerized procedure operated by a public entity that checks the accuracy and truthfulness of data provided by an individual as part of an application with the public entity.

Subd. 4. [GOVERNMENT DATA.] “Government data” has the meaning given the term in section 13.02, subdivision 7.

Subd. 5. [INDIVIDUAL.] “Individual” has the meaning given the term in section 13.02, subdivision 8.

Subd. 6. [LAW ENFORCEMENT AGENCY.] “Law enforcement agency” means an agency of the state, a political subdivision, or the University of Minnesota with the power to conduct criminal investigations or make arrests or an attorney authorized by law to prosecute or participate in the prosecution of criminal offenses.

Subd. 7. [MATCHING PROGRAM.] “Matching program” means a computerized comparison of government data to government or nongovernment data for use by a public entity for purposes of determining the eligibility

of individuals for a license, privilege, benefit program, or employment. Matching program does not include a comparison performed:

(1) by a public entity if all data used in the comparison are government data of one responsible authority within the public entity, other than personnel or payroll data;

(2) by a law enforcement agency after initiation of a law enforcement investigation for gathering evidence for a law enforcement proceeding against an identified individual;

(3) to produce aggregate statistical data without data that identify individuals in the final product; or

(4) to support a research or statistical project, the specific data of which may not be used to make decisions concerning the rights, benefits, or privileges of specific individuals.

Subd. 8. [PUBLIC ENTITY.] *"Public entity" means a state agency, statewide system, or political subdivision as those terms are defined in section 13.02.*

Subd. 9. [RESPONSIBLE AUTHORITY.] *"Responsible authority" has the meaning given in section 13.02, subdivision 16.*

Sec. 2. [13B.02] [MATCHING AGREEMENTS.]

Before participating in a matching program, the responsible authority in each public entity that participates in the matching program shall enter into a written agreement with the other person specifying:

(1) the rationale, purpose, and legal authority for conducting the program;

(2) a description of the data that will be matched, including each data element that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the matching program;

(3) a description of the cost benefit of the program;

(4) procedures for retention and destruction of data created by the matching program consistent with section 138.17;

(5) procedures for ensuring the security of the data;

(6) prohibitions on duplication and redisclosure of data by the person who receives the data, unless authorized by the public entity that releases the data;

(7) procedures governing the use of the data provided by the public entity for the matching program, including procedures governing return to the public entity or destruction of the data consistent with section 138.17; and

(8) information on assessments that have been made on the accuracy of the data that will be used in the matching program.

Sec. 3. [13B.03] [FRONT END VERIFICATION AND MATCHING PROGRAMS; RIGHTS OF SUBJECTS.]

A public entity may not suspend, terminate, reduce, or make a final denial of employment or a license or other privilege or of assistance under a benefit program, or take other adverse action against an individual as a result of data produced by a matching program or front end verification,

until the entity has independently verified the data. If independent verification shows that the data are correct, the entity shall give the individual written notice of its findings and an opportunity to contest the findings. The requirements of this section may be satisfied by verification, notice, hearing, and appeal rights governing the particular benefit program or employment or licensing procedure.

Sec. 4. [13B.04] [LIMITS ON PARTICIPATION IN MATCHING PROGRAMS.]

A public entity may not participate in a matching program if the public entity has reason to believe that the requirements of section 3 and any matching agreement entered into under section 2 are not being met by the person that receives the data.

Sec. 5. [13B.05] [REVIEW; REPORT.]

Subdivision 1. [REVIEW.] A responsible authority shall review all recurring matching programs in which the responsible authority has participated during the calendar year and determine whether the program has produced a positive cost benefit.

Subd. 2. [REPORT.] A responsible authority that participates in a matching program shall prepare a report describing matching programs in which the responsible authority has participated during the previous calendar year. The report must be included in the public document prepared under section 13.05, subdivision 1, and in a state agency's description of its information systems prepared under section 3.3026, subdivision 3.

Sec. 6. [13B.06] [CIVIL REMEDIES AND PENALTIES.]

Sections 13.08 and 13.09 apply to violations of section 2."

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

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

S.F. No. 1934: A bill for an act relating to human services; modifying requirements for the administration of neuroleptic medication to committed persons; amending Minnesota Statutes 1988, section 253B.17, subdivision 1; Minnesota Statutes 1989 Supplement, section 253B.03, subdivision 6a.

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

Page 2, delete lines 9 to 13 and insert:

"(e) A neuroleptic medication may be administered without judicial review and without consent in an emergency to protect the patient or others from serious immediate harm for so long as the emergency continues to exist. The treatment facility shall document the emergency in the patient's medical record in specific behavioral terms."

Page 2, after line 24, insert:

"(h) A medical director or patient may petition the committing court, or the court to which venue has been transferred, for a hearing concerning the administration of neuroleptic medication. A hearing may also be held pursuant to section 253B.08, 253B.09, 253B.12, or 253B.18. The hearing concerning the administration of neuroleptic medication must be held within

14 days from the date of the filing of the petition. The court may extend the time for hearing up to an additional 15 days for good cause shown."

Page 3, line 3, delete "The"

Page 3, delete lines 4 to 7

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

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

S.F. No. 1150: A bill for an act relating to creditors remedies; regulating executions and garnishments; amending Minnesota Statutes 1988, section 550.142; proposing coding for new law in Minnesota Statutes, chapters 550 and 557; proposing coding for new law as Minnesota Statutes, chapter 551; repealing Minnesota Statutes 1988, sections 550.041; 550.05; 550.14; 550.141; 571.41; 571.42; 571.43; 571.44; 571.45; 571.46; 571.471; 571.495; 571.50; 571.51; 571.52; 571.53; 571.54; 571.55; 571.56; 571.57; 571.58; 571.59; 571.60; 571.61; 571.62; 571.63; 571.64; 571.65; 571.66; 571.67; 571.68; and 571.69.

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

Page 86, line 24, delete "\$5" and insert "\$15"

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

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

S.F. No. 1674: A bill for an act relating to agriculture; providing grasshopper control; authorizing the commissioner to exempt certain lands from grasshopper control; exempting certain persons from losses relating to grasshopper control; clarifying when public utilities are subject to grasshopper control; providing for notices for control and approval of grasshopper control costs; authorizing levies; appropriating money; amending Minnesota Statutes Second 1989 Supplement, section 275.50, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1989 Supplement, section 18.0226.

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

Page 4, line 16, after "conducted" insert "with due care"

Page 4, line 23, delete "if" and insert "unless"

Page 4, line 24, delete "not used available methods" and insert "used methods prescribed by the commissioner"

Page 4, line 26, delete "not made agreements with landowners" and insert "made an agreement with the owner of the adjoining property"

Page 4, line 27, delete "them" and insert "the owner"

Page 4, delete lines 34 to 36

Page 5, delete lines 1 to 7

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

S.F. No. 2061: A bill for an act relating to privacy of communications; including cordless telephones in the privacy of communications act; amending Minnesota Statutes 1988, section 626A.01, subdivisions 3 and 14.

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

Page 2, after line 9, insert:

"Sec. 3. Minnesota Statutes 1988, section 626A.02, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] (a) It is not unlawful under sections 626A.01 to 626A.23 for an operator of a switchboard, or an officer, employee, or agent of a provider of wire or electronic communication service, whose facilities are used in the transmission of a wire communication, to intercept, disclose, or use that communication in the normal course of employment while engaged in any activity which is a necessary incident to the rendition of service or to the protection of the rights or property of the provider of that service, except that a provider of wire communication service to the public shall not utilize service observing or random monitoring except for mechanical or service quality control checks.

(b) It is not unlawful under sections 626A.01 to 626A.23 for an officer, employee, or agent of the Federal Communications Commission, in the normal course of employment and in discharge of the monitoring responsibilities exercised by the commission in the enforcement of chapter 5 of title 47 of the United States Code, to intercept a wire or electronic communication, or oral communication transmitted by radio, or to disclose or use the information thereby obtained.

(c) It is not unlawful under sections 626A.01 to 626A.23 for a person acting under color of law to intercept a wire, electronic, or oral communication, where such person is a party to the communication or one of the parties to the communication has given prior consent to such interception.

(d) It is not unlawful under sections 626A.01 to 626A.23 for a person not acting under color of law to intercept a wire, electronic, or oral communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the constitution or laws of the United States or of any state.

(e) It is not a violation of sections 626A.01 to 626A.23 or sections 626A.26 to 626A.34 for a person:

(1) to intercept or access an electronic communication made through an electronic communication system that is configured so that the electronic communication is readily accessible to the general public;

(2) to intercept any radio communication that is transmitted:

(i) by a station for the use of the general public, or that relates to ships, aircraft, vehicles, or persons in distress;

(ii) by a governmental, law enforcement, civil defense, private land mobile, or public safety communications system, including police and fire, readily accessible to the general public;

(iii) by a station operating on an authorized frequency within the bands allocated to the amateur, citizens band, or general mobile radio services; or

(iv) by a marine or aeronautical communications system;

(3) to engage in any conduct which:

(i) is prohibited by section 553 of title 47 of the United States Code; or

(ii) is excepted from the application of section 605(a) of title 47 of the United States Code by section 605(b) of that title;

(4) to intercept a wire or electronic communication the transmission of which is causing harmful interference to any lawfully operating station or consumer electronic equipment, to the extent necessary to identify the source of such interference; or

(5) for other users of the same frequency to intercept any radio communication made through a system that utilizes frequencies monitored by individuals engaged in the provision or the use of such system, if the communication is not scrambled or encrypted.

(f) It is not unlawful under sections 626A.01 to 626A.23:

(1) to use a pen register or a trap and trace device as those terms are defined by section 626A.39; or

(2) for a provider of electronic communication service to record the fact that a wire or electronic communication was initiated or completed in order to protect the provider, another provider furnishing service toward the completion of the wire or electronic communication, or a user of that service, from fraudulent, unlawful, or abusive use of the service.

(g) It is not unlawful under sections 626A.01 to 626A.23 for a person not acting under color of law to intercept the radio portion of a cordless telephone communication that is transmitted between the cordless telephone handset and the base unit if the initial interception of the communication was obtained inadvertently.

Sec. 4. Minnesota Statutes 1988, section 626A.02, subdivision 4, is amended to read:

Subd. 4. [PENALTIES.] (a) Except as provided in paragraph (b) or in subdivision 5, whoever violates subdivision 1 shall be fined not more than \$20,000 or imprisoned not more than five years, or both.

(b) If the offense is a first offense under paragraph (a) and is not for a tortious or illegal purpose or for purposes of direct or indirect commercial advantage or private commercial gain, and the wire or electronic communication with respect to which the offense under paragraph (a) is a radio communication that is not scrambled or encrypted, then:

(1) if the communication is not the radio portion of a cellular telephone communication, a public land mobile radio service communication, a cordless telephone communication transmitted between the cordless telephone handset and the base unit, or a paging service communication, and the conduct is not that described in subdivision 5, the offender shall be fined not more than \$3,000 or imprisoned not more than one year, or both; and

(2) if the communication is the radio portion of a cellular telephone

communication, a public land mobile radio service communication, *a cordless telephone communication transmitted between the cordless telephone handset and the base unit*, or a paging service communication, the offender shall be fined not more than \$500.

(c) Conduct otherwise an offense under this subdivision that consists of or relates to the interception of a satellite transmission that is not encrypted or scrambled and that is transmitted:

(1) to a broadcasting station for purposes of retransmission to the general public; or

(2) as an audio subcarrier intended for redistribution to facilities open to the public, but not including data transmissions or telephone calls,

is not an offense under this subdivision unless the conduct is for the purposes of direct or indirect commercial advantage or private financial gain."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period, insert "; and 626A.02, subdivisions 2 and 4"

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. 1890: A bill for an act relating to historical interpretive centers; defining the status of Farmamerica in Waseca county.

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

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

S.F. No. 2213: A bill for an act relating to traffic regulations; regulating wheel flaps and covered loads; imposing a penalty; amending Minnesota Statutes 1988, sections 169.733; and 169.81, subdivision 5, and by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 169.733, is amended to read:

169.733 [WHEEL FLAPS ON TRUCKS AND TRAILERS.]

Subdivision 1. [VEHICLES GENERALLY.] Every truck, trailer, semi-trailer, pole trailer, and rear-end dump truck, excepting rear-end dump farm trucks and military vehicles of the United States, shall be provided with wheel flaps or other suitable protection above and behind the rearmost wheels of the vehicle or combination of vehicles to prevent, as far as practicable, such wheels from throwing dirt, water, or other materials on the windshields of vehicles which follow. Such flaps or protectors shall be

at least as wide as the tires they are protecting and shall have a ground clearance of not more than one-fifth of the horizontal distance from the center of the rearmost axle to the flap under any conditions of loading or operation of the motor vehicle.

Subd. 2. [VEHICLE WITH CONVEYOR BELT.] ~~Provided that in the case of~~ For a dump truck or truck with a rigid box fastened to its frame and having a conveyor belt or chain in the bottom of the vehicle which moves the cargo to the rear end of the vehicle, the flaps shall be mounted as far to the rear of the vehicle as practicable and shall have a ground clearance of not more than 18 inches when the vehicle is loaded.

Subd. 3. [BOTTOM-DUMP VEHICLES.] A bottom-dump cargo vehicle transporting sand, gravel, aggregate, dirt, lime rock, silica, or similar material must be equipped with flaps that are mounted to the rear of the axles, cover the entire width of the vehicle, and have a ground clearance of six inches or less when the vehicle is fully loaded.

Subd. 4. [ALTERNATIVE REQUIREMENTS.] If the motor vehicle is so designed and constructed that the above requirements are accomplished by means of body construction or other means of enclosure, then no such protectors or flaps shall be required.

Subd. 5. [EXTENDED FLAPS.] If the rear wheels are not covered at the top by fenders, body or other parts of the vehicle, the flap or other protective means shall be extended at least to a point directly above the center of the rearmost axle.

Subd. 6. [LAMPS OR WIRING.] Lamps or wiring shall not be attached to fender flaps.

Sec. 2. Minnesota Statutes 1988, section 169.81, subdivision 5, is amended to read:

Subd. 5. [MANNER OF LOADING.] No vehicle shall be driven or moved on any highway unless such vehicle is so constructed, loaded, or the load securely covered as to prevent any of its load from dropping, sifting, leaking, blowing, or otherwise escaping therefrom, except that sand may be dropped for the purpose of securing traction, or water or other substances may be sprinkled on a roadway in cleaning or maintaining such roadway. This subdivision shall not apply to motor vehicles operated by a farmer or the farmer's agent when transporting produce ~~the farmer has produced~~ such as small grains, shelled corn, soybeans, or other farm produce of a size and density not likely to cause injury to persons or damage to property on escaping in small amounts from a vehicle.

Sec. 3. Minnesota Statutes 1988, section 169.81, is amended by adding a subdivision to read:

Subd. 5b. [SECURING OF LOADS; EXCEPTIONS.] (a) The driver of a vehicle transporting sand, gravel, aggregate, dirt, lime rock, silica, or similar material shall ensure that the cargo compartment of the vehicle is securely covered if:

(1) the vertical distance from the top of an exterior wall of the cargo compartment to the load, when measured downward along the inside surface of the wall, is less than six inches; or

(2) the horizontal distance from the top of an exterior wall of the cargo compartment to the load is less than two feet.

(b) The driver shall not operate a vehicle to transport sand, gravel, aggregate, dirt, lime rock, silica, or similar material in or on any part of the vehicle other than in the cargo container. The driver shall clean the vehicle of loose sand, gravel, aggregate, dirt, lime rock, silica, or similar material before the vehicle is moved on a road, street, or highway following loading or unloading.

(c) A driver of a vehicle used to transport garbage, rubbish, trash, debris, or similar material is not required to cover the transported material as long as (1) the vehicle is being operated at a speed less than 30 miles per hour, (2) the vehicle is not being operated on an interstate highway, and (3) no part of the load escapes from the vehicle. A driver shall immediately retrieve material that escapes from the vehicle, when safe to do so."

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

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

H.F. No. 1859 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.
1859	1806				

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. Bertram from the Committee on Veterans and Military Affairs, to which were referred the following appointments as reported in the Journal for February 22, 1990:

MINNESOTA VETERANS HOMES BOARD OF DIRECTORS

Harvey Charles Aaron
Robert Hansen

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

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

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

S.F. No. 2455: A bill for an act relating to cemeteries; allowing transfer of certain cemetery property to a religious corporation; amending Minnesota Statutes 1988, section 306.02, by adding a subdivision.

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

Page 1, line 10, delete "covered" and insert "governed" and delete "section" and insert "chapter"

Page 1, line 14, delete "any"

Page 1, line 16, delete the first "that" and insert "the" and delete "hold that" and insert "use the"

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

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

H.F. No. 1919: A bill for an act relating to ethnic Minnesotans; designating Ethnic American Day; proposing coding for new law in Minnesota Statutes, chapter 10.

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

Page 1, line 8, delete "including" and insert "from"

Page 1, line 9, delete ", and" and insert "to other"

Page 1, line 10, after "who" insert "also"

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. 1968: A bill for an act relating to pet or companion animals; permitting restrictions to be imposed on persons convicted of committing certain crimes; amending Minnesota Statutes 1988, section 343.21, 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 1988, section 343.21, is amended by adding a subdivision to read:

Subd. 10. [RESTRICTIONS.] If a person is convicted of violating this section, the court may require that a pet or companion animal, as defined in section 346.36, subdivision 6, that is in the custody of the person must be turned over to a peace officer or other appropriate officer or agent if the court determines that the person is unable or unfit to provide adequately for the animal. If the evidence indicates lack of proper and reasonable care of the animal, the burden is on the person to affirmatively demonstrate by clear and convincing evidence that the person is able and fit to have custody of and provide adequately for the animal. The court may limit the person's further possession or custody of the animal and other pet or companion animals, and may impose other conditions the court considers appropriate, including, but not limited to:

(1) imposing a probation period during which the person may not have ownership, custody, or control of a pet or companion animal;

(2) requiring periodic visits of the person by an animal control officer or agent appointed pursuant to section 343.01, subdivision 1;

(3) requiring performance by the person of community service in a humane facility; and

(4) requiring the person to receive behavioral counseling.

Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to pet or companion animals; permitting restrictions to be imposed on persons convicted of mistreating animals; amending Minnesota Statutes 1988, section 343.21, by adding a subdivision."

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. 1669: A resolution memorializing the Congress of the United States to enact legislation proposing to the states an amendment to the United States Constitution that permits the United States and the several states to prohibit the desecration of the American flag.

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

Page 2, line 13, after the semicolon, insert "and"

Page 2, delete lines 14 to 27 and insert:

"WHEREAS, under Article V of the Constitution of the United States, amendments to the United States Constitution may be proposed by the Congress whenever two-thirds of both houses deem it necessary; NOW, THEREFORE,

BE IT RESOLVED by the Legislature of the State of Minnesota that it proposes to the Congress of the United States that procedures be instituted in the Congress to add a new Article to the Constitution of the United States, and that the Legislature of the State of Minnesota requests the Congress to prepare and submit to the several states an amendment to the Constitution of the United States permitting the United States and the several states to enact laws prohibiting the desecration of the American flag.

BE IT FURTHER RESOLVED that the legislatures of each of the several states comprising the United States apply to the Congress requesting the enactment of an appropriate amendment to the United States Constitution.

BE IT FURTHER RESOLVED that the Secretary of State of Minnesota shall transmit enrolled copies of this memorial to the Speaker and the Chief Clerk of the United States House of Representatives, the President and the Secretary of the United States Senate, the presiding officers of both houses of the legislature of each of the other States in the Union, and to Minnesota's Senators and Representatives in Congress."

Delete the title and insert:

"A resolution memorializing the Congress of the United States to propose an amendment to the United States Constitution to permit the United States and the several states to prohibit the desecration of the American flag."

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

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

S.F. No. 2354: A bill for an act relating to education; allowing pupils of at least age 16 a greater range of programs to attend under the high school graduation incentives and private alternative school programs; amending Minnesota Statutes 1989 Supplement, sections 126.22, subdivision 3; and 126.23.

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

Page 2, line 3, delete "and" and insert a comma

Page 2, line 4, after "(c)" insert ", and who has been enrolled only in a public school, if the pupil has been enrolled in any school, during the year immediately before transferring under this paragraph," and delete "enroll" and insert "transfer to"

Page 2, line 5, delete "in"

Page 2, line 6, after "provide" insert "nonsectarian"

Page 2, delete section 2

Page 2, line 34, delete "Sections 1 and 2 are" and insert "Section 1 is"

Renumber the sections in sequence

Amend the title as follows:

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

Page 1, line 7, delete "; and 126.23"

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

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

S.F. No. 2027: A bill for an act relating to education; establishing a program for the state to match gifts to endowments for certain undergraduate academic programs; directing the higher education coordinating board to administer the program; permitting rulemaking; proposing coding for new law in Minnesota Statutes, chapter 136A.

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

Delete everything after the enacting clause and insert:

"Section 1. [136A.56] [STATE MATCH OF ENDOWMENT GIFTS FOR BACCALAUREATE PROGRAMS.]

Subdivision 1. [LIMITATIONS.] The state shall match a gift for an undergraduate academic program made to an endowment fund of a college or university. The state's matching program has the elements, conditions, and financial and legal limits described in sections 1 to 8.

Subd. 2. [ADMINISTRATION.] The higher education coordinating board shall administer the state's matching program. The board may adopt rules as necessary to administer the documentation of gifts and the payment of matching contributions.

Sec. 2. [136A.57] [ELEMENTS OF PROGRAM.]

Subdivision 1. [WHICH GIFTS MATCHED.] The state shall match a gift of money, of income from an asset, or of the proceeds or income from the disposition of an asset.

Subd. 2. [WHEN GIFT "MADE."] (a) A gift of money is made when the money is irrevocably credited to the recipient's endowment fund.

(b) A gift of income from an asset or of income or proceeds from the disposition of an asset is made when the net income or net proceeds are converted to money and credited to the recipient's endowment fund.

Subd. 3. [UNDERGRADUATE ACADEMIC PROGRAM.] An undergraduate academic program is a nonsectarian program leading to a baccalaureate degree from the accredited college or university offering the program.

Subd. 4. [NONSECTARIAN PROGRAM.] (a) A "nonsectarian" program is one that is not specifically for education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(b) A nonsectarian program may provide for the scholarly study of religion as a discipline of knowledge in a manner similar to that provided for any other field of study.

(c) A nonsectarian program does not require its students:

(1) to take courses that are based on a particular set of religious beliefs;
(2) to receive instruction intended to propagate or promote any religious beliefs;

(3) to participate in religious activities;

(4) to maintain affiliation with a particular church or religious organization; or

(5) to attest to any particular religious beliefs.

Subd. 5. [ACCREDITED.] (a) Accredited means accredited by the north central association of secondary schools and colleges or by a substantially equivalent regional accrediting organization.

(b) Accreditation of a program primarily for the content of the program in connection with admission of its participants to a profession is not accreditation for purposes of the state's matching program.

Subd. 6. [ENDOWMENT FUND.] (a) An endowment fund is a fund or account maintained by trustees to benefit one or more colleges and universities described in subdivision 7.

(b) The fund or account must be solely for:

(1) gifts to be matched under sections 1 to 8;

(2) the state's grants matching the gifts in clause (1); and

(3) net income earned by the fund or account.

(c) The University of Minnesota foundation, the state universities' foundations, and the Minnesota private college fund and the endowment funds of each college or university that meets the definition in subdivision 7, or accounts within each of them, are endowment funds within the meaning of sections 1 to 8.

Subd. 7. [COLLEGE OR UNIVERSITY.] A college or university for purposes of the matching program is an accredited nonprofit institution of higher education, located and incorporated or chartered in the state, that offers, substantially totally within the state, undergraduate academic programs leading to a baccalaureate degree at the institution.

Sec. 3. [136A.58] [CONDITIONS.]

(a) A gift to be matched under sections 1 to 8 must be restricted by the donor or by the trustees of the endowment fund to use for nonsectarian undergraduate academic programs at one or more colleges or universities. The matching contribution has the same restrictions.

(b) The principal amount of an endowment fund including the principal amount of matching grants from the state may only be invaded in accordance with generally accepted principles of trust law for endowment funds of colleges and universities.

(c) The gift must be made from nonstate money.

Sec. 4. [136A.59] [THE MATCHING CONTRIBUTION.]

The state shall match each dollar of gifts made to an endowment fund under sections 1 to 8 with a dollar of state money, within the amount appropriated for these purposes. The money must be paid in a grant directly to the endowment fund.

Sec. 5. [136A.591] [SUBMISSION OF FUNDS TO BE MATCHED.]

Each gift to be matched shall be submitted to the state governing board in the case of the University of Minnesota and the state universities, or to the Minnesota private college council in the case of a private college or university. By June 30 of each year the governing board or the council shall review all submitted gifts and prioritize them for matching within the available appropriation. By July 15 the governing board or council shall submit its prioritized list to the higher education coordinating board together with any necessary supporting documentation. By August 15 of each year, the higher education coordinating board shall allocate the matching funds to each endowment consistent with the priorities of the governing board or council.

Sec. 6. [136A.592] [INCOME MAY BE USED ONLY FOR ACADEMIC PROGRAMS.]

(a) Net income from gifts to be matched under sections 1 to 8 and from the state's matching contributions may be used only by the beneficiary college and university only for its:

(1) faculty compensation and benefits;

(2) endowed faculty chairs;

(3) faculty development;

(4) library, media center, and laboratory resources if the resources are accessible to undergraduate students;

(5) *collaborative research of undergraduate students and their faculty;*
(6) *need-based scholarships, as defined by the appropriate governing board or council;*

(7) *scientific, technical, and computer equipment and software accessible for instructional and research purposes to undergraduate students and their faculty; and*

(8) *a use related to or consistent with other uses in this paragraph.*

(b) *Income from gifts to be matched under sections 1 to 8 and from the state's matching contributions must not be used by the beneficiary college or university for its:*

(1) *administration;*

(2) *admissions;*

(3) *public relations;*

(4) *fund raising;*

(5) *athletics;*

(6) *construction, remodeling, repair, and maintenance of buildings and grounds;*

(7) *utility payments;*

(8) *taxes, government assessments, or voluntary payments in place of taxes or assessments;*

(9) *debt service;*

(10) *furniture, fixtures, and equipment other than equipment described in paragraph (a), clause (7); and*

(11) *any other use not included in paragraph (a).*

Sec. 7. [136A.593] [LIMITS TO GRANTS.]

State grants under sections 1 to 8 are limited to the amount appropriated for the purpose. The appropriation shall be divided into three equal parts with one-third available to the University of Minnesota system, one-third available to the state university system, and one-third available to private colleges and universities that are members of the Minnesota private college council. The amounts appropriated in a biennium may be spent in either year of the biennium. Amounts unspent at the end of a biennium do not cancel but carry over into the next biennium. Any funds that are unspent after two years shall be placed in a common pool and be available as matching money to supplement any of the three parts in which the funds have been exhausted.

Sec. 8. [136A.594] [SUBJECT LAW.]

(a) *A gift to be matched under sections 1 to 8 is received subject to the law of Minnesota with respect to the state's obligation to make a matching contribution under sections 1 to 8, regardless of the intent of anyone to invoke the law of another jurisdiction on this point.*

(b) *The state's obligation to make a matching contribution under sections 1 to 8 is subject to the laws of this state, as the laws exist at the time of the gift and as the law may be changed after the gift is made.*

(c) No individual, government agency, endowment fund, or higher education institution is authorized to ensure that the state will match any gift under sections 1 to 8.

(d) The state is not liable to a donor, a higher education institution, an endowment fund or anyone else who relies on the state to match a gift made under sections 1 to 8 if the matching contribution is not made or not fully made for any reason.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 8 are effective July 1, 1991, to match gifts made after June 30, 1991."

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

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

S.F. No. 2429: A bill for an act relating to independent school district No. 316, Coleraine; independent school district No. 381, Lake Superior; independent school district No. 695, Chisholm; independent school district No. 696, Ely; independent school district No. 697, Eveleth; independent school district No. 699, Gilbert; independent school district No. 707, Nett Lake; and independent school district No. 710, St. Louis county; authorizing issuance of bonds.

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

Page 1, line 17, delete "\$625,000" and insert "\$950,000"

Page 1, lines 21 and 25, delete "\$3,000,000" and insert "\$3,500,000"

Page 2, line 2, delete "\$300,000" and insert "\$1,750,000"

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

S.F. No. 2136: A bill for an act relating to education; changing the duration and membership of the task force on education organization; amending Laws 1988, chapter 718, article 6, section 23, subdivisions 1, 2, and 7.

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

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

S.F. No. 2159: A bill for an act relating to education; delaying the date by which the regent candidate advisory council must submit recommendations to the legislature; amending Minnesota Statutes 1988, section 137.0245, subdivision 4.

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

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

S.F. No. 1926: A bill for an act relating to education; changing names of state board and state director of vocational technical education and local directors of technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivisions 4 and 5.

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

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

S.F. No. 1976: A bill for an act relating to education; providing for certain notice and board membership requirements under certain joint powers arrangements; amending Minnesota Statutes 1988, section 124.494, by adding a subdivision.

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

Page 1, line 18, before the period, insert "*if authorized in the agreement establishing the joint powers board to govern the cooperative secondary facility*"

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

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

S.F. No. 1958: A bill for an act relating to education; changing school consolidation election procedures; amending Minnesota Statutes 1988, section 122.23, subdivisions 9, 11, 12, and 13.

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

Page 1, line 13, delete "a" and insert "*all of the*" and delete "*board*" and insert "*boards*"

Page 1, line 14, delete "*calls*" and insert "*call*"

Page 1, line 25, delete "*board*" and insert "*boards*"

Page 2, lines 7, 11, 16, 18, 20, and 28, delete "*board*" and insert "*boards*"

Page 2, line 34, before the period, insert "*, unless an even-numbered year is agreed upon according to subdivision 13a*"

Page 3, line 1, delete "*board*" and insert "*boards*"

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

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

S.F. No. 2300: A bill for an act relating to the state university board; authorizing the issuance of revenue bonds; amending Minnesota Statutes 1988, section 136.41, 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. [LOURDES HALL PURCHASE.]

The state university board may purchase Lourdes Hall, located on the campus of the former college of St. Teresa in Winona, for use as a residential college. The purchase may be by contract for deed. If the contract is terminated for default by the board, the seller's exclusive remedies are to retain the payments previously made and repossess the property; the seller may not sue on the contract to recover any additional amounts due under the contract. Responsibility for insuring the property during the term of the contract must be on the seller. Before executing the contract, the board shall obtain the advisory recommendations of the chairs of the senate committee on finance and house of representatives committee on appropriations.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to the state university board; authorizing the board to purchase Lourdes Hall for use as a residential college."

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

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

S.F. No. 2160: A bill for an act relating to education; providing for the environmental education act; creating the office of environmental education; proposing coding for new law as Minnesota Statutes, chapter 126A; repealing Minnesota Statutes 1988, sections 116E.01; 116E.02; 116E.03, subdivisions 2, 3, 4, 5, 6, 7, 7a, 8, and 9; and 116E.04; Minnesota Statutes 1989 Supplement, sections 116E.03, subdivision 1; and 116E.035.

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

Page 1, line 24, delete "*complimentary*" and insert "*complementary*"

Page 3, line 19, delete "*biannually*" and insert "*every other year*"

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

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

S.F. No. 1975: A bill for an act relating to education; providing for the notice of and place for meeting of certain joint powers organizations; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Page 1, line 9, delete "*boards*" and insert "*the board*" and delete "*any*" and insert "*each of its*"

Page 1, line 11, delete "*the member districts and*"

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

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

S.F. No. 2144: A bill for an act relating to state lands; requiring condemnation and sale of certain trust lands constituting lakeshore lots; requiring the sale of certain non-trust lands constituting lakeshore lots; authorizing a bond issue to establish a revolving fund to finance acquisitions; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 92; repealing Minnesota Statutes 1988, section 92.67.

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

Page 2, lines 12 and 19, delete "*, but in an amount not to exceed \$1,000*"

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

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

S.F. No. 2191: A bill for an act relating to education; deleting the four-year or equivalent limitation on post-secondary child care grants; amending Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 136A.121, subdivision 10, is amended to read:

Subd. 10. [RENEWALS.] Each grant must be awarded for one academic year, is renewable for a maximum of six semesters or nine quarters or their equivalent, but may not continue after the recipient has obtained a baccalaureate degree ~~or has been enrolled full time or the equivalent for eight semesters or 12 quarters, whichever occurs first.~~

Sec. 2. Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE STUDENTS.] An applicant is eligible for a child care grant if the applicant:

(1) is a resident of the state of Minnesota;

(2) has a child 12 years of age or younger, or 14 years of age or younger who is handicapped as defined in section 120.03, and who is receiving or will receive care on a regular basis from a licensed or legal, nonlicensed caregiver;

(3) is within the sliding fee scale income guidelines set under section 256H.10, subdivision 2, as determined by a standardized financial aid needs analysis in accordance with the board's policies and rules, but is not a recipient of aid to families with dependent children;

~~(4) has not earned a baccalaureate degree and has been enrolled full time less than eight semesters, 12 quarters, or the equivalent;~~

~~(5) (4) is pursuing a nonsectarian program or course of study that applies to an undergraduate degree, diploma, or certificate;~~

~~(6) (5) is enrolled at least half time in an eligible institution; and~~

(7) (6) is in good academic standing and making satisfactory progress, as determined by the institution.

Sec. 3. Minnesota Statutes 1989 Supplement, section 136A.125, subdivision 4, is amended to read:

Subd. 4. [AMOUNT AND LENGTH OF GRANTS.] The amount of a child care grant must be based on:

- (1) the financial need of the applicant;
- (2) the number of the applicant's children; and
- (3) the cost of the child care,

as determined by the institution in accordance with board policies and rules. The amount of the grant must cover the cost of child care for all eligible children for the full number of hours of education per week and may cover up to 20 hours per week of employment for which child care is needed. *The Each grant must be awarded for one academic year, is renewable for a maximum of six semesters or nine quarters or their equivalent, but may not continue after the recipient has obtained a baccalaureate degree.*

Delete the title and insert:

"A bill for an act relating to education; changing the limitations on renewals of student scholarship and child care grants; amending Minnesota Statutes 1989 Supplement, sections 136A.121, subdivision 10; and 136A.125, subdivisions 2 and 4."

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

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

S.F. No. 1844: A bill for an act relating to education; making permanent the deadline for teacher contracts and aid penalty; amending Minnesota Statutes 1989 Supplement, section 124A.22, subdivision 2a.

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 1989 Supplement, section 124A.22, subdivision 2a, is amended to read:

Subd. 2a. [~~ELIGIBILITY FOR INCREASE~~ **CONTRACT DEADLINE AND PENALTY.**] (a) *The following definitions apply to this subdivision:*

"Public employer" means:

- (1) a school district; and
- (2) a public employer, as defined by section 179A.03, subdivision 15, other than a school district that (i) negotiates a contract under chapter 179A with teachers, and (ii) is established by, receives state money, or levies under chapters 120 to 129B or 136D, or section 275.125.

"Teacher" means a person, other than a superintendent or assistant superintendent, principal, assistant principal, or a supervisor or confidential employee who occupies a position for which the person must be

licensed by the board of teaching, state board of education, or state board of vocational technical education.

~~(b) Notwithstanding subdivision 2 or any other law to the contrary, if a school board public employer and the bargaining unit exclusive representative of the teachers in a school district have not ratified shall both sign a contract by collective bargaining agreement on or before January 15, 1990, for the two-year period ending June 30, 1991, the district is no longer eligible for \$25 of the formula allowance for fiscal year 1990 of an even-numbered calendar year. The total amount of money that would have been paid to districts that are not eligible according to this subdivision if a collective bargaining agreement is not signed by that date, state aid paid to the public employer for that fiscal year shall be reduced. However, state aid shall not be reduced if:~~

~~(1) a public employer and the exclusive representative of the teachers have submitted all unresolved contract items to interest arbitration according to section 179A.16 before December 31 of an odd-numbered year and filed required final positions on all unresolved items with the commissioner of mediation services before January 15 of an even-numbered year; and~~

~~(2) the arbitration panel has issued its decision within 60 days after the date the final positions were filed.~~

~~(c) The reduction shall equal \$25 times the number of actual pupil units:~~

~~(1) for a school district, that are in the district during that fiscal year;~~
~~or~~

~~(2) for a public employer other than a school district, that are in programs provided by the employer during the preceding fiscal year.~~

~~The department of education shall determine the number of full-time equivalent actual pupil units in the programs. The department of education shall reduce general education aid; if general education aid is insufficient or not paid, the department shall reduce other state aids.~~

~~(d) Reductions from aid to school districts and public employers other than school districts shall be allocated paid to eligible school districts that did not have aids reduced according to the number of actual pupil units in all of the eligible those districts."~~

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "extending the deadline and aid penalty to certain public employers that negotiate with teachers;"

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

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

S.F. No. 1966: A bill for an act relating to education; expanding open enrollment to bordering states; amending Minnesota Statutes 1989 Supplement, section 120.062, subdivision 12, and by adding a subdivision.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1989 Supplement, section 120.062, subdivision 12, is amended to read:

Subd. 12. [GENERAL EDUCATION AID.] Adjustments to general education aid, capital expenditure facilities aid, and equipment aid for the resident and nonresident districts *for intrastate transfers* shall be made according to sections 124A.036, subdivision 5, and 124.245, subdivision 6, respectively. *For interstate transfers, the state shall make the same adjustments for Minnesota resident districts and shall pay tuition, according to section 120.08, subdivision 1, to nonresident districts in other states.*

Sec. 2. Minnesota Statutes 1988, section 120.062, is amended by adding a subdivision to read:

Subd. 13. [BORDERING STATES.] (a) *A pupil residing in Minnesota may attend a school or a program in a district located in a county that borders Minnesota.*

(b) *A pupil residing in a county that borders Minnesota may attend a school or a program in a Minnesota school district if:*

(1) *the resident school board provides written consent; and*

(2) *the resident school board or resident state pays tuition in an amount that is at least comparable to the tuition specified in section 120.08, subdivision 1.*

(c) *The requirements of this section apply to interstate transfers, except the aid payment provision of subdivision 9, and as otherwise provided in this subdivision."*

Amend the title as follows:

Page 1, line 3, after "amending" insert "Minnesota Statutes 1988, section 120.062, by adding a subdivision; and"

Page 1, line 4, delete everything after "12" and insert a period

Page 1, delete line 5

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

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

S.F. No. 1419: A bill for an act relating to utilities; providing for extended area telephone service in the metropolitan area.

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

Delete everything after the enacting clause and insert:

"Section 1. [237.161] [EXTENDED AREA SERVICE.]

Subdivision 1. [CRITERIA.] (a) *The commission shall grant a petition for installation of extended intrastate area service when:*

(1) *the exchange for which installation is proposed is contiguous to an exchange to which extended intra-LATA area service is requested;*

(2) *local measured service or another lower cost alternative to basic flat-rate service is available in the exchange for which installation is*

proposed:

(3) a majority of the customers in the exchange for which installation is proposed favor its installation; and

(4) at least 50 percent of the customers in the petitioning exchange make one or more calls a month to the exchange or wire center to which extended area service is requested, as determined by a traffic study.

(b) The commission may not grant a petition for installation of extended area service when the criteria in paragraph (a) have not been met.

Subd. 2. [COSTS.] Seventy percent of the cost of providing extended area service over the petitioned route must be apportioned to the petitioning exchange and the remaining 30 percent apportioned to the exchange or exchanges to which extended area service is requested. The cost must be apportioned among the customers in an exchange so that the relationship between the rates for classes of service remains the same. The cost to the petitioning exchange must be available to its customers before the commission determines whether a majority of them favor the installation of extended area service.

Subd. 3. [BASIS OF RATES.] For a proposal to install extended area service, proposed rates must be based on specific additional cost incurred, operating expenses, actual cost for new facilities constructed specifically to provide for extended area service, net book value of existing facilities transferred from another service to extended area service, a return on the capital investment associated with installing and providing the extended area service, and appropriate contributions to common overheads. In its order granting an extended area service petition, the commission shall establish rates that are income neutral and allow the telephone company providing local exchange service to the petitioning exchange and the telephone company providing local exchange service to the petitioned exchange to recover toll or access contribution lost as a result of the installation of extended area service."

Delete the title and insert:

"A bill for an act relating to utilities; telephone companies; regulating the installation of extended area service in exchanges; prescribing standards; proposing coding for new law in Minnesota Statutes, chapter 237."

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

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

S.F. No. 1600: A bill for an act relating to energy; state buildings; establishing goals for energy conservation; amending Minnesota Statutes 1988, section 16B.32.

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 1988, section 16B.32, is amended to read:

16B.32 [~~ALTERNATIVE ENERGY SOURCES~~ *USE*.]

Subdivision 1. [ALTERNATIVE ENERGY SOURCES.] Plans prepared by the commissioner for a new building or for a renovation of 50 percent or more of an existing building or its energy systems must include designs which use active and passive solar energy systems, earth sheltered construction, and other alternative energy sources where feasible.

Subd. 2. [ENERGY CONSERVATION GOALS.] (a) The commissioner shall apply energy conservation measures to buildings owned and 75 percent leased by the state, including all post-secondary education systems, including the state university system, the community colleges system, technical colleges, and the University of Minnesota, and shall improve the design for the construction or rehabilitation of state buildings and the standards for leases so that the Btu energy consumption for each gross square foot of state-owned and 75 percent state-leased buildings during the fiscal year beginning July 1, 1993, is at least 15 percent less than the Btu energy consumption for each gross square foot of state-owned and 75 percent state-leased buildings in the fiscal year that began July 1, 1985.

(b) The commissioner may exclude from the requirements of paragraph (a) a building in which "energy conservation measures" are carried out. "Energy conservation measures" means measures that are applied to a state building that improves energy efficiency and has a simple return of investment in ten years and involves energy conservation, conservation facilities, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities.

(c) By January 1, 1991, the commissioner shall submit to the legislature a report that includes:

- (1) an energy use survey of the space the state buildings occupy;*
- (2) a plan for conserving energy without undertaking any physical alterations of the space;*
- (3) recommendations for physical alterations that would enable the agency to conserve additional energy, along with an estimate of the cost of the alterations;*
- (4) recommendations for additional legislation needed to achieve the goal, along with an estimate of any costs associated with the recommended legislation; and*

(5) recommendations for additional legislation needed to achieve the goal for all commercial and industrial buildings in the state.

Sec. 2. [APPROPRIATION.]

\$ is appropriated to the commissioner of administration for purposes of section 1.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective May 1, 1990."

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "appropriating money;"

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. 2321: A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 14; dedicating certain lottery revenue to the environment and natural resources trust fund; repealing Minnesota Statutes 1988, section 116P.04, subdivisions 2 and 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. [CONSTITUTIONAL AMENDMENT PROPOSED; DEDICATING CERTAIN REVENUE TO THE ENVIRONMENTAL AND NATURAL RESOURCES TRUST FUND.]

The following amendment to the Minnesota Constitution, article XI, section 14, is proposed to the people. If the amendment is adopted, the section will read as follows:

Sec. 14. A permanent Minnesota environment and natural resources trust fund is established in the state treasury. The principal of the environment and natural resources trust fund must be perpetual and inviolate forever, except appropriations may be made from up to 25 percent of the annual revenues deposited in the fund until fiscal year 1997 and loans may be made of up to five percent of the principal of the fund for water system improvements as provided by law. This restriction does not prevent the sale of investments at less than the cost to the fund, however, all losses not offset by gains shall be repaid to the fund from the earnings of the fund. The net earnings from the fund shall be appropriated in a manner prescribed by law for the public purpose of protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources.

Not less than one-half of the net lottery proceeds from any state-operated lottery must be credited to the fund until the principal reaches \$1,000,000,000.

Sec. 2. [SUBMISSION TO VOTERS.]

The proposed amendment shall be submitted to the people at the 1990 general election. The question submitted shall be:

"Shall the Minnesota Constitution be amended to dedicate not less than one-half of the net lottery proceeds to the environment and natural resources trust fund?"

Yes
No"

Sec. 3. [REPEALER.]

Minnesota Statutes 1988, section 116P.04, subdivisions 2 and 3, are repealed.

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective the day following adoption by the voters of the constitutional amendment proposed by section 1."

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 referred

S.F. No. 2306: A bill for an act relating to finance; appropriating money to the Mississippi headwaters board.

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

Page 1, lines 10 and 11, delete "*in fiscal years 1989 and 1990*"

Page 1, line 12, after "*in*" insert "*river*"

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

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

S.F. No. 1704: A bill for an act relating to natural resources; authorizing conservation officers to seek issuance of and to serve search warrants; amending Minnesota Statutes 1989 Supplement, sections 626.05, subdivision 2; and 626.13.

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

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

S.F. No. 2423: A bill for an act relating to courts; authorizing 12 additional trial court judgeships; correcting references to the number of trial court judgeships provided in law; amending Minnesota Statutes 1988, section 2.722, subdivision 1.

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

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

S.F. No. 1400: A bill for an act relating to probate; providing right to counsel in certain guardianship and conservatorship proceedings; proposing coding for new law in Minnesota Statutes, chapter 525.

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

Page 1, line 8, before "A" insert "*Subdivision 1. [GENERAL.]*" and delete the second "*proposed*"

Page 1, line 11, delete the first "*the proposed*" and after "*conservatee*" insert "*for the initial proceeding held pursuant to section 525.551*"

Page 1, line 13, delete "*that person*" and insert "*the proposed ward or conservatee*"

Page 1, line 15, delete "*as set forth in*" and insert "*under*"

Page 1, line 22, delete "*this charge*" and insert "*section 525.551*"

Page 2, after line 4, insert:

"*Subd. 2. [FILING FEE SURCHARGE.] A petitioner who pays a filing fee for a petition under chapters 524 and 525 shall pay a surcharge of \$10 in addition to the filing fee and other surcharges imposed by law. The*

court administrator shall transmit the surcharge to the county treasurer for deposit in the county treasury."

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

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

S.F. No. 1827: A bill for an act relating to civil actions; addressing reduction of damages in an action under no-fault automobile insurance; clarifying the execution of a state agency lien for medical assistance in a civil case; preserving common law tort law claims against adults who knowingly provide alcoholic beverages to minors; changing the standard for awarding punitive damages; addressing when a principal may be held liable for punitive damages for an act of the principal's agent; requiring a separate trial to address punitive damages; requiring the court to review a punitive damages award; making the contributory negligence rule apply to damages resulting from economic loss; redefining fault; abolishing the doctrine of last clear chance; repealing the limit on intangible loss damages and the requirement that a jury specify amounts for past, future, and intangible loss damages; amending Minnesota Statutes 1988, sections 65B.51, subdivision 1; 256B.042, subdivision 5; 340A.801, by adding a subdivision; 541.051, subdivision 1; 548.36, subdivision 3; 549.20, subdivisions 1,-2, and by adding subdivisions; 604.01, subdivisions 1, 1a, and 3; repealing Minnesota Statutes 1988, sections 549.23 and 549.24.

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

Page 2, delete section 2

Page 3, after line 2, insert:

"Sec. 3. Minnesota Statutes 1988, section 466.08, is amended to read:
466.08 [COMPROMISE OF CLAIMS.]

Notwithstanding sections 466.03 and 466.06, the governing body of any municipality, the administrator of a self-insurance pool, or the authorized representative of a private insurance carrier may compromise, adjust and settle tort claims against the municipality for damages under section 466.02 and may, subject to procedural requirements imposed by law or charter, appropriate money for the payment of amounts agreed upon. When the amount of a settlement exceeds ~~\$2,500~~ \$10,000, the settlement shall not be effective until approved by the district court."

Page 6, after line 32, insert:

"Sec. 13. Minnesota Statutes 1988, section 604.05, subdivision 2, is amended to read:

Subd. 2. [GENERAL IMMUNITY FROM LIABILITY.] Any person who, without compensation or the expectation of compensation renders emergency care, advice, or assistance at the scene of an emergency or during transit to a location where professional medical care can be rendered, is not liable for any civil damages as a result of acts or omissions by that person in rendering the emergency care, advice, or assistance unless that person acts in a willful and wanton or reckless manner in providing the care, advice, or assistance. Any person rendering emergency care, advice,

or assistance during the course of regular employment, and receiving compensation or expecting to receive compensation for rendering such care, advice, or assistance, shall be excluded from the protection of this section.

For the purposes of this section, the scene of an emergency shall be those areas not within the confines of a hospital or other institution which has hospital facilities, or an office of a person licensed to practice one or more of the healing arts pursuant to chapter 147, 148, 150A, or 153. The scene of an emergency includes areas threatened by or exposed to spillage, seepage, fire, explosion, or other release of hazardous materials, *and includes ski areas and trails.*

For the purposes of this section, "person" includes a public or private nonprofit volunteer firefighter, volunteer police officer, volunteer ambulance attendant, volunteer first provider of emergency medical services, *volunteer ski patroller*, and any partnership, corporation, association, or other entity.

For the purposes of this section, compensation does not include payments, reimbursement for expenses, or pension benefits paid to members of volunteer organizations.

Sec. 14. Minnesota Statutes 1988, section 626.556, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] (a) The following persons are immune from any civil or criminal liability that otherwise might result from their actions, if they are acting in good faith:

(1) any person making a voluntary or mandated report under subdivision 3 or assisting in an assessment under this section;

(2) any social worker or supervisor employed by a local welfare agency complying with subdivision 10d; and

(3) any public or private school, facility as defined in subdivision 2, or the employee of any public or private school or facility who permits access by a local welfare agency or local law enforcement agency and assists in an investigation or assessment pursuant to subdivision 10.

(b) A person who is a supervisor or social worker employed by a local welfare agency complying with subdivisions 10 and 11 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care.

(c) This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.

(d) If a person who makes a voluntary or mandatory report under subdivision 3 prevails in a civil action from which the person has been granted immunity under this subdivision, the court may award the person attorney fees and costs."

Page 7, line 1, delete "2, and 4 to 13" and insert "4 to 12, and 15"

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

Page 7, line 4, after the period, insert "*Section 14 is effective August 1, 1990, for actions pending or commenced on or after that date.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

Page 1, line 7, after the semicolon, insert "increasing the amount of claims that may be settled without court approval under the municipal compromise of claims statute;"

Page 1, line 16, after the semicolon, insert "providing immunity from liability for volunteer ski patrollers; allowing recovery of attorney fees by good faith reporters under the child abuse reporting act;"

Page 1, line 20, delete "256B.042, subdivision 5;"

Page 1, line 21, after the first semicolon, insert "466.08;"

Page 1, line 24, after the semicolon, insert "604.05, subdivision 2; 626.556, subdivision 4;"

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

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

S.F. No. 2441: A bill for an act relating to financial institutions; requiring notice of proposed acquisition; proposing coding for new law in Minnesota Statutes, chapter 46.

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

Delete everything after the enacting clause and insert:

"Section 1. [46.047] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 1 and 2.

Subd. 2. [BANKING INSTITUTION.] "Banking institution" means a bank, trust company, bank and trust company, mutual savings bank, or thrift institution that is organized under the laws of this state.

Subd. 3. [CONTROL.] "Control" means the authority to directly or indirectly direct or cause the direction of the management or policies of the banking institution.

Sec. 2. [46.048] [NOTICE OF PROPOSED ACQUISITION.]

Subdivision 1. [REQUIREMENT.] Whenever a change in the outstanding voting stock of a banking institution will result in control or in a change in the control of the banking institution, the president or cashier of the banking institution shall file notice of the proposed acquisition of control with the commissioner of commerce at least 30 days before the actual effective date of the change. A change in ownership of capital stock that would result in direct or indirect ownership by a stockholder or an affiliated group of stockholders of less than 25 percent of the outstanding capital stock is not considered a change of control. If there is any doubt as to whether a change in the outstanding voting stock is sufficient to result in control or to effect a change in the control, the doubt shall be resolved in

favor of reporting the facts to the commissioner. The requirement to file prior notice does not imply the need for prior approval by the commissioner of commerce.

Subd. 2. [CONTENTS.] The notice required in subdivision 1 must contain the following information to the extent that it is known by the person filing the notice: (1) the number of shares involved; (2) the names of the sellers or transferors; (3) the names of the purchasers or transferees; (4) the names of the beneficial owners if the shares are registered in another name; and (5) the total number of shares owned by the sellers or transferors, the purchasers, or transferees, and the beneficial owners both immediately before and after the transaction. In addition, the notice must contain other information as may be available to inform the commissioner of the effect of the transaction upon control of the banking institution whose stock is involved.

Subd. 3. [BACKGROUND CHECKS.] In addition to any other information the commissioner may be able to obtain pursuant to section 13.82, the Minnesota bureau of criminal apprehension shall, upon the commissioner's request, provide fingerprint and background checks on all persons named in the notice required by subdivision 2."

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

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

S.F. No. 2415: A bill for an act relating to economic development; establishing a government procurement assistance program; appropriating money.

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

Page 1, lines 7 and 15, after "of" insert "trade and"

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

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

S.F. No. 1822: A bill for an act relating to housing; providing for the administration of section 8 existing housing and low-rent public housing programs; clarifying and limiting local approval requirements; removing the exemption for special assessments for housing and redevelopment authorities; providing for the transfer of housing and housing development projects to an economic development authority; amending Minnesota Statutes 1988, sections 469.002, subdivision 10, and by adding a subdivision; 469.004, subdivision 5; 469.005, subdivision 1; 469.012, subdivision 3; 469.016; 469.040, subdivisions 1 and 3; 469.094, subdivisions 1 and 2; and 473.195, subdivision 1; and Minnesota Statutes 1989 Supplement, section 469.012, subdivision 1.

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

Page 10, line 11, delete "project" and insert "program"

Page 10, line 30, delete "An" and insert "A city, county, or multicounty"

Page 10, line 31, delete the second "its" and insert "*the authorizing authority's*"

Page 11, line 27, strike "of the municipality"

Page 11, line 35, strike the second "a"

Page 14, line 32, after "*transfers*" insert "a" and delete "*projects*" and insert "*project*" and after "*or*" insert "a"

Page 14, line 33, delete "*projects*" and insert "*project*"

Page 14, line 35, delete "*the projects*" and insert "*that specific project*"

Page 16, line 2, after the period, insert "*Notwithstanding section 469.012, subdivision 3,*"

Page 16, line 3, after "*program*" insert "*in the metropolitan area*"

Page 16, line 4, delete "*municipality, county,*" and insert "*local governmental unit*"

Page 16, line 6, before the period, insert ", *provided the council shall not operate a section 8 program in the jurisdiction of a local governmental unit or housing and redevelopment authority in the metropolitan area which was operating its own section 8 program under a separate annual contributions contract with the Department of Housing and Urban Development on January 1, 1990*"

Page 16, line 8, before "All" insert "*For the purposes of this subdivision, 'annual contributions contract' has the meaning given it in United States Code, title 42, section 1437f, and implementing federal regulations.*"

Page 16, after line 9, insert:

"Sec. 13. [APPLICATION.]

Section 12 applies to the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Amend the title as follows:

Page 1, line 9, after the semicolon, insert "authorizing the metropolitan council to plan and administer a section 8 program in the metropolitan area without approval of local units of government;"

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

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

S.F. No. 2055: A bill for an act relating to the city of Minneapolis; requiring the department of finance to refund a bond allocation deposit to the city of Minneapolis; appropriating money.

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

Page 1, after line 14, insert:

"Sec. 2. [KOOCHICHIING COUNTY BOND ALLOCATION DEPOSIT REFUND; APPROPRIATION.]

The department of finance shall refund to Koochiching county the bond

allocation application deposit paid under Minnesota Statutes, chapter 474A, and retained by the department. \$42,150 is appropriated from the general fund to the department of finance to refund the bond allocation deposit to Koochiching county."

Page 1, line 15, delete "2" and insert "3"

Page 1, line 16, delete "*Section 1 is*" and insert "*Sections 1 and 2 are*"

Delete the title and insert:

"A bill for an act relating to appropriations; providing refunds of bond allocation deposits; appropriating money."

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

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

S.F. No. 2412: A bill for an act relating to state government; requiring the state board of investment to invest certain assets currently managed by the commerce department; amending Minnesota Statutes 1988, section 79.251, by adding a subdivision.

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

Page 1, line 13, after "*assets*" insert "*, and may invest the assets consistent with the provisions of section 11A.14*"

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

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

S.F. No. 1931: A bill for an act relating to human services; providing for drug and alcohol abuse prevention, research, and treatment programs; requiring rules; requiring reports; appropriating money; amending Minnesota Statutes 1988, sections 254A.03, by adding a subdivision; 254B.06, by adding a subdivision; and 254B.08; Minnesota Statutes 1989 Supplement, section 254B.03, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 254A.

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

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

S.F. No. 2115: A bill for an act relating to peace officers; authorizing licensed peace officers to operate motor vehicles and watercraft without lights under certain circumstances; providing exemption from tort liability; amending Minnesota Statutes 1988, sections 169.48; and 361.15; proposing coding for new law in Minnesota Statutes, chapter 169.

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

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

S.F. No. 2299: A bill for an act relating to economic development; establishing the Minnesota natural wild rice promotion council; appropriating money; amending Minnesota Statutes 1988, section 84.091, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 1988, section 84.0911, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. [CITATION.]

This act may be cited as the "Minnesota natural wild rice preservation act of 1990" or "Manomin act."

Sec. 2. [30.495] [MINNESOTA NATURAL WILD RICE PROMOTION ADVISORY COUNCIL.]

The Minnesota natural wild rice promotion advisory council is established for the promotion and marketing of hand-harvested natural lake or river wild rice. The commissioner of agriculture, with recommendations from American Indian tribes as defined in section 254B.01, subdivision 2, shall appoint the members of the advisory council. The advisory council must include representatives of natural wild rice hand harvesters, natural wild rice processors, and natural wild rice dealers who are enrolled members of American Indian tribes as defined in section 254B.01, subdivision 2, who are Minnesota residents. Members of the advisory council shall serve for four-year terms and section 15.059, subdivisions 2 and 4, shall apply to members of the advisory council. Members of the advisory council may not receive per diem and may not be reimbursed for expenses. The commissioner of agriculture shall provide technical assistance to the advisory council relating to the marketing of natural wild rice."

Delete the title and insert:

"A bill for an act relating to agriculture; establishing the Minnesota natural wild rice promotion advisory council; proposing coding for new law in Minnesota Statutes, chapter 30."

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

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

S.F. No. 2207: A bill for an act relating to agriculture; requiring cash discounts on agricultural production inputs if there are interest discounts on credit terms for seller-financed sales; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Page 2, line 18, after "inputs" insert "at retail"

Page 2, line 21, delete the second "the" and insert "a"

Page 2, line 24, delete "30" and insert "60"

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

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

S.F. No. 2516: A bill for an act relating to agriculture; establishing a food advisory committee; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 28A.

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

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

S.F. No. 1889: A bill for an act relating to agriculture; changing the makeup of potato research and promotion councils; amending Minnesota Statutes 1988, section 17.54, subdivision 9.

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

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

S.F. No. 824: A bill for an act relating to the environment; requiring labeling of CFC-processed materials and materials containing CFC's; restricting use of CFC's unless approved; requiring recovery of CFC's from refrigeration units; imposing a tax on raw CFC; providing penalties; amending Minnesota Statutes 1988, sections 116.70, subdivision 2; and 116.74; 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. [CITATION.]

Sections 1 to 8 may be cited as the "comprehensive chlorofluorocarbon reduction and recycling act of 1990."

Sec. 2. [PURPOSE.]

It is the intent of the legislature to reduce the amount of CFCs used and emitted in Minnesota. Towards this goal, it is the legislature's intent that Minnesota industries use alternative chemicals when available and feasible. Where no alternative exists, CFCs should be recaptured and recycled whenever possible.

Sec. 3. Minnesota Statutes 1988, section 116.70, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 116.71 to ~~116.73~~ 116.7395.

Sec. 4. [116.735] [REQUIREMENTS TO RECYCLE CFCS.]

Subdivision 1. [SALVAGE AUTOMOBILES.] A person who processes automobiles for salvage must remove CFCs for recycling prior to disposal

or sale of the materials containing CFCs. This subdivision does not apply to crushed automobiles or automobiles that have been processed in a manner that makes removal and recovery of CFCs impossible.

Subd. 2. [REFRIGERATION EQUIPMENT.] A person processing scrap refrigerators, central air conditioning units, or freezers must remove and recycle the CFCs.

Subd. 3. [MOBILE AIR CONDITIONING EQUIPMENT.] A person servicing or removing mobile air conditioning equipment must:

(1) recapture CFCs, provide storage for recaptured CFCs, and transfer recaptured CFCs to a recycler; or

(2) recapture CFCs and recycle the CFCs to an allowed use.

Subd. 4. [SERVICING OF APPLIANCES.] A person servicing refrigerators, central air conditioning units, or freezers must:

(1) recapture CFCs, provide storage for recaptured CFCs, and transfer recaptured CFCs to a recycler; or

(2) recapture CFCs and recycle the CFCs to an allowed use.

Subd. 5. [FOAM NOT REQUIRED TO BE RECYCLED.] This section does not require recycling of rigid or flexible foam.

Subd. 6. [RULES.] The agency shall adopt rules for recycling CFCs and establish standards for CFC recycling equipment under this section.

Sec. 5. [116.737] [REQUIREMENT TO RECYCLE FIRE EXTINGUISHER HALONS.]

A person who recharges, services, or retires fire extinguishers must recapture and recycle halons.

Sec. 6. [116.7395] [MEDICAL DEVICE EXEMPTION.]

Sections 1 to 5 do not apply to processes using CFCs or halons on medical devices, in sterilization processes in health care facilities, or by a person or facility in manufacturing or selling of medical devices.

Sec. 7. [116.7397] [UNIFORM CFC REGULATION.]

It is the policy of this state to regulate and manage CFCs in a uniform manner throughout the state. Political subdivisions may not adopt, and are preempted from adopting or enforcing, requirements relating to CFCs that are different than state law.

Sec. 8. Minnesota Statutes 1988, section 297A.25, is amended by adding a subdivision to read:

Subd. 44. [CHLOROFLUOROCARBONS.] The gross receipts from the sale of equipment to recycle and recapture chlorofluorocarbons as defined in section 116.70, subdivision 3, are exempt.

Sec. 9. Minnesota Statutes 1989 Supplement, section 299K.08, is amended by adding a subdivision to read:

Subd. 3. [ADDITIONAL CHEMICAL REPORTING.] A facility must file a toxic chemical release inventory reporting form to the commission for CFC11 and CFC12, when the facility and chemical thresholds meet the requirements specified in United States Code, title 42, section 11023.

Sec. 10. [325E.35] [SALE OF CERTAIN CFC PRODUCTS PROHIBITED.]

Subdivision 1. [MOTOR VEHICLE COOLANTS.] A person may not offer for sale or sell CFC coolants in containers weighing less than 15 pounds that are designed for or are suitable for use in motor vehicle air conditioners except to persons who possess CFC recycling equipment and who present proof of ownership of CFC recycling equipment at the time of purchase.

Subd. 2. [SOLVENTS.] A person may not offer for sale or sell solvents containing CFCs in containers weighing 15 pounds or less.

Subd. 3. [PARTY STREAMERS.] A person may not offer for sale or sell CFC propelled party streamers.

Subd. 4. [NOISE HORNS.] A person may not offer for sale or sell CFC noise horns.

Subd. 5. [CFC DEFINITION.] For purposes of this section, the term "CFC" has the definition given in section 116.70, subdivision 3.

Sec. 11. [EFFECTIVE DATE.]

Section 4, subdivisions 1 and 2, are effective July 1, 1991. Section 4, subdivision 3, and section 10 are effective January 1, 1993. Section 4, subdivision 4, is effective January 1, 1992. Section 8 is effective for sales after June 30, 1990."

Delete the title and insert:

"A bill for an act relating to environment; requiring recycling of CFCs under certain conditions; providing an exemption for medical devices; prohibiting the sale of certain motor vehicle coolants and certain solvents; providing a sales tax exemption; requiring facilities to file reports on certain CFCs to the emergency response commission; requiring recapture and recycling of halons from fire extinguishers; amending Minnesota Statutes 1988, sections 116.70, subdivision 1; 297A.25, by adding a subdivision; Minnesota Statutes 1989 Supplement, section 299K.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 116 and 325E."

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

S.F. No. 2045: A bill for an act relating to judicial administration; proposing an amendment to the Minnesota Constitution, articles VI and VIII, creating a court of compensation appeals; abolishing the workers' compensation court of appeals; providing for designation by the governor of the chief judge of the workers' compensation court of appeals; regulating the administration of the workers' compensation court of appeals; appropriating money; amending Minnesota Statutes 1988, sections 3C.11, subdivision 3; 3C.12, subdivision 2; 5.08, subdivision 2; 10A.01, subdivision 19; 14.03, subdivision 2; 15A.082, subdivisions 1 and 3; 15A.083, subdivision 7; 43A.18, subdivision 3; 43A.27, subdivision 4; 175A.01, subdivision 1; 175A.02; 175A.07, subdivision 4; 176.421, subdivisions 5, 6, and by adding a subdivision; 204B.06, subdivisions 4 and 6; 204B.11, subdivision 1; 204B.34, subdivision 3, 204B.36, subdivision 4; 204D.02, subdivision 1; 204D.08, subdivision 6; 209.01, subdivision 2; 268.10,

subdivision 8; 268.12, subdivision 13; 480.052; 480.054; 480.055, subdivision 1; 480.19; 480A.06, subdivision 3; 481.02, subdivisions 3 and 6; 490.15, subdivision 1; and 574.18; Minnesota Statutes 1989 Supplement, sections 10A.01, subdivisions 5 and 18; 357.08; proposing coding for new law as Minnesota Statutes, chapter 480B; repealing Minnesota Statutes 1988, sections 175A.01 to 175A.10; and 176.471.

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

Page 3, line 1, after "*that*" insert "*as nearly as practicable*"

Page 4, line 16, after the second "*chief*" insert "*administrative law*"

Page 4, line 18, after "*chief*" insert "*administrative law*"

Page 4, line 20, after "*chief*" insert "*administrative law*"

Page 5, delete lines 12 to 17

Page 5, line 26, after "*appeals,*" insert "*if established by the legislature,*"

Page 5, after line 29, insert:

"Subd. 2. If the amendment is adopted, Article VI, section 2, of the Minnesota Constitution, will read as follows:

Sec. 2. The supreme court consists of one chief judge and not less than six nor more than eight associate judges as the legislature may establish. It shall have original jurisdiction in such remedial cases as are prescribed by law, and appellate jurisdiction in all cases, but there shall be no trial by jury in the supreme court.

The legislature may establish a court of appeals and provide by law for the number of its judges, who shall not be judges of any other court, and its organization and for the review of its decisions by the supreme court. The court of appeals shall have appellate jurisdiction over all courts, except the supreme court and the court of compensation appeals, and other appellate jurisdiction as prescribed by law.

The legislature may establish a court of compensation appeals and provide by law for the number of its judges, who shall not be judges of any other court, and its organization and for the review of its decisions by the supreme court. The court of compensation appeals shall have appellate jurisdiction over cases arising under the workers' compensation and unemployment insurance laws of the state as prescribed by law.

As provided by law judges of the court of appeals or of the district court may be assigned temporarily to act as judges of the supreme court upon its request and judges of the district court may be assigned temporarily by the supreme court to act as judges of the court of appeals.

The supreme court shall appoint to serve at its pleasure a clerk, a reporter, a state law librarian and other necessary employees."

Page 5, line 30, delete "2" and insert "3"

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

Page 6, delete lines 13 to 22

Page 11, line 9, after "*that*" insert "*as nearly as practicable*"

Page 11, line 36, after "A" insert "*panel of three judges of the*"

Page 12, delete lines 33 to 36

Page 13, delete lines 1 to 9

Page 13, line 10, delete "*Subd. 2.*" and insert "*Subdivision 1.*"

Page 13, line 11, delete "*shall have*" and insert "*has*"

Page 13, line 15, delete "3" and insert "2"

Page 13, line 16, delete "*shall have*" and insert "*has*" and after "*to*" insert "*issue writs of certiorari to*"

Page 13, line 18, delete "*compensation*" and insert "*insurance*"

Page 13, line 19, delete "4" and insert "3" and after "*of*" insert "*compensation*"

Page 14, line 24, after "*of*" insert "*compensation*"

Page 15, line 9, delete "*given preference in the*" and insert "*reassigned to the court of compensation appeals without loss of seniority, length of service credit, salary, or other benefits and rights.*"

Page 15, delete lines 10 and 11

Page 15, line 13, delete "*is directed to*" and insert "*shall*"

Page 15, line 20, delete "*reduction in case load*" and insert "*abolition*"

Page 15, line 31, delete "1" and insert "3"

Page 15, line 35, delete "*1 to 17*" and insert "*3 and 4 are effective July 1, 1991, and sections 5 to 18*" and delete "*the day following*" and insert "*January 1,*"

Page 15, delete line 36

Page 16, line 3, after "*over*" insert "*all*" and after "*laws*" insert "*which are pending in the workers' compensation court of appeals on December 31, 1990, or*"

Page 16, line 9, after "*all*" insert "*unemployment insurance*"

Page 16, line 10, delete everything after "*before*"

Page 16, line 11, delete "*compensation cases, and*" and delete "*in unemployment insurance*"

Page 16, line 12, delete "*cases,*"

Page 16, line 14, delete everything after the period

Page 16, delete lines 15 to 17

Page 21, lines 16 and 25, strike the first comma and insert "*and*"

Page 34, line 20, delete everything after "3" and insert "*is effective January 1, 1991.*"

Page 34, delete lines 21 and 22

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

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

S.F. No. 1940: A bill for an act relating to health; establishing requirements for rehabilitating or liquidating a health maintenance organization; clarifying the liability of a health maintenance organization or management company; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; establishing requirements for prior authorization; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 60B.04, subdivision 1; 60B.15; 60B.17, subdivision 2, and by adding subdivisions; 60B.20; 60B.25; 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1 and 2; 62D.11, subdivision 1a, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.14, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; and 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; and 72A.491, by adding a subdivision; and Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapters 60B and 62D; repealing Minnesota Statutes 1988, sections 62D.11, subdivision 4; 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 62D.02, subdivision 15, is amended to read:

Subd. 15. "Net worth" means admitted assets, as defined in section 62D.044, minus liabilities. *Liabilities do not include those obligations that are subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10. For purposes of this subdivision, preferred ownership claims under section 60B.44, subdivision 10, include promissory notes subordinated to all other liabilities of the health maintenance organization.*

Sec. 2. Minnesota Statutes 1988, section 62D.03, subdivision 4, is amended to read:

Subd. 4. Each application for a certificate of authority shall be verified by an officer or authorized representative of the applicant, and shall be in a form prescribed by the commissioner of health. Each application shall include the following:

(a) a copy of the basic organizational document, if any, of the applicant and of each major participating entity; such as the articles of incorporation, or other applicable documents, and all amendments thereto;

(b) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments thereto which regulate the conduct of the affairs of the applicant and of each major participating entity;

(c) a list of the names, addresses, and official positions of the following:

(1) all members of the board of directors, or governing body of the local government unit, and the principal officers and shareholders of the applicant organization; and

(2) all members of the board of directors, or governing body of the local government unit, and the principal officers of the major participating entity and each shareholder beneficially owning more than ten percent of any voting stock of the major participating entity;

The commissioner may by rule identify persons included in the term "principal officers";

(d) a full disclosure of the extent and nature of any contract or financial arrangements between the following:

(1) the health maintenance organization and the persons listed in clause (c)(1);

(2) the health maintenance organization and the persons listed in clause (c)(2);

(3) each major participating entity and the persons listed in clause (c)(1) concerning any financial relationship with the health maintenance organization; and

(4) each major participating entity and the persons listed in clause (c)(2) concerning any financial relationship with the health maintenance organization;

(e) the name and address of each participating entity and the agreed upon duration of each contract or agreement;

(f) a copy of the form of each contract binding the participating entities and the health maintenance organization. Contractual provisions shall be consistent with the purposes of sections 62D.01 to 62D.30, in regard to the services to be performed under the contract, the manner in which payment for services is determined, the nature and extent of responsibilities to be retained by the health maintenance organization, the nature and extent of risk sharing permissible, and contractual termination provisions;

(g) a copy of each contract binding major participating entities and the health maintenance organization. Contract information filed with the commissioner shall be confidential and subject to the provisions of section 13.37, subdivision 1, clause (b), upon the request of the health maintenance organization.

Upon initial filing of each contract, the health maintenance organization shall file a separate document detailing the projected annual expenses to the major participating entity in performing the contract and the projected annual revenues received by the entity from the health maintenance organization for such performance. The commissioner shall disapprove any contract with a major participating entity if the contract will result in an unreasonable expense under section 62D.19. The commissioner shall approve or disapprove a contract within 30 days of filing.

Within 120 days of the anniversary of the implementation of each contract, the health maintenance organization shall file a document detailing the actual expenses incurred and reported by the major participating entity in performing the contract in the proceeding year and the actual revenues received from the health maintenance organization by the entity in payment for the performance.

Contracts implemented prior to April 25, 1984, shall be filed within 90 days of April 25, 1984. These contracts are subject to the provisions of section 62D.19, but are not subject to the prospective review prescribed by this clause, unless or until the terms of the contract are modified. Commencing with the next anniversary of the implementation of each of these contracts immediately following filing, the health maintenance organization shall, as otherwise required by this subdivision, file annual actual expenses and revenues.

(h) a statement generally describing the health maintenance organization, its health maintenance contracts and separate health service contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with comprehensive health maintenance services and separate health services;

(i) a copy of the form of each evidence of coverage to be issued to the enrollees;

(j) a copy of the form of each individual or group health maintenance contract and each separate health service contract which is to be issued to enrollees or their representatives;

(k) financial statements showing the applicant's assets, liabilities, and sources of financial support. If the applicant's financial affairs are audited by independent certified public accountants, a copy of the applicant's most recent certified financial statement may be deemed to satisfy this requirement;

(l) a description of the proposed method of marketing the plan, a schedule of proposed charges, and a financial plan which includes a three-year projection of the expenses and income and other sources of future capital;

(m) a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

(n) a description of the complaint procedures to be utilized as required under section 62D.11;

(o) a description of the procedures and programs to be implemented to meet the requirements of section 62D.04, subdivision 1, clauses (b) and (c) and to monitor the quality of health care provided to enrollees;

(p) a description of the mechanism by which enrollees will be afforded an opportunity to participate in matters of policy and operation under section 62D.06;

(q) a copy of any agreement between the health maintenance organization and an insurer or nonprofit health service corporation regarding reinsurance, stop-loss coverage, insolvency coverage, or any other type of coverage for potential costs of health services, as authorized in sections 62D.04, subdivision 1, clause (f), 62D.05, subdivision 3, and 62D.13; ~~and~~

(r) a copy of the conflict of interest policy which applies to all members of the board of directors and the principal officers of the health maintenance organization, as described in section 62D.04, subdivision 1, paragraph (g). All currently licensed health maintenance organizations shall also file a conflict of interest policy with the commissioner within 60 days after the effective date of this provision or at a later date if approved by the commissioner;

(s) a copy of the statement that describes the health maintenance organization's prior authorization administrative procedures;

(t) a copy of the agreement between the guaranteeing organization and the health maintenance organization, as described in section 62D.043, subdivision 6; and

(u) other information as the commissioner of health may reasonably require to be provided.

Sec. 3. Minnesota Statutes 1988, section 62D.04, subdivision 1, is amended to read:

Subdivision 1. Upon receipt of an application for a certificate of authority, the commissioner of health shall determine whether the applicant for a certificate of authority has:

(a) demonstrated the willingness and potential ability to assure that health care services will be provided in such a manner as to enhance and assure both the availability and accessibility of adequate personnel and facilities;

(b) arrangements for an ongoing evaluation of the quality of health care;

(c) a procedure to develop, compile, evaluate, and report statistics relating to the cost of its operations, the pattern of utilization of its services, the quality, availability and accessibility of its services, and such other matters as may be reasonably required by regulation of the commissioner of health;

(d) reasonable provisions for emergency and out of area health care services;

(e) demonstrated that it is financially responsible and may reasonably be expected to meet its obligations to enrollees and prospective enrollees. In making this determination, the commissioner of health shall require the amounts of net worth and working capital required in section 62D.042, the deposit required in section 62D.041, and in addition shall consider:

(1) the financial soundness of its arrangements for health care services and the proposed schedule of charges used in connection therewith;

(2) arrangements which will guarantee for a reasonable period of time the continued availability or payment of the cost of health care services in the event of discontinuance of the health maintenance organization; and

(3) agreements with providers for the provision of health care services;

(f) demonstrated that it will assume full financial risk on a prospective basis for the provision of comprehensive health maintenance services, including hospital care; provided, however, that the requirement in this paragraph shall not prohibit the following:

(1) a health maintenance organization from obtaining insurance or making other arrangements (i) for the cost of providing to any enrollee comprehensive health maintenance services, the aggregate value of which exceeds \$5,000 in any year, (ii) for the cost of providing comprehensive health care services to its members on a nonelective emergency basis, or while they are outside the area served by the organization, or (iii) for not more than 95 percent of the amount by which the health maintenance organization's costs for any of its fiscal years exceed 105 percent of its income for such fiscal years; and

(2) a health maintenance organization from having a provision in a group health maintenance contract allowing an adjustment of premiums paid based upon the actual health services utilization of the enrollees covered under the contract, except that at no time during the life of the contract shall the

contract holder fully self-insure the financial risk of health care services delivered under the contract. Risk sharing arrangements shall be subject to the requirements of sections 62D.01 to 62D.30;

(g) *demonstrated that it has made provisions for and adopted a conflict of interest policy applicable to all members of the board of directors and the principal officers of the health maintenance organization. The conflict of interest policy shall include the procedures described in section 317A.255, subdivisions 1 and 2. However, the commissioner is not precluded from finding that a particular transaction is an unreasonable expense as described in section 62D.19 even if the directors follow the required procedures; and*

(h) otherwise met the requirements of sections 62D.01 to 62D.30.

Sec. 4. Minnesota Statutes 1988, section 62D.041, subdivision 2, is amended to read:

Subd. 2. [REQUIRED DEPOSIT.] Each health maintenance organization shall deposit with any organization or trustee acceptable to the commissioner through which a custodial or controlled account is utilized, *bankable funds in the cash amount required in this section. The commissioner may allow a health maintenance organization's deposit requirement to be met funded by a guaranteeing organization, as defined in section 62D.042, subdivision 1, based on the criteria set out in section 62D.042, subdivision 5 62D.043.*

Sec. 5. [62D.043] [GUARANTEEING ORGANIZATIONS.]

Subdivision 1. [DEFINITION.] (a) For purposes of this section, a "guaranteeing organization" means an organization that has agreed to assume the responsibility for the obligation of the health maintenance organization's net worth requirement.

Subd. 2. [RESPONSIBILITIES OF GUARANTEEING ORGANIZATION.] Upon an order of rehabilitation or liquidation, a guaranteeing organization shall transfer funds to the commissioner in the amount necessary to satisfy the net worth requirement.

Subd. 3. [REQUIREMENTS FOR GUARANTEEING ORGANIZATION.] (a) An organization's net worth requirement may be guaranteed provided that the guaranteeing organization:

(1) transfers into a restricted asset account cash or securities permitted by section 61A.28, subdivisions 2, 5, and 6, in an amount necessary to satisfy the net worth requirement. Restricted asset accounts shall be considered admitted assets for the purpose of determining whether a guaranteeing organization is maintaining sufficient net worth. Permitted securities shall not be transferred to the restricted asset account in excess of the limits applied to the health maintenance organization, unless approved by the commissioner in advance;

(2) designates the restricted asset account specifically for the purpose of funding the health maintenance organization's net worth requirement;

(3) maintains positive working capital subsequent to establishing the restricted asset account, if applicable;

(4) maintains net worth, retained earnings, or surplus in an amount in excess of the amount of the restricted asset account, if applicable, and allows the guaranteeing organization:

(i) to remain a solvent business organization, which shall be evaluated on the basis of the guaranteeing organization's continued ability to meet its maturing obligations without selling substantially all its operating assets and paying debts when due; and

(ii) to be in compliance with any state or federal statutory net worth, surplus, or reserve requirements applicable to that organization or lesser requirements agreed to by the commissioner; and

(5) fulfills requirements of clauses (1) to (4) by April 1 of each year.

(b) The commissioner may require the guaranteeing organization to complete the requirements of paragraph (a) more frequently if the amount necessary to satisfy the net worth requirement increases during the year.

Subd. 4. [EXCEPTIONS TO REQUIREMENTS.] When a guaranteeing organization is a governmental entity, subdivision 3 is not applicable. The commissioner may consider factors which provide evidence that the governmental entity is a financially reliable guaranteeing organization. Similarly, when a guaranteeing organization is a Minnesota-licensed health maintenance organization, health service plan corporation, or insurer, subdivision 3, paragraphs (1) and (2), are not applicable.

Subd. 5. [AMOUNTS NEEDED TO MEET NET WORTH REQUIREMENTS.] The amount necessary for a guaranteeing organization to satisfy the health maintenance organization's net worth requirement shall be the lesser of:

(1) an amount needed to bring the health maintenance organization's net worth to the amount required by section 62D.042; or

(2) an amount agreed to by the guaranteeing organization.

Subd. 6. [CONSOLIDATED CALCULATIONS FOR GUARANTEED HEALTH MAINTENANCE ORGANIZATIONS.] If a guaranteeing organization guarantees one or more health maintenance organizations, the guaranteeing organization may calculate the amount necessary to satisfy the health maintenance organizations' net worth requirements on a consolidated basis. Liabilities of the health maintenance organization to the guaranteeing organization must be subordinated in the same manner as preferred ownership claims under section 60B.44, subdivision 10.

Subd. 7. [AGREEMENT BETWEEN GUARANTEERING ORGANIZATION AND HEALTH MAINTENANCE ORGANIZATION.] A written agreement between the guaranteeing organization and the health maintenance organization must include the commissioner as a party and include the following provisions:

(1) any or all of the funds needed to satisfy the health maintenance organization's net worth requirement shall be transferred, unconditionally and upon demand, according to subdivision 2;

(2) the arrangement shall not terminate for any reason without the commissioner being notified of the termination at least nine months in advance. The arrangement may terminate earlier if net worth requirements will be satisfied under other arrangements, as approved by the commissioner;

(3) the guaranteeing organization shall pay or reimburse the commissioner for all costs and expenses, including reasonable attorney fees and costs, incurred by the commissioner in connection with the protection, defense, or enforcement of the guarantee;

(4) the guaranteeing organization shall waive all defenses and claims it may have or the health maintenance organization may have pertaining to the guarantee including, but not limited to, waiver, release, *res judicata*, statute of frauds, lack of authority, usury, illegality;

(5) the guaranteeing organization waives present demand for payment, notice of dishonor or nonpayment and protest, and the commissioner shall not be required to first resort for payment to other sources or other means before enforcing the guarantee;

(6) the guarantee may not be waived, modified, amended, terminated, released, or otherwise changed except as provided by the guarantee agreement, and as provided by applicable statutes;

(7) the guaranteeing organization waives its rights under the Federal Bankruptcy Code, United States Code, title 11, section 303, to initiate involuntary proceedings against the health maintenance organization and agrees to submit to the jurisdiction of the commissioner and Minnesota state courts in any rehabilitation or liquidation of the health maintenance organization;

(8) the guarantee shall be governed by and construed and enforced according to the laws of the state of Minnesota; and

(9) the guarantee must be approved by the commissioner.

Subd. 8. [SUBMISSION OF GUARANTEEING ORGANIZATION'S FINANCIAL STATEMENTS.] Health maintenance organizations shall submit to the commissioner the guaranteeing organization's audited financial statements annually by April 1 or at a different date if agreed to by the commissioner. The health maintenance organization shall also provide other financial information regarding a guaranteeing organization as may be requested by the commissioner.

Subd. 9. [PERFORMANCE AS GUARANTEEING ORGANIZATION VOLUNTARY.] No provider may be compelled to serve as a guaranteeing organization.

Subd. 10. [GUARANTOR STATUS IN REHABILITATION OR LIQUIDATION.] Any or all of the funds in excess of the amounts needed to satisfy the health maintenance organization's obligations as of the date of an order of liquidation or rehabilitation shall be returned to the guaranteeing organization in the same manner as preferred ownership claims under section 60B.44, subdivision 10.

Sec. 6. Minnesota Statutes 1988, section 62D.044, is amended to read:

62D.044 [ADMITTED ASSETS.]

"Admitted assets" includes ~~only the investments allowed by section 62D.045 and~~ the following:

(1) petty cash and other cash funds in the organization's principal or official branch office that are under the organization's control;

(2) immediately withdrawable funds on deposit in demand accounts, in a bank or trust company organized and regularly examined under the laws of the United States or any state, and insured by an agency of the United States government, or like funds actually in the principal or official branch office at statement date, and, in transit to a bank or trust company with authentic deposit credit given before the close of business on the fifth bank

working day following the statement date;

(3) the amount fairly estimated as recoverable on cash deposited in a closed bank or trust company, if the assets qualified under this section before the suspension of the bank or trust company;

(4) bills and accounts receivable that are collateralized by securities in which the organization is authorized to invest;

(5) premiums due from groups or individuals that are not more than 90 days past due;

(6) amounts due under reinsurance arrangements from insurance companies authorized to do business in this state;

(7) tax refunds due from the United States or this state;

(8) interest accrued on mortgage loans not exceeding in aggregate one year's total due and accrued interest on an individual loan;

(9) the rents due to the organization on real and personal property, directly or beneficially owned, not exceeding the amount of one year's total due and accrued rent on each individual property;

(10) interest or rents accrued on conditional sales agreements, security interests, chattel mortgages, and real or personal property under lease to other corporations that do not exceed the amount of one year's total due and accrued interest or rent on an individual investment;

(11) the fixed required interest due and accrued on bonds and other evidences of indebtedness that are not in default;

(12) dividends receivable on shares of stock, provided that the market price for valuation purposes does not include the value of the dividend;

(13) the interest on dividends due and payable, but not credited, on deposits in banks and trust companies or on accounts with savings and loan associations;

(14) interest accrued on secured loans that do not exceed the amount of one year's interest on any loan;

(15) interest accrued on tax anticipation warrants;

(16) the amortized value of electronic computer or data processing machines or systems purchased for use in the business of the organization, including software purchased and developed specifically for the organization's use;

(17) the cost of furniture, equipment, and medical equipment, less accumulated depreciation thereon, and medical and pharmaceutical supplies that are used to deliver health care and are under the organization's control, provided the assets do not exceed 30 percent of admitted assets;

(18) amounts currently due from an affiliate that has liquid assets with which to pay the balance and maintain its accounts on a current basis. Any amount outstanding more than three months is not current;

(19) amounts on deposit under section 62D.041; ~~and~~

(20) accounts receivable from participating health care providers that are not more than 60 days past due; *and*

(21) *investments allowed by section 62D.045, except for investments in securities and properties described under section 61A.284.*

Sec. 7. Minnesota Statutes 1988, section 62D.08, subdivision 1, is amended to read:

Subdivision 1. A health maintenance organization shall, unless otherwise provided for by rules adopted by the commissioner of health, file notice with the commissioner of health prior to any modification of the operations or documents described in the information submitted under clauses (a), (b), (e), (f), (g), (i), (j), (l), (m), (n), (o), (p), (q) ~~and~~, (r), (s), *and (t)* of section 62D.03, subdivision 4. If the commissioner of health does not disapprove of the filing within ~~30~~ 60 days, it shall be deemed approved and may be implemented by the health maintenance organization.

Sec. 8. Minnesota Statutes 1988, section 62D.08, subdivision 2, is amended to read:

Subd. 2. Every health maintenance organization shall annually, on or before April 1, file a verified report with the commissioner of health ~~and to the commissioner of commerce~~ covering the preceding calendar year. *However, utilization data required under subdivision 3, clause (c), shall be filed on or before July 1.*

Sec. 9. Minnesota Statutes 1988, section 62D.08, subdivision 6, is amended to read:

Subd. 6. A health maintenance organization shall submit to the commissioner unaudited financial statements of the organization ~~on a quarterly basis for the first three quarters of the year~~ on forms prescribed by the commissioner. The statements are due 30 days after the end of ~~each~~ the quarter and shall be maintained as nonpublic data, as defined by section 13.02, subdivision 9. *Unaudited financial statements for the fourth quarter shall be submitted at the request of the commissioner.*

Sec. 10. Minnesota Statutes 1988, section 62D.11, subdivision 1a, is amended to read:

Subd. 1a. Where a complaint involves a dispute about a health maintenance organization's coverage of ~~an immediately and urgently needed~~ a service, the commissioner may ~~either (a) review the complaint and any information and testimony necessary in order to make a determination and order the appropriate remedy pursuant to sections 62D.15 to 62D.17; or (b) order the health maintenance organization to use an expedited system to process the complaint.~~

Sec. 11. Minnesota Statutes 1988, section 62D.11, is amended by adding a subdivision to read:

Subd. 1b. [EXPEDITED RESOLUTION OF COMPLAINTS ABOUT URGENTLY NEEDED SERVICE.] In addition to any remedy contained in subdivision 1a, when a complaint involves a dispute about a health maintenance organization's coverage of an immediately and urgently needed service, the commissioner may also order the health maintenance organization to use an expedited system to process the complaint.

Sec. 12. Minnesota Statutes 1988, section 62D.11, subdivision 4, is amended 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:

(4) solely on the basis of lack of prior authorization or second opinion,

to the extent that the service would otherwise have been covered under the member's contract by the health maintenance organization had prior authorization or second opinion been obtained; or

(2) from a nonparticipating provider, if (i) the service was ordered or recommended by a participating provider; (ii) the service would otherwise be covered, or was part of a discharge plan of a participating provider; and (iii) the enrollee was not given prior written notice stating 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. 13. Minnesota Statutes 1988, section 62D.121, is amended by adding a subdivision to read:

Subd. 2a. [REPLACEMENT COVERAGE.] The terminating health maintenance organization may also offer as replacement coverage health maintenance organization coverage issued by another health maintenance organization.

Sec. 14. Minnesota Statutes 1989 Supplement, section 62D.121, subdivision 3, is amended to read:

Subd. 3. If health maintenance organization replacement coverage is not provided offered by the health maintenance organization, as explained under ~~subdivision~~ subdivisions 2 and 2a, the replacement coverage shall provide, for enrollees covered by title XVIII of the Social Security Act, coverage at least equivalent to a basic Medicare supplement plan as defined in section 62A.316, except that the replacement coverage shall also cover the liability for any Medicare part A and part B deductible as defined under title XVIII of the Social Security Act. After satisfaction of the Medicare part B deductible, the replacement coverage shall be based on 120 percent of the at least 80 percent of usual and customary medical expenses and supplies not covered by Medicare part B eligible expenses less the Medicare part B payment amount. This does not include outpatient prescription drugs. The fee or premium of the replacement coverage shall not exceed the premium charged by the state comprehensive health plan as established under section 62E.08, for a qualified Medicare supplement plan. All enrollees not covered by Medicare shall be given the option of a number three qualified plan or a number two qualified plan as defined in section 62E.06, subdivisions 1 and 2, for replacement coverage. The fee or premium for a number three qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number three qualified plan of insurance in force in Minnesota. The fee or premium for a number two qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number two qualified plan of insurance in force in Minnesota.

Subd. 3a. If the replacement coverage is health maintenance organization coverage, as explained in subdivisions 2 and 2a, the fee shall not exceed 125 percent of the cost of the average fee charged by health maintenance organizations for a similar health plan. The commissioner of health will determine the average cost of the plan on the basis of information provided annually by the health maintenance organizations concerning the rates charged by the health maintenance organizations for the plans offered. Fees or premiums charged under this section must be actuarially justified.

Sec. 15. Minnesota Statutes 1988, section 62D.17, subdivision 1, is

amended to read:

Subdivision 1. The commissioner of health may, for any violation of statute or rule applicable to a health maintenance organization, or in lieu of suspension or revocation of a certificate of authority under section 62D.15, levy an administrative penalty in an amount up to ~~\$10,000~~ \$25,000 for each violation. In the case of contracts or agreements made pursuant to section 62D.05, subdivisions 2 to 4, each contract or agreement entered into or implemented in a manner which violates sections 62D.01 to 62D.30 shall be considered a separate violation. *In determining the level of an administrative penalty, the commissioner shall consider the following factors:*

- (1) the number of enrollees affected by the violation;*
- (2) the effect of the violation on enrollees' health and access to health services;*
- (3) if only one enrollee is affected, the effect of the violation on that enrollee's health;*
- (4) whether the violation is an isolated incident or part of a pattern of violations; and*
- (5) the economic benefits derived by the health maintenance organization or a participating provider by virtue of the violation.*

Reasonable notice in writing to the health maintenance organization shall be given of the intent to levy the penalty and the reasons therefor, and the health maintenance organization may have 15 days within which to file a written request for an administrative hearing and review of the commissioner of health's determination. Such administrative hearing shall be subject to judicial review pursuant to chapter 14.

Sec. 16. Minnesota Statutes 1988, section 62D.17, subdivision 4, is amended to read:

Subd. 4. (a) The commissioner of health may issue an order directing a health maintenance organization or a representative of a health maintenance organization to cease and desist from engaging in any act or practice in violation of the provisions of sections 62D.01 to 62D.30.

(1) The cease and desist order may direct a health maintenance organization to pay for or provide a service when that service is required by statute or rule to be provided.

(2) The commissioner may issue a cease and desist order directing a health maintenance organization to pay for a service that is required by statute or rule to be provided, only if there is a demonstrable and irreparable harm to the public or an enrollee.

(3) If the cease and desist order involves a dispute over the medical necessity of a procedure based on its experimental nature, the commissioner may issue a cease and desist order only if the following conditions are met:

- (i) the commissioner has consulted with appropriate and identified experts;*
- (ii) the commissioner has reviewed relevant scientific and medical literature; and*
- (iii) the commissioner has considered all other relevant factors including whether final approval of the technology or procedure has been granted*

by the appropriate government agency; the availability of scientific evidence concerning the effect of the technology or procedure on health outcomes; the availability of scientific evidence that the technology or procedure is as beneficial as established alternatives; and the availability of evidence of benefit or improvement without the technology or procedure.

(b) Within 20 days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of sections 62D.01 to 62D.30 have occurred. Such hearings shall be subject to judicial review as provided by chapter 14.

If the acts or practices involve violation of the reporting requirements of section 62D.08, or if the commissioner of commerce has ordered the rehabilitation, liquidation, or conservation of the health maintenance organization in accordance with section 62D.18, the health maintenance organization may request an expedited hearing on the matter. The hearing shall be held within 15 days of the request. Within ten days thereafter, an administrative law judge shall issue a recommendation on the matter. The commissioner shall make a final determination on the matter within ten days of receipt of the administrative law judge's recommendation.

When a request for a stay accompanies the hearing request, the matter shall be referred to the office of administrative hearings within three working days of receipt of the request. Within ten days thereafter, an administrative law judge shall issue a recommendation to grant or deny the stay. The commissioner shall grant or deny the stay within five days of receipt of the administrative law judge's recommendation.

To the extent the acts or practices alleged do not involve (1) violations of section 62D.08; (2) *violations which may result in the financial insolvency of the health maintenance organization*; (3) *violations which threaten the life and health of enrollees*; (4) *violations which affect whole classes of enrollees*; or (5) *violations of benefits or service requirements mandated by law*; if a timely request for a hearing is made, the cease and desist order shall be stayed for a period of 90 days from the date the hearing is requested or until a final determination is made on the order, whichever is earlier. During this stay, the respondent may show cause why the order should not become effective upon the expiration of the stay. Arguments on this issue shall be made through briefs filed with the administrative law judge no later than ten days prior to the expiration of the stay.

Sec. 17. Minnesota Statutes 1988, section 62D.18, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER OF HEALTH; ORDER.] The commissioner of health may ~~independently~~ order the rehabilitation or liquidation of health maintenance organizations. The rehabilitation or liquidation of a health maintenance organization shall be conducted under the supervision of the commissioner under the procedures in chapter 60B, except to the extent that the nature of health maintenance organizations renders the procedures clearly inappropriate and as provided in ~~subdivisions 2 to 7~~ *this subdivision. A health maintenance organization shall be considered an insurance company for the purposes of rehabilitation or liquidation as provided in subdivisions 2 to 7.*

Sec. 18. Minnesota Statutes 1988, section 62D.211, is amended to read:

62D.211 [RENEWAL FEE.]

Each health maintenance organization subject to sections 62D.01 to 62D.30 shall submit to the commissioner of health each year before ~~April 1~~ June 15 a certificate of authority renewal fee in the amount of \$10,000 each plus 20 cents per person enrolled in the health maintenance organization on December 31 of the preceding year. The commissioner may adjust the renewal fee in rule under the provisions of chapter 14.

Sec. 19. Minnesota Statutes 1989 Supplement, section 72A.491, is amended by adding a subdivision to read:

Subd. 4a. [COMMISSIONER.] "Commissioner" means the commissioner of commerce or a designee or the commissioner of health or a designee, whichever is applicable.

Sec. 20. Laws 1988, chapter 434, section 24, is amended to read:

Sec. 24. [REPEALER.]

Laws 1984, chapter 464, sections 29 and 40, are repealed. Section 14 is repealed June 30, ~~1990~~ 1992.

Sec. 21. [REPEALER.]

Minnesota Statutes 1988, sections 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2, 3, 4, and 5; and 62D.20, subdivision 2, are repealed."

Delete the title and insert:

"A bill for an act relating to health; specifying requirements for a health maintenance organization application for a certificate; establishing protections against conflicts of interest; establishing requirements for a guaranteeing organization; including certain investments as admitted assets; requiring an expedited resolution of disputes about coverage of immediately and urgently needed service; allowing replacement coverage by other health maintenance organizations; allowing appointment of a special examiner; amending Minnesota Statutes 1988, sections 62D.02, subdivision 15; 62D.03, subdivision 4; 62D.04, subdivision 1; 62D.041, subdivision 2; 62D.044; 62D.08, subdivisions 1, 2, and 6; 62D.11, subdivisions 1a, 4, and by adding a subdivision; 62D.121, by adding a subdivision; 62D.17, subdivisions 1 and 4; 62D.18, subdivision 1; 62D.211; Minnesota Statutes 1989 Supplement, sections 62D.121, subdivision 3; 72A.491, by adding a subdivision; Laws 1988, chapter 434, section 24; proposing coding for new law in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1988, sections 62D.12, subdivisions 14 and 16; 62D.18, subdivisions 2 to 5; and 62D.20, subdivision 2."

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. 2051: A bill for an act relating to health; allowing a waiver of restrictions that may be placed upon controlling persons of a nursing home; amending Minnesota Statutes 1988, section 144A.04, subdivision 4.

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 1988, section 144A.04, subdivision 4, is amended to read:

Subd. 4. [CONTROLLING PERSON RESTRICTIONS.] (a) The controlling persons of a nursing home may not include any person who was a controlling person of another nursing home during any period of time in the previous two-year period:

(a) (1) during which time of control that other nursing home incurred the following number of uncorrected or repeated violations:

(1) (i) two or more uncorrected violations or one or more repeated violations which created an imminent risk to direct resident care or safety; or

(2) (ii) four or more uncorrected violations or two or more repeated violations of any nature for which the fines are in the four highest daily fine categories prescribed in rule; or

(b) (2) who was convicted of a felony or gross misdemeanor punishable by a term of imprisonment of more than 90 days that relates to operation of the nursing home or directly affects resident safety or care, during that period.

(b) The provisions of this subdivision shall not apply to any controlling person who had no legal authority to affect or change decisions related to the operation of the nursing home which incurred the uncorrected violations.

Subd. 4a. [STAY OF ADVERSE ACTION REQUIRED BY CONTROLLING PERSON RESTRICTIONS.] (a) *In lieu of revoking, suspending, or refusing to renew the license of a nursing home with a controlling person disqualified by subdivision 4, paragraph (a), clause (1), the commissioner may issue an order staying the revocation, suspension, or nonrenewal of the nursing home license. The order may, but need not, be contingent upon the nursing home's compliance with restrictions and conditions imposed on the license to ensure the proper operation of the nursing home and to protect the health, safety, comfort, treatment, and well-being of the residents in the home. The decision to issue an order for stay must be made within 90 days of the commissioner's determination that a controlling person is disqualified by subdivision 4, paragraph (a), clause (1), from operating a nursing home.*

(b) *In determining whether to issue a stay and to impose conditions and restrictions, the commissioner shall consider the following factors:*

(1) *the ability of the controlling persons to operate other nursing homes in accordance with the licensure rules and laws;*

(2) *the conditions in the facility that received the number and type of uncorrected or repeated violations described in subdivision 4, paragraph (a), clause (1); and*

(3) *the conditions and compliance history of each of the nursing homes operated by the controlling persons.*

(c) *The commissioner's decision to exercise the authority under this subdivision in lieu of revoking, suspending, or refusing to renew the license of the nursing home is not subject to administrative or judicial review.*

(d) *The order for the stay of revocation, suspension, or nonrenewal of the nursing home license must include any conditions and restrictions on*

the nursing home license that the commissioner deems necessary based upon the factors listed in paragraph (b).

(e) Prior to issuing an order for stay of revocation, suspension, or nonrenewal, the commissioner shall inform the controlling persons, in writing, of any conditions and restrictions that will be imposed. The controlling persons shall, within 10 working days, notify the commissioner in writing of their decision to accept or reject the conditions and restrictions. If the nursing home rejects any of the conditions and restrictions, the commissioner shall either modify the conditions and restrictions or take action to suspend, revoke, or not renew the nursing home license.

(f) Upon issuance of the order for stay of revocation, suspension, or nonrenewal, the controlling persons shall be responsible for compliance with the conditions and restrictions contained therein. Any time after the conditions and restrictions have been in place for 180 days, the controlling persons may petition the commissioner for removal or modification of the conditions and restrictions. The commissioner shall respond to the petition within 30 days of the receipt of the written petition. If the commissioner denies the petition, the controlling persons may request a hearing under the provisions of chapter 14. Any hearing shall be limited to a determination of whether the conditions and restrictions shall be modified or removed. At the hearing, the controlling persons will have the burden of proof.

(g) The failure of the controlling persons to comply with the conditions and restrictions contained in the order for stay shall result in the immediate removal of the stay and the commissioner shall take action to suspend, revoke, or not renew the license.

(h) The conditions and restrictions are effective for two years after the date they are imposed.

(i) Nothing in this subdivision shall be construed to limit in any way the commissioner's ability to impose other sanctions against a nursing home license under the standards set forth in state or federal law whether or not a stay of revocation, suspension, or nonrenewal is issued.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment. The provisions of section 1 apply to any contested case proceeding that is pending on the date of enactment as well as to licensing actions and contested case hearings commenced on or after that date."

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. 1828: A bill for an act relating to human services; allowing an increase to the property rates for a limited period; establishing a capital replacement fund for nursing homes; providing for a phase-up and extending grandfather status for property costs of certain nursing homes; amending Minnesota Statutes 1988, section 256B.431, by adding a subdivision; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivision 3f.

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 1988, section 144A.073, is amended by adding a subdivision to read:

Subd. 3a. [EXTENSION OF APPROVAL OF A PROJECT REQUIRING AN EXCEPTION TO THE NURSING HOME MORATORIUM.] Notwithstanding subdivision 3, a construction project that was approved by the commissioner under the moratorium exception approval process in this section prior to February 1, 1990, may be commenced more than 12 months after the date of the commissioner's approval but no later than July 1, 1992.

Sec. 2. Minnesota Statutes 1988, section 256B.431, is amended by adding a subdivision to read:

Subd. 3h. [PROPERTY COSTS FOR THE RATE YEAR BEGINNING JULY 1, 1990.] Notwithstanding Minnesota Rules, part 9549.0060, subpart 13, item H, the commissioner shall determine property-related payment rates for nursing homes for the rate year beginning July 1, 1990, as follows:

(a) The property-related payment rate for a nursing home whose property-related payment rate for the rate year beginning July 1, 1989, was determined according to Minnesota Rules, part 9549.0060, subpart 13, item A (full rental reimbursement) or item C or D (rental reimbursement being phased in), is the same as the property-related payment rate for the rate year beginning July 1, 1989. The commissioner shall adjust property-related payment rates determined according to Minnesota Rules, part 9549.0060, subpart 13, item A, to reflect current allowable debt.

(b) The property-related payment rate for a nursing home whose property-related payment rate for the rate year beginning July 1, 1989, was determined according to Minnesota Rules, part 9549.0060, subpart 13, item B (frozen property rate), is the greater of 94 percent of the property-related payment rate for the rate year beginning July 1, 1989; the amount of the nursing home's allowable principal and interest payments on debt incurred for the purchase of land, buildings, attached fixtures, and land improvements, plus the equipment allowance, for the rate year beginning July 1, 1989; or the property-related payment rate for the year beginning July 1, 1989, determined according to Minnesota Rules, part 9549.0060, subpart 13, item A (full rental reimbursement), adjusted to reflect current allowable debt; except that the rate determined under this paragraph must not exceed the property-related payment rate for the rate year beginning July 1, 1989.

(c) The property-related payment rate for a nursing home that qualifies for a rate adjustment according to Minnesota Rules, part 9549.0060, subpart 13, item G (special reappraisal), is the rate determined according to that subpart.

(d) The property-related payment rate for a nursing home that qualifies under section 256B.431, subdivision 3g, is the rate determined according to that subdivision.

Sec. 3. Minnesota Statutes 1988, section 256B.431, is amended by adding a subdivision to read:

Subd. 3i. [PROPERTY RATE ADJUSTMENT FOR REQUIRED

IMPROVEMENTS.] *The commissioner shall add an adjustment to the property-related payment rate of a certified, freestanding boarding care home reflecting the costs incurred by that nursing home to install a communications system in every room and hallway handrails, as required under the 1987 federal Omnibus Budget Reconciliation Act, Public Law Number 100-203. The property-related payment rate increase is only available if, and to the extent that, the nursing home's existing property-related payment rate, minus the nursing home's allowable principal and interest costs and equipment allowance, is not sufficient to cover the costs of the required improvements. Each nursing home eligible for the adjustment shall submit to the commissioner a detailed estimate of the cost increases the facility will incur to meet the new physical plant requirements. Ten percent of the amount of the costs that are determined by the commissioner to be reasonable for the nursing home to meet the new requirements, divided by resident days, must be added to the nursing home's property-related payment rate. The adjustment shall be added to the property-related payment rate determined under section 2. The resulting recalculated property-related payment rate is effective October 1, 1990, or 60 days after a nursing home submits its detailed cost estimate, whichever occurs later.*

The adjustment is only available to a certified, freestanding boarding care home that cannot meet the requirements of Public Law Number 100-203 for communications systems and handrails as demonstrated to the satisfaction of the commissioner of health. When the commissioner of human services establishes that it is not cost effective to upgrade an eligible certified, freestanding boarding care home to the new standards, the commissioner of human services may exclude the certified freestanding boarding care home if it is either an institution for mental disease or a certified, freestanding boarding care home that would have been determined to be an institution for mental disease but for the fact that it has 16 or fewer licensed beds.

Sec. 4. [RECOMMENDATIONS REGARDING PROPERTY COST PAYMENTS.]

By December 15, 1990, the rule 50 property reimbursement advisory task force under the convening authority of the commissioner of state planning shall recommend to the legislature a new system for determining property-related payment rates for nursing homes. The system recommended by the advisory task force must not increase total medical assistance spending for nursing home property costs. The system must be designed to:

- (1) reimburse nursing homes for their legitimate and reasonable property-related costs;*
- (2) permit appropriate sales of facilities within reasonable limitations;*
- (3) allow for the reasonable accumulation of funds to replace capital assets;*
- (4) take into consideration Medicare principles and required state plan assurances;*
- (5) provide equitable treatment of facilities;*
- (6) establish limitations on investment per bed; and*
- (7) encourage long-term ownership of nursing facilities through providing a return on an owner's actual investment which is related to the length*

of ownership at the time of an arm's length sale.

Sec. 5. [REPEALER.]

Minnesota Statutes 1988, sections 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivisions 3a and 3f, are repealed effective July 1, 1991.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 5 are effective July 1, 1990."

Delete the title and insert:

"A bill for an act relating to health and human services; extending the construction deadline for nursing homes that have been granted exceptions to the moratorium; repealing laws establishing a rental system for reimbursing nursing home property costs; establishing interim property payment rates; requiring the property reimbursement advisory task force to recommend a new property payment system; amending Minnesota Statutes 1988, sections 144A.073, by adding a subdivision; and 256B.431, by adding subdivisions; repealing Minnesota Statutes 1988, sections 256B.431, subdivisions 3, 3b, 3c, and 3d; and 256B.50, subdivision 2; and Minnesota Statutes 1989 Supplement, section 256B.431, subdivisions 3a and 3f."

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

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

S.F. No. 1681: A bill for an act relating to occupations and professions; allowing a graduate social work license to be issued without examination to an applicant who was unable to apply before the transition period ended; amending Minnesota Statutes 1988, section 148B.23, by adding a subdivision.

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

Page 1, after line 20, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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. 2370: A bill for an act relating to human services; revising and clarifying the duties and powers of the ombudsman for mental health and mental retardation; amending Minnesota Statutes 1989 Supplement, section 245.94, subdivision 1.

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

Page 2, line 8, delete "*decedents or on*"

Page 2, line 9, after the period, insert "*The ombudsman is not required*

to obtain consent for access to private data on decedents who were receiving services for mental illness, mental retardation or a related condition, or emotional disturbance."

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

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

S.F. No. 1759: A bill for an act relating to controlled substances; allowing prosecution in any county of controlled substance offenses involving sales of amounts aggregated over a 90-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine systems by each judicial district; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; appropriating money; amending Minnesota Statutes 1988, sections 609.135, by adding a subdivision; and 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 626.556, subdivision 2; 626.5561, subdivisions 3, 4, and by adding a subdivision; and 626.5562, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 152 and 299A.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1

CONTROLLED SUBSTANCE PROVISIONS

Section 1. Minnesota Statutes 1989 Supplement, section 152.021, is amended to read:

152.021 [CONTROLLED SUBSTANCE CRIME IN THE FIRST DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the first degree if:

(1) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures ~~containing ten grams or more of a total weight of ten grams or more containing cocaine base;~~

(2) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or more containing a narcotic drug;

(3) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or

more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 200 or more dosage units; or

(4) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of ~~400~~ 50 kilograms or more containing marijuana or Tetrahydrocannabinols.

Subd. 2. [POSSESSION CRIMES.] A person is guilty of a controlled substance crime in the first degree if:

(1) the person unlawfully possesses one or more mixtures ~~containing 25 grams or more of~~ a total weight of 25 grams or more containing cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 500 or more dosage units; ~~or~~

(4) the person unlawfully possesses one or more mixtures of a total weight of 100 kilograms or more containing marijuana or Tetrahydrocannabinols; *or*

(5) the person crosses a state or international border into Minnesota while in unlawful possession of an amount of a controlled substance that constitutes a second degree controlled substance crime.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both.

(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be sentenced to imprisonment for not less than four years nor more than 40 years or to payment of a fine of not more than \$1,000,000, or both.

(c) In a prosecution under subdivision 1 involving sales by the same person in two or more counties within a 120-day period, the person may be prosecuted for all of the sales in any county in which one of the sales occurred.

Sec. 2. Minnesota Statutes 1989 Supplement, section 152.022, is amended to read:

152.022 [CONTROLLED SUBSTANCE CRIME IN THE SECOND DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the second degree if:

(1) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures ~~containing three grams or more of~~ a total weight of three grams or more containing cocaine base;

(2) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing a narcotic drug;

(3) on one or more occasions within a ~~90-day~~ 120-day period the person

unlawfully sells one or more mixtures of a total weight of ten grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 50 or more dosage units;

(4) on one or more occasions within a ~~90-day~~ 120-day period the person unlawfully sells one or more mixtures of a total weight of ~~50~~ 25 kilograms or more containing marijuana or Tetrahydrocannabinols; ~~or~~

(5) the person unlawfully sells any amount of a schedule I or II narcotic drug; ~~and:~~

(i) ~~the person unlawfully sells the substance~~ to a person under the age of 18, or conspires with or employs a person under the age of 18 to unlawfully sell the substance; or

(ii) ~~the sale occurred in a school zone or a park zone.~~

(6) ~~the person unlawfully sells any amount of a schedule I or II narcotic drug in a school zone or a park zone.~~

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the second degree if:

(1) the person unlawfully possesses one or more mixtures ~~containing six grams or more of a total weight of six grams or more containing cocaine base;~~

(2) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 100 or more dosage units; ~~or~~

(4) the person unlawfully possesses one or more mixtures of a total weight of 50 kilograms or more containing marijuana or Tetrahydrocannabinols; ~~or~~

(5) ~~the person crosses a state or international border into Minnesota while in unlawful possession of an amount of a controlled substance that constitutes a third degree controlled substance crime.~~

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 25 years or to payment of a fine of not more than \$500,000, or both.

(b) If the conviction is a subsequent controlled substance conviction, a person convicted under subdivision 1 or 2 shall be sentenced to imprisonment for not less than three years nor more than 40 years or to payment of a fine of not more than \$500,000, or both.

(c) *In a prosecution under subdivision 1 involving sales by the same person in two or more counties within a 120-day period, the person may be prosecuted for all of the sales in any county in which one of the sales occurred.*

Sec. 3. Minnesota Statutes 1989 Supplement, section 152.023, subdivision 2, is amended to read:

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the third degree if:

(1) the person unlawfully possesses one or more mixtures ~~containing three grams or more~~ of a total weight of three grams or more containing cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures containing a narcotic drug with the intent to sell it;

(4) the person unlawfully possesses one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals 50 or more dosage units; or

(5) the person unlawfully possesses any amount of a schedule I or II narcotic drug in a school zone or a park zone.

Sec. 4. [152.0261] [IMPORTING CONTROLLED SUBSTANCES ACROSS STATE BORDERS.]

Subdivision 1. [FELONY.] A person who crosses a state or international border into Minnesota while in possession of an amount of a controlled substance that constitutes a first degree controlled substance crime under section 152.021, subdivision 2, is guilty of importing controlled substances and may be sentenced as provided in subdivision 3.

Subd. 2. [JURISDICTION.] A violation of subdivision 1 may be charged, indicted, and tried in any county, but not more than one county, into or through which the actor has brought the controlled substance.

Subd. 3. [PENALTY.] (a) A person convicted of violating this section is guilty of a felony and may be sentenced to imprisonment for not more than 35 years or to payment of a fine of not more than \$1,250,000, or both.

(b) If the conviction is a subsequent controlled substance conviction, a person convicted under this section shall be sentenced to imprisonment for not less than five years or to payment of a fine of not more than \$1,250,000, or both.

Sec. 5. Minnesota Statutes 1989 Supplement, section 152.028, subdivision 2, is amended to read:

Subd. 2. [PASSENGER AUTOMOBILES.] The presence of a controlled substance in a passenger automobile permits the factfinder to infer knowing possession of the controlled substance by the driver or person in control of the automobile when the controlled substance was in the automobile. This inference may only be made if the defendant is charged with violating section 152.021, 152.022, ~~or~~ 152.023, or section 4. The inference does not apply:

(1) to a duly licensed operator of an automobile who is at the time operating it for hire in the lawful and proper pursuit of the operator's trade;

(2) to any person in the automobile if one of them legally possesses a controlled substance; or

(3) when the controlled substance is concealed on the person of one of the occupants.

Sec. 6. Minnesota Statutes 1989 Supplement, section 152.028, is amended by adding a subdivision to read:

Subd. 3. [AIRLINE PASSENGER BAGGAGE.] The presence of a controlled substance in baggage received at an airport in Minnesota permits the factfinder to infer knowing possession of the controlled substance by the airline passenger to whom the baggage was checked.

Sec. 7. [152.0971] [TERMS.]

Subdivision 1. [TERMS.] For purposes of sections 7 to 11, the following terms have the meanings given.

Subd. 2. [FURNISH.] "Furnish" means to sell, transfer, deliver, send, or supply a precursor substance by any other means.

Subd. 3. [SUPPLIER.] A "supplier" is a manufacturer, wholesaler, retailer, or any other person in Minnesota who furnishes a precursor substance to another person in this state.

Sec. 8. [152.0972] [PRECURSORS OF CONTROLLED SUBSTANCES.]

Subdivision 1. [PRECURSOR SUBSTANCES.] The following precursors of controlled substances are "precursor substances":

- (1) phenyl-2-propanone;*
- (2) methylamine;*
- (3) ethylamine;*
- (4) d-lysergic acid;*
- (5) ergotamine tartrate;*
- (6) diethyl malonate;*
- (7) malonic acid;*
- (8) ethyl malonate;*
- (9) barbituric acid;*
- (10) piperidine;*
- (11) n-acetylanthranilic acid;*
- (12) pyrrolidine;*
- (13) phenylacetic acid;*
- (14) anthranilic acid;*
- (15) morpholine;*
- (16) ephedrine;*
- (17) pseudoephedrine;*
- (18) norpseudoephedrine;*
- (19) phenylpropanolamine;*
- (20) propionic anhydride;*
- (21) isosafrole;*
- (22) safrole;*
- (23) piperonal;*
- (24) thionylchloride;*

- (25) benzyl cyanide;
- (26) ergonovine maleate;
- (27) n-methylephedrine;
- (28) n-ethylpseudoephedrine;
- (29) n-methypseudoephedrine;
- (30) chloroephedrine;
- (31) chloropseudoephedrine; and

(32) any substance added to this list by rule adopted by the state board of pharmacy.

Subd. 2. [ADOPTION OF RULES.] The state board of pharmacy may adopt rules under chapter 14 that add a substance to this section if the substance is a precursor to a controlled substance or delete a substance from this section. A rule adding or deleting a substance is effective only until December 31 of the year following the calendar year during which the rule was adopted.

Sec. 9. [152.0973] [REPORT OF TRANSACTION.]

Subdivision 1. [PRE-DELIVERY NOTICE.] A supplier who furnishes a precursor substance to a person in this state shall, not less than 21 days before delivery of the substance, submit a report of the transaction, which includes the identification information specified in subdivision 3, to the bureau of criminal apprehension.

Subd. 2. [REGULAR REPORTS.] The bureau may authorize the submission of the reports on a monthly basis with respect to repeated, regular transactions between the supplier and the purchaser involving the same substance if the superintendent of the bureau of criminal apprehension determines that:

- (1) a pattern of regular supply of the precursor substance exists between the supplier and the purchaser of the substance; or*
- (2) the purchaser has established a record of utilization of the precursor substance for lawful purposes.*

Subd. 3. [PROPER IDENTIFICATION.] A report submitted by a supplier under this section must include:

- (1) a driver's license or state identification card that contains a photograph of the purchaser, and includes the residential or mailing address of the purchaser, other than a post office box number;*
- (2) the motor vehicle license number of any motor vehicle owned or operated by the purchaser;*
- (3) a letter of authorization from the business for which the precursor substance is being furnished, including the business license number and address of the business, a full description of how the precursor substance is to be used, and the signature of the purchaser;*
- (4) the signature of the supplier as a witness to the signature and identification of the purchaser;*
- (5) the type and quantity of the precursor substance; and*
- (6) the method of delivery used.*

Subd. 4. [RETENTION OF RECORDS.] A supplier shall retain a copy of the report filed under this section for five years.

Sec. 10. [152.0974] [EXCEPTIONS.]

Sections 7 to 11 do not apply to:

(1) a pharmacist or other authorized person who sells or furnishes a precursor substance on the prescription of a physician, dentist, podiatrist, or veterinarian;

(2) a physician, dentist, podiatrist, or veterinarian who administers or furnishes a precursor substance to patients;

(3) a manufacturer or wholesaler licensed by the state board of pharmacy who sells, transfers, or otherwise furnishes a precursor substance to a licensed pharmacy, physician, dentist, podiatrist, or veterinarian; or

(4) a sale, transfer, furnishing, or receipt of any drug that contains ephedrine, pseudoephedrine, norpseudoephedrine, or phenylpropanolamine and is lawfully sold, transferred, or furnished over the counter without a prescription under the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 301, et seq., or regulations adopted under that act.

Sec. 11. [152.0975] [PENALTY.]

Subdivision 1. [MISDEMEANOR.] A person who does not submit a report as required by section 9 is guilty of a misdemeanor.

Subd. 2. [GROSS MISDEMEANOR.] (a) A person who knowingly submits a report with false or fictitious information is guilty of a gross misdemeanor.

(b) A person who is convicted of violating subdivision 1 and has previously been convicted of a violation of subdivision 1 is guilty of a gross misdemeanor. The subsequent conviction must be for an offense that occurred after the earlier conviction.

Sec. 12. Minnesota Statutes 1988, section 260.151, subdivision 1, is amended to read:

Subdivision 1. Upon request of the court the county welfare board or probation officer shall investigate the personal and family history and environment of any minor coming within the jurisdiction of the court under section 260.111 and shall report its findings to the court. The court may order any minor coming within its jurisdiction to be examined by a duly qualified physician, psychiatrist, or psychologist appointed by the court. The court shall have a chemical use assessment conducted whenever a child is found to be delinquent for violating a provision of chapter 152. The assessor's qualifications and the assessment criteria shall comply with rules adopted by the commissioner of human services under section 254A.03, subdivision 3. If funds under chapter 254B are to be used to pay for the recommended treatment, the assessment and placement must comply with the rules adopted by the commissioner of human services under section 254A.03, subdivision 3, and under section 254B.03, subdivision 5. The commissioner of public safety shall reimburse the court for the cost of the chemical use assessment, up to a maximum of \$100. With the consent of the commissioner of corrections and agreement of the county to pay the costs thereof, the court may, by order, place a minor coming within its

jurisdiction in an institution maintained by the commissioner for the detention, diagnosis, custody and treatment of persons adjudicated to be delinquent, in order that the condition of the minor be given due consideration in the disposition of the case. Adoption investigations shall be conducted in accordance with the laws relating to adoptions. Any funds received under the provisions of this subdivision shall not cancel until the end of the fiscal year immediately following the fiscal year in which the funds were received. The funds are available for use by the commissioner of corrections during that period and are hereby appropriated annually to the commissioner of corrections as reimbursement of the costs of providing these services to the juvenile courts.

Sec. 13. [290.433] [DRUG ABUSE RESISTANCE EDUCATION CHECKOFF]

An individual who files an income tax return or property tax refund claim form and a corporation that files a franchise tax return may designate on the original return that \$1 or more be added to the tax or deducted from the refund that would otherwise be payable by or to that individual or corporation and paid into an account established for drug abuse resistance education program grants under section 299A.33. The commissioner of revenue shall notify filers on the income and franchise tax returns and the property tax refund claim forms of their right to designate that part of the tax or refund be paid into the account. The sum of the amounts so designated to be paid must be credited to the account for use by the commissioner of public safety to provide grants under section 299A.33 to train peace officers to teach a curriculum on drug abuse resistance in the schools. All interest earned on money accrued in the account must be credited to the account by the state treasurer.

Sec. 14. [299A.331] [DARE ADVISORY COUNCIL.]

Subdivision 1. [MEMBERSHIP] The advisory council on drug abuse resistance education consists of:

- (1) the attorney general who shall serve as chair;*
- (2) the commissioner of public safety;*
- (3) the commissioner of education;*
- (4) three representatives of law enforcement appointed by the commissioner of public safety;*
- (5) three representatives of teachers appointed by the commissioner of education;*
- (6) a representative of the DARE officers association, appointed by the peace officer standards and training board from among recommendations of the DARE officers association; and*
- (7) seven citizens appointed by the attorney general.*

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

- (1) advise the bureau of criminal apprehension in establishing a drug abuse resistance education training program for peace officers;*
- (2) promote the drug abuse resistance education program throughout the state;*
- (3) monitor the drug abuse resistance education officer training program*

in conjunction with the bureau of criminal apprehension;

(4) provide coordination and assistance to local communities who wish to implement drug abuse resistance education programs in their local school systems;

(5) encourage parental and community involvement in drug abuse resistance education programs;

(6) develop a private/public partnership to provide for continuation and funding for the drug abuse resistance education program; and

(7) receive funds from public and private sources for use in the drug abuse resistance education program.

Sec. 15. Minnesota Statutes 1988, section 609.135, is amended by adding a subdivision to read:

Subd. 8. [CONTROLLED SUBSTANCE CONVICTIONS.] (a) *A court may order periodic drug testing as a condition of probation if:*

(1) the court convicts a person for a felony violation of chapter 152, or the court convicts a person for a felony violation of chapter 609 and the court finds that the convicted person has a history of chemical dependency; and

(2) the court stays the imposition or execution of the sentence.

(b) The periodic drug testing must determine whether the offender has used a controlled substance or alcohol. The testing must be done at the direction of the probation officer assigned to the case, and must be unannounced.

(c) The probation officer shall report to the court if an offender refuses the test or if an offender's test detects the presence of a controlled substance or alcohol. On receiving notice of refusal or failure, the court may revoke the stay under section 609.14, subdivision 2. When the court receives notice of an offender's second test refusal or failure, the court shall either:

(1) revoke the offender's probation and impose and execute the sentence of imprisonment or local incarceration that the court previously stayed; or

(2) stay the imposition and execution of the prison sentence and impose local incarceration as a condition of the offender's probation.

Sec. 16. Minnesota Statutes 1989 Supplement, section 609.5314, subdivision 1, is amended to read:

Subdivision 1. [PROPERTY SUBJECT TO ADMINISTRATIVE FORFEITURE; PRESUMPTION.] (a) The following are presumed to be subject to administrative forfeiture under this section:

(1) all money, precious metals, and precious stones found in proximity to:

(i) controlled substances;

(ii) forfeitable drug manufacturing or distributing equipment or devices; or

(iii) forfeitable records of manufacture or distribution of controlled substances; and

(2) all conveyance devices containing controlled substances with a retail value of \$100 or more if possession or sale of the controlled substance would be a felony under chapter 152; *and*

(3) *all dangerous weapons found:*

(i) *in a conveyance device used or intended for use to commit or facilitate the commission of a felony offense involving a controlled substance;*

(ii) *on or near a person from whom a controlled substance is seized; or*

(iii) *on the premises where a controlled substance is seized and in proximity to the controlled substance, if possession or sale of the controlled substance would be a felony under chapter 152.*

(b) A claimant of the property bears the burden to rebut this presumption.

Sec. 17. Minnesota Statutes 1988, section 609.5314, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATIVE FORFEITURE PROCEDURE.] Forfeiture of property described in subdivision 1 is governed by this subdivision. When seizure occurs, or within a reasonable time after that, all persons known to have an ownership or possessory interest in seized property must be notified of the seizure and the intent to forfeit the property. In the case of a motor vehicle required to be registered under chapter 168, notice mailed by certified mail to the address shown in department of public safety records is deemed sufficient notice to the registered owner. Notice may otherwise be given in the manner provided by law for service of a summons in a civil action. The notice must be in writing and contain:

(1) a description of the property seized;

(2) the date of seizure;

(3) notice of the right to obtain judicial review of the forfeiture; and

(4) notice of the procedure for obtaining judicial review of the forfeiture.

Substantially the following language must appear conspicuously: "IF YOU DO NOT DEMAND JUDICIAL REVIEW EXACTLY AS PRESCRIBED IN MINNESOTA STATUTES, SECTION 609.5314, SUBDIVISION 3, YOU LOSE THE RIGHT TO A JUDICIAL DETERMINATION OF THIS FORFEITURE AND YOU LOSE ANY RIGHT YOU MAY HAVE TO THE ABOVE DESCRIBED PROPERTY. IF YOU NEED ASSISTANCE IN DEMANDING JUDICIAL REVIEW OF THIS FORFEITURE, AND CANNOT AFFORD YOUR OWN ATTORNEY, YOU MAY CONTACT THE OFFICE OF THE PUBLIC DEFENDER."

Sec. 18. Minnesota Statutes 1988, section 609.5314, subdivision 3, is amended to read:

Subd. 3. [JUDICIAL DETERMINATION.] (a) Within 60 days following service of a notice of seizure and forfeiture under this section, a claimant may file a demand for a judicial determination of the forfeiture. The demand must be in the form of a civil complaint and must be filed with the court administrator in the county in which the seizure occurred, together with proof of service of a copy of the complaint on the county attorney for that county; ~~and the standard filing fee for civil actions.~~ *A demand filed with the court administrator under this subdivision does not require a filing fee.* No responsive pleading is required of the county attorney and no court fees may be charged for the county attorney's appearance in the matter. The

proceedings are governed by the rules of civil procedure.

(b) The complaint must be captioned in the name of the claimant as plaintiff, the seized property as defendant, and must state with specificity the grounds on which the claimant alleges the property was improperly seized and stating the plaintiff's interest in the property seized. Notwithstanding any law to the contrary, an action for the return of property seized under this section may not be maintained by or on behalf of any person who has been served with a notice of seizure and forfeiture unless the person has complied with this subdivision.

(c) If the claimant makes a timely demand for judicial determination under this subdivision, the appropriate agency must conduct the forfeiture under section 609.531, subdivision 6a.

Sec. 19. Minnesota Statutes 1988, section 611.14, is amended to read:

611.14 [RIGHT TO REPRESENTATION BY PUBLIC DEFENDER.]

The following persons who are financially unable to obtain counsel, shall be entitled to be represented by a public defender:

(a) a person charged with a felony or gross misdemeanor, including a person charged pursuant to sections 629.01 to 629.29;

(b) a person appealing from a conviction of a felony or gross misdemeanor, or a person convicted of a felony or gross misdemeanor who is pursuing a postconviction proceeding, after the time for appeal from the judgment has expired;

(c) a person who is entitled to be represented by counsel pursuant to the provisions of section 609.14, subdivision 2;

(d) a minor who is entitled to be represented by counsel pursuant to the provisions of section 260.155, subdivision 2, if the judge of the juvenile court concerned has requested and received the approval of a majority of the district court judges of the judicial district to utilize the services of the public defender in such cases, and approval of the compensation on a monthly, hourly or per diem basis to be paid for such services pursuant to section 260.251, subdivision 2, clause (e); or

(e) a person, entitled by law to be represented by counsel, charged with an offense within the trial jurisdiction of a municipal, county, or probate court, if the trial judge or a majority of the trial judges of the court concerned have requested and received approval of a majority of the district court judges of the judicial district to utilize the services of the public defender in such cases and approval of the compensation on a monthly, hourly, or per diem basis to be paid for such services by the county or municipality within the court's jurisdiction; and

(f) a person filing a demand for judicial determination of a forfeiture under section 609.5314, subdivision 3.

Sec. 20. Minnesota Statutes 1988, section 611.32, is amended to read:

611.32 [PROCEEDINGS WHERE INTERPRETER APPOINTED.]

Subdivision 1. [PROCEEDINGS AND PRELIMINARY PROCEEDINGS INVOLVING POSSIBLE CRIMINAL SANCTIONS OR CONFINEMENT.] In any proceeding in which a person handicapped in communication may be subjected to confinement or, criminal sanction, or forfeiture of the person's property, and in any proceeding preliminary to that proceeding,

including coroner's inquest, grand jury proceedings, and proceedings relating to mental health commitments, the presiding judicial officer shall appoint a qualified interpreter to assist the person handicapped in communication and any witness handicapped in communication throughout the proceedings.

Subd. 2. [PROCEEDINGS AT TIME OF APPREHENSION OR ARREST.] Following the apprehension or arrest of a person handicapped in communication for an alleged violation of a criminal law, the arresting officer, sheriff or other law enforcement official shall immediately make necessary contacts to obtain a qualified interpreter and shall obtain an interpreter at the earliest possible time at the place of detention. A law enforcement officer shall, with the assistance of the interpreter, explain to the person handicapped in communication, all charges filed against the person, and all procedures relating to the person's detainment and release. *If the property of a person is seized under section 609.531, subdivision 4, the arresting officer, sheriff, or other law enforcement official shall make available to the person at the earliest possible time a qualified interpreter to assist the person in understanding the possible consequences of the seizure and the person's right to judicial review. For a person entitled to an interpreter under this section because of a seizure of property, the 60 days for filing a demand for a judicial determination of a forfeiture begins when the interpreter is provided.* The interpreter shall also assist the person with all other communications, including communications relating to needed medical attention. Prior to interrogating or taking the statement of the person handicapped in communication, the arresting officer, sheriff, or other law enforcement official shall make available to the person a qualified interpreter to assist the person throughout the interrogation or taking of a statement.

Sec. 21. Minnesota Statutes 1989 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or

care of disease or remedial care of the child in lieu of medical care; except that there is a duty to report if a lack of medical care may cause imminent and serious danger to the child's health. This section does not impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, or medical care, a duty to provide that care. "Neglect" includes prenatal exposure to a controlled substance, as defined in section ~~626.5561~~ 253B.02, subdivision 2, used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the mother at delivery or the child at birth, or medical effects or developmental delays during the child's first year of life that medically indicate prenatal exposure to a controlled substance. Neglect also means "medical neglect" as defined in section 260.015, subdivision 2a, clause (5).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

Sec. 22. Minnesota Statutes 1988, section 626.556, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] (a) The following persons are immune from any civil or criminal liability that otherwise might result from their actions, if they are acting in good faith:

(1) any person making a voluntary or mandated report under subdivision 3 or under section ~~626.5561~~ or assisting in an assessment under this section or under section ~~626.5561~~;

(2) any social worker or supervisor employed by a local welfare agency complying with subdivision 10d or the provisions of section ~~626.5561~~; and

(3) any public or private school, facility as defined in subdivision 2, or the employee of any public or private school or facility who permits access by a local welfare agency or local law enforcement agency and assists in an investigation or assessment pursuant to subdivision 10 or under section ~~626.5561~~.

(b) A person who is a supervisor or social worker employed by a local

welfare agency complying with subdivisions 10 and 11 or any related rule or provision of law is immune from any civil or criminal liability that might otherwise result from the person's actions, if the person is acting in good faith and exercising due care.

(c) This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.

Sec. 23. Minnesota Statutes 1989 Supplement, section 626.5561, subdivision 1, is amended to read:

Subdivision 1. [REPORTS REQUIRED.] A person mandated to report under section 626.556, subdivision 3, shall immediately report to the local welfare agency if the person knows or has reason to believe that a woman is pregnant and has used a controlled substance for a nonmedical purpose during the pregnancy. Any person may make a voluntary report if the person knows or has reason to believe that a woman is pregnant and has used a controlled substance for a nonmedical purpose during the pregnancy. *An oral report shall be made immediately by telephone or otherwise. An oral report made by a person required to report shall be followed within 72 hours, exclusive of weekends and holidays, by a report in writing to the local welfare agency. Any report shall be of sufficient content to identify the pregnant woman, the nature and extent of the use, if known, and the name and the address of the reporter.*

Sec. 24. Minnesota Statutes 1989 Supplement, section 626.5561, subdivision 3, is amended to read:

Subd. 3. [RELATED PROVISIONS.] Reports under this section are governed by section 626.556, subdivisions 4, 4a, 5, 6, 7, 8, and 11.

Sec. 25. Minnesota Statutes 1989 Supplement, section 626.5561, subdivision 4, is amended to read:

Subd. 4. [CONTROLLED SUBSTANCES.] For purposes of this section and section 626.5562, "controlled substance" means a controlled substance ~~classified in schedule I, II, or III under chapter 152 listed in section 253B.02, subdivision 2.~~

Sec. 26. Minnesota Statutes 1989 Supplement, section 626.5561, is amended by adding a subdivision to read:

Subd. 5. [IMMUNITY.] (a) *A person making a voluntary or mandated report under subdivision 1 or assisting in an assessment under subdivision 2 is immune from any civil or criminal liability that otherwise might result from the person's actions, if the person is acting in good faith.*

(b) *This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.*

Sec. 27. Minnesota Statutes 1989 Supplement, section 626.5562, subdivision 1, is amended to read:

Subdivision 1. [TEST; REPORT.] A physician shall administer a toxicology test to a pregnant woman under the physician's care, *or to a woman under the physician's care within eight hours after delivery*, to determine whether there is evidence that she has ingested a controlled substance, if the woman has obstetrical complications that are a medical indication of possible use of a controlled substance for a nonmedical purpose. If the test

results are positive, the physician shall report the results under section 626.5561. A negative test result does not eliminate the obligation to report under section 626.5561, if other evidence gives the physician reason to believe the patient has used a controlled substance for a nonmedical purpose.

Sec. 28. Minnesota Statutes 1989 Supplement, section 626.5562, subdivision 2, is amended to read:

Subd. 2. [NEWBORNS.] A physician shall administer to each newborn infant born under the physician's care a toxicology test to determine whether there is evidence of prenatal exposure to a controlled substance, if the physician has reason to believe based on a medical assessment of the mother or the infant that the mother used a controlled substance for a nonmedical purpose ~~prior to the birth during the pregnancy~~. If the test results are positive, the physician shall report the results as neglect under section 626.556. A negative test result does not eliminate the obligation to report under section 626.556 if other medical evidence of prenatal exposure to a controlled substance is present.

Sec. 29. Minnesota Statutes 1989 Supplement, section 626.5562, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] Any physician or other medical personnel administering a toxicology test to determine the presence of a controlled substance in a pregnant woman, *or in a woman within eight hours after delivery*, or in a child at birth or during the first month of life is immune from civil or criminal liability arising from administration of the test, if the physician ordering the test believes in good faith that the test is required under this section and the test is administered in accordance with an established protocol and reasonable medical practice.

Sec. 30. Minnesota Statutes 1988, section 631.40, is amended to read:

631.40 [JUDGMENT ON CONVICTION; JUDGMENT ROLL DEFINED
NOTICE TO LICENSING BOARDS.]

Subdivision 1. [JUDGMENT ROLL.] When judgment upon a conviction is rendered, the court administrator shall enter the judgment upon the minutes, stating briefly the offense for which the conviction was had. The court administrator shall then immediately attach together and file the papers specified in clauses (1) to (5). The judgment roll consists of the papers specified in clauses (1) to (5):

(1) a copy of the minutes of challenge made by the defendant to the panel of the grand jury, or to an individual grand juror, and the proceedings and decisions on the challenges;

(2) the indictment or complaint and a copy of the minutes of the plea or motion to dismiss or to grant appropriate relief;

(3) a copy of the minutes of a challenge made to the panel of the trial jury or to an individual juror, and the proceedings and decision on the challenge;

(4) a copy of the minutes of the trial; and

(5) a copy of the minutes of the judgment.

Subd. 2. [CONTROLLED SUBSTANCE CONVICTIONS.] *When a court convicts a person of a felony under chapter 152, the court shall order that the presentence investigation include information about any business or*

professional licenses held by the offender. If the offender holds a business or professional license, the court administrator shall send a certified copy of the conviction to the appropriate licensing board.

Sec. 31. [CHEMICAL DEPENDENCY TREATMENT IN LOCAL CORRECTIONAL FACILITIES; PILOT PROGRAMS.]

The commissioner of corrections shall develop pilot programs to provide chemical dependency treatment for adult and juvenile offenders in correctional facilities. The pilot programs shall:

- (1) increase the availability of chemical dependency treatment services for adult and juvenile offenders;*
- (2) provide for professional evaluation of the need for treatment and aftercare of individual offenders;*
- (3) coordinate with local chemical dependency resources; and*
- (4) facilitate the provision of aftercare services for chemically dependent persons after their release.*

Sec. 32. [DAY FINES.]

Subdivision 1. [MODEL SYSTEM.] By January 1, 1992, the sentencing guidelines commission shall develop a model day-fine system. Each judicial district must adopt either the model system or its own day-fine system by July 1, 1992.

Subd. 2. [COMPONENTS.] A day-fine system adopted under this section must provide for a two-step sentencing procedure for those receiving a fine as part of a probationary felony sentence. In the first step, the court determines how many punishment points a person will receive, taking into account the severity of the offense and the criminal history of the offender. The second step is to multiply the punishment points by a factor that accounts for the offender's financial circumstances. The goal of the system is to provide a fine that is proportional to the seriousness of the offense and largely equal in impact among offenders with different financial circumstances. The system may provide for community service in lieu of fines for offenders whose means are so limited that the payment of a fine would be unlikely.

Sec. 33. [INCARCERATION OF DRUG DEALERS.]

The legislature finds that persons convicted of a felony offense for selling controlled substances should be incarcerated in a jail or correctional facility. The legislature strongly advises that courts make full use of the sentences provided under state law and the sentencing guidelines for persons convicted of selling controlled substances.

Sec. 34. [SUPREME COURT STUDIES.]

Subdivision 1. [JOINDER STUDY.] The supreme court shall study the feasibility of amending rule 17.03 of the Minnesota Rules of Criminal Procedure to facilitate the joint trial of certain defendants being prosecuted for possession of a controlled substance where separate trials do not serve the interests of justice. The court shall consider whether the amendment of rule 17.03 would have an unfair impact on particular economic classes or ethnic groups or otherwise create unfair categories of defendants.

Subd. 2. [CASH BAIL STUDY.] The supreme court shall study the feasibility of amending the Minnesota Rules of Criminal Procedure to provide

a hearing when a defendant pays a large bail amount in cash to allow the court to determine whether the funds are the proceeds of the unlawful sale of controlled substances.

Sec. 35. [DRUG TESTING OF OFFENDERS; PILOT PROGRAMS.]

Subdivision 1. [CONDITION OF PROBATION.] The commissioner of corrections shall develop pilot programs to evaluate the value of mandating testing for drugs and alcohol as a condition of probation and supervised release. One pilot program must be in a metropolitan area jurisdiction and one must be in a nonmetropolitan area jurisdiction. The commissioner shall order an offender to undergo drug and alcohol testing during supervised release if the offender has a history of chemical dependency. The programs must require courts to order testing for drugs and alcohol as a condition of probation for all persons:

(1) convicted of a felony under Minnesota Statutes, chapter 152, a felony involving the abuse of alcohol, or a felony that the court finds is related to the abuse of alcohol or controlled substances; and

(2) for whom the court has stayed the imposition or execution of sentence.

Subd. 2. [DRUG AND ALCOHOL TESTING.] (a) The periodic drug and alcohol testing must determine whether the offender has used a controlled substance or alcohol. The testing must be done at the direction of the probation officer assigned to the case, and must be unannounced.

(b) The probation officer shall report to the court for offenders on probation and to the commissioner for offenders on supervised release, if an offender refuses the test or if an offender's test detects the presence of a controlled substance or alcohol. On receiving notice of refusal or failure, the court may revoke the stay under Minnesota Statutes, section 609.14, subdivision 2. When the court receives notice of an offender's second test refusal or failure, the court shall either:

(1) revoke the offender's probation and impose and execute the sentence of imprisonment or local incarceration that the court previously stayed; or

(2) stay the imposition and execution of the prison sentence and impose local incarceration as a condition of the offender's probation.

On receiving notice of a second test refusal or failure by an offender on supervised release, the commissioner shall reincarcerate the offender.

Sec. 36. [CHEMICAL DEPENDENCY ASSESSMENTS; PILOT PROGRAMS.]

The commissioner of corrections shall create pilot programs in two or more jurisdictions to conduct chemical dependency assessments of all persons convicted of felony violations of Minnesota Statutes, chapter 152, and persons convicted of selected Minnesota Statutes, chapter 609, felonies. The assessment shall evaluate the offender's need for chemical dependency treatment services and recommend a program to meet the offender's needs.

Sec. 37. [EFFECTIVE DATE.]

Sections 1 to 6, 11, 12, 30, and 33 are effective August 1, 1990, and apply to crimes committed on or after that date.

ARTICLE 2

INTENSIVE SUPERVISION

Section 1. Minnesota Statutes 1988, section 241.26, subdivision 2, is amended to read:

Subd. 2. [USE OF LOCAL DETENTION FACILITIES.] The commissioner of corrections shall designate state correctional institutions for participation in the program authorized in subdivision 1 and shall adapt facilities of such institutions to provide housing and supervision of inmates participating in such program. The commissioner of corrections may also enter into contractual agreements with appropriate city and county authorities for the confinement of and provision of other correctional services to such inmates whose employment, educational or vocational training programs so require, and such city and county authorities are hereby authorized to make and enter such contracts and agreements. When the commissioner determines that the circumstances of a participant in the program authorized by subdivision 1 do not require the security of a public detention facility, the commissioner may contract with public and private agencies for the custody and separate care of such participant or house the participant in a community correction center *or under house arrest and monitored by electronic surveillance in an approved residence.*

Sec. 2. Minnesota Statutes 1988, section 244.05, is amended by adding a subdivision to read:

Subd. 6. [INTENSIVE SUPERVISED RELEASE.] *The commissioner may order that an inmate be placed on intensive supervised release, as described in section 6, for all or part of the inmate's supervised release term. If the inmate violates the conditions of the intensive supervised release, the commissioner shall impose sanctions as provided in subdivision 3.*

Sec. 3. [244.12] [INTENSIVE SUPERVISION SENTENCE.]

When a court convicts a person for a felony offense for which the sentencing guidelines provide a presumptive imprisonment sentence without a dispositional departure, the court may stay execution of the imprisonment sentence and sentence the offender to the commissioner of corrections to serve a sentence of intensive supervision. The court may not sentence an offender to intensive supervision if the offender is being sentenced for a conviction under section 609.185, 609.19, 609.195, 609.342, or 609.343. The court may sentence an offender to intensive supervision even if the offender will be required to move to another part of the state to serve the sentence. The court may sentence a person under this section only if the offender admits to the commission of the offense for which the offender is being convicted and does not demand execution of the presumptive sentence. The court may not sentence an offender under this section if the offender's presence in the community would present a danger to public safety.

Sec. 4. [244.13] [INTENSIVE SUPERVISION; ESTABLISHMENT OF PROGRAMS.]

Subdivision 1. [ESTABLISHMENT.] The commissioner of corrections shall establish programs offering intensive community supervision for those sentenced to intensive supervision under section 3 and those designated by the commissioner to serve all or part of a supervised release term on

intensive supervised release. The commissioner shall locate the programs so that at least one-half of the money appropriated for the programs in each year is used for programs in community corrections act counties.

Subd. 2. [TRAINING.] The commissioner shall develop specialized training programs for probation officers assigned to the intensive supervision program.

Subd. 3. [EVALUATION.] The commissioner shall develop a system for gathering and analyzing information concerning the value and effectiveness of the intensive supervision programs, and shall compile a report to the chairs of the senate and house of representatives judiciary committees by January 15 of each odd-numbered year.

Sec. 5. [244.14] [INTENSIVE SUPERVISION; BASIC ELEMENTS.]

Subdivision 1. [REQUIREMENTS.] This section governs the intensive supervision programs established under section 4. The commissioner shall operate the programs in conformance with this section. The commissioner shall administer the programs to further the following goals:

- (1) to punish the offender;*
- (2) to protect the safety of the public;*
- (3) to facilitate employment of the offender during the intensive supervision sentence and afterward; and*
- (4) to require the payment of restitution ordered by the court to compensate the victims of the offender's crime and the payment of fines, court costs, and public defender costs.*

Subd. 2. [SANCTIONS.] The commissioner shall provide for immediate incarceration for the balance of the imprisonment sentence that was stayed by the sentencing court or for the balance of the term of supervised release, with credit for the time served on intensive supervision of an offender who:

- (1) fails to cooperate with the probation officer;*
- (2) violates the rules of the program;*
- (3) commits any gross misdemeanor or felony offense; or*
- (4) presents a risk to the public, based on the offender's behavior, attitude, or abuse of alcohol or controlled substances.*

Subd. 3. [ALL PHASES.] Throughout all phases of intensive supervision, the offender shall submit at any time to an unannounced search of the offender's person, vehicle, or premises by a probation officer. If the offender received a restitution order as part of the sentence, the offender shall make weekly payments as scheduled by the probation officer, until the full amount is paid.

Sec. 6. [244.15] [INTENSIVE SUPERVISION; PHASES I TO IV.]

Subdivision 1. [DURATION.] Phase I of an intensive supervision sentence is six months, or one-half the presumptive imprisonment sentence under the sentencing guidelines, whichever is less. Phase II lasts for at least four months. Phase III lasts for at least two months. Phase IV continues indefinitely until the commissioner determines that the level of supervision can be modified.

Subd. 2. [RANDOM DRUG TESTING.] (a) During phase I, the offender will be subjected to weekly urinalysis and breath alcohol tests to detect

the presence of controlled substances or alcohol. The tests will be random and unannounced.

(b) During phase II, the tests will be done twice monthly.

(c) During phases III and IV, the tests will be done at random at the frequency determined by the probation officer.

Subd. 3. [HOUSE ARREST.] (a) During phase I, the offender will be under house arrest in a residence approved by the offender's probation officer, and may not move to another residence without permission. "House arrest" means that the offender's movements will be severely restricted and continually monitored by the assigned probation officer.

(b) During phase II, modified house arrest is imposed.

(c) During phases III and IV, the offender is subjected to a daily curfew instead of house arrest.

Subd. 4. [FACE-TO-FACE CONTACTS.] (a) During phase I, the assigned probation officer shall have at least four face-to-face contacts with the offender each week.

(b) During phase II, two face-to-face contacts a week are required.

(c) During phase III, one face-to-face contact a week is required.

(d) During phase IV, two face-to-face contacts a month are required.

Subd. 5. [WORK REQUIRED.] During phases I, II, III, and IV, the offender must spend at least 40 hours a week performing approved work, undertaking constructive activity designed to obtain employment, or attending a treatment or education program as directed by the sentencing court. An offender may not serve more than six months of the intensive supervision sentence in a residential treatment program that does not require the offender to spend at least 40 hours a week performing approved work or undertaking constructive activity designed to obtain employment.

Subd. 6. [ELECTRONIC SURVEILLANCE.] During any phase, the offender may be placed on electronic surveillance if the probation officer so directs.

*Sec. 7. Minnesota Statutes 1988, section 609.10, is amended to read:
609.10 [SENTENCES AVAILABLE.]*

Upon conviction of a felony and compliance with the other provisions of this chapter the court, if it imposes sentence, may sentence the defendant to the extent authorized by law as follows:

(1) to life imprisonment; or

(2) to imprisonment for a fixed term of years set by the court; or

(3) to both imprisonment for a fixed term of years and payment of a fine; or

(4) to payment of a fine without imprisonment or to imprisonment for a fixed term of years if the fine is not paid; or

(5) to payment of court-ordered restitution in addition to either imprisonment or payment of a fine, or both; or

(6) in addition to a stayed imprisonment sentence, to an intensive supervision sentence as authorized by section 3, in addition to any combination

of the following:

- (i) incarceration for up to 12 months;
- (ii) payment of court-ordered restitution; and
- (iii) payment of a fine.

Sec. 8. Minnesota Statutes 1989 Supplement, section 609.115, subdivision 1, is amended to read:

Subdivision 1. [PRESENTENCE INVESTIGATION.] When a defendant has been convicted of a misdemeanor or gross misdemeanor, the court may, and when the defendant has been convicted of a felony, the court shall, before sentence is imposed, cause a presentence investigation and written report to be made to the court concerning the defendant's individual characteristics, circumstances, needs, potentialities, criminal record and social history, the circumstances of the offense and the harm caused by it to others and to the community. At the request of the prosecutor in a gross misdemeanor case, the court shall order that a presentence investigation and report be prepared. When the crime is a felony violation of chapter 152 involving the sale or distribution of a controlled substance, the report shall include a description of any adverse social or economic effects the offense has had on persons who reside in the neighborhood where the offense was committed.

The report shall also include the information relating to crime victims required under section 611A.037, subdivision 1. If the court directs, the report shall include an estimate of the prospects of the defendant's rehabilitation and recommendations as to the sentence which should be imposed. *The court may also direct that the report include a recommendation whether the offender should be sentenced to intensive supervision and a psychological evaluation of the offender's suitability for intensive supervision.* In misdemeanor cases the report may be oral.

When a defendant has been convicted of a felony, and before sentencing, the court shall cause a sentencing worksheet to be completed to facilitate the application of the Minnesota sentencing guidelines. The worksheet shall be submitted as part of the presentence investigation report.

The investigation shall be made by a probation officer of the court, if there is one, otherwise by the commissioner of corrections. The officer conducting the presentence or predispositional investigation shall make reasonable and good faith efforts to contact the victim of that crime and to provide that victim with the information required under section 611A.037, subdivision 2.

Pending the presentence investigation and report, the court with the consent of the commissioner may commit the defendant to the custody of the commissioner of corrections who shall return the defendant to the court when the court so orders.

Presentence investigations shall be conducted and summary hearings held upon reports and upon the sentence to be imposed upon the defendant in accordance with this section, section 244.10, and the rules of criminal procedure.

Sec. 9. Minnesota Statutes 1988, section 609.135, subdivision 1, is amended to read:

Subdivision 1. [TERMS AND CONDITIONS.] Except when a sentence

of life imprisonment is required by law, or when a mandatory minimum term of imprisonment is required by section 609.11, any court may stay imposition or execution of sentence and (a) may order noninstitutional sanctions without placing the defendant on probation, ~~or~~ (b) may place the defendant on probation with or without supervision and on the terms the court prescribes, including noninstitutional sanctions when practicable, *or (c) may place the defendant on intensive community supervision as provided under section 3.* The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in any case by some other suitable and consenting person. No noninstitutional sanction may be ordered performed at a location that fails to observe applicable requirements or standards of chapter 181A or 182, or any rule promulgated under them. For purposes of this subdivision, subdivision 6, and section 609.14, the term "noninstitutional sanctions" includes but is not limited to restitution, fines, community work service, and work in lieu of or to work off fines.

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

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 9 are effective August 1, 1990, and apply to crimes committed on or after that date.

ARTICLE 3

POSSESSION OF CONTROLLED SUBSTANCES

IN A VEHICLE

Section 1. Minnesota Statutes 1988, section 169.122, is amended to read:

169.122 [OPEN BOTTLE LAW; ~~PENALTY POSSESSION OF CONTROLLED SUBSTANCE AND MARIJUANA PROHIBITED; PENALTIES.~~]

Subdivision 1. [POSSESSION OF INTOXICATING LIQUOR PROHIBITED.] (a) No person shall drink or consume intoxicating liquors or non-intoxicating malt liquors in any motor vehicle when such vehicle is upon a public highway.

~~Subd. 2.~~ (b) No person shall have in possession on the person while in a private motor vehicle upon a public highway, any bottle or receptacle containing intoxicating liquor or nonintoxicating malt liquor which has been opened, or the seal broken, or the contents of which have been partially removed.

~~Subd. 3.~~ (c) It shall be unlawful for the owner of any private motor vehicle or the driver, if the owner be not then present in the motor vehicle, to keep or allow to be kept in a motor vehicle when such vehicle is upon the public highway any bottle or receptacle containing intoxicating liquors or nonintoxicating malt liquors which has been opened, or the seal broken, or the contents of which have been partially removed except when ~~such the~~ bottle or receptacle ~~shall be~~ is kept in the trunk of the motor vehicle when such vehicle is equipped with a trunk, or kept in some other ~~an~~ area of the vehicle not normally occupied by the driver or passengers, ~~if the motor vehicle is not equipped with a trunk. A utility compartment or glove compartment shall be deemed to be within the area occupied by the driver~~

and passengers.

~~Subd. 4. (d) Whoever violates the provisions of subdivisions 1 to 3 paragraphs (a) to (c) is guilty of a misdemeanor.~~

Subd. 2. [POSSESSION OF MARIJUANA IN A MOTOR VEHICLE PROHIBITED.] *A person is guilty of a misdemeanor if:*

(1) the person is the owner of a private motor vehicle, or is the driver of the motor vehicle if the owner is not present;

(2) the vehicle is on the public highway; and

(3) the person possesses on the person, or knowingly keeps or allows to be kept more than 1.4 grams of marijuana within the area of the vehicle normally occupied by the driver or passengers.

Subd. 3. [POSSESSION OF A CONTROLLED SUBSTANCE IN A MOTOR VEHICLE PROHIBITED.] *(a) A person is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, if:*

(1) the person is the owner of a private motor vehicle, or is the driver of the motor vehicle if the owner is not present;

(2) the vehicle is on the public highway; and

(3) the person unlawfully possesses on the person, or knowingly keeps or allows to be kept within the area of the vehicle normally occupied by the driver or passengers, any amount of a controlled substance classified in schedule I, II, III, or IV, except marijuana.

(b) A prosecution or conviction of the crime of unlawfully possessing a controlled substance in a motor vehicle as defined in paragraph (a) is not a bar to conviction of any other crime committed while unlawfully possessing the controlled substance in a motor vehicle.

Subd. 4. [AREA NORMALLY OCCUPIED.] *For purposes of this section, the area of the vehicle normally occupied by the driver and passengers includes a utility or glove compartment, but does not include the trunk of the vehicle if equipped with a trunk or another area of the vehicle not normally occupied by passengers if the vehicle is not equipped with a trunk.*

Sec. 2. Minnesota Statutes 1988, section 609.035, is amended to read:
609.035 [CRIME PUNISHABLE UNDER DIFFERENT PROVISIONS.]

Except as provided in sections 169.122, subdivisions 2 and 3, 609.251, 609.585, 609.21, subdivisions 3 and 4, 609.2691, and 609.856, if a person's conduct constitutes more than one offense under the laws of this state, the person may be punished for only one of the offenses and a conviction or acquittal of any one of them is a bar to prosecution for any other of them. All the offenses, if prosecuted, shall be included in one prosecution which shall be stated in separate counts.

Sec. 3. [REPEALER.]

Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3, is repealed.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1990, and apply to crimes committed on or after that date.

ARTICLE 4

APPROPRIATIONS

Section 1. [APPROPRIATION.]

(a) \$650,000 is appropriated from the general fund to the commissioner of corrections as a match to federal funds to create pilot programs to provide intensive probation and supervised release programs.

(b) \$34,000 is appropriated from the general fund to the commissioner of public safety as a match to federal funds for the drug abuse resistance education training center.

(c) \$225,000 is appropriated from the general fund to the commissioner of public safety as a match to federal funds to expand the community-based crime and drug prevention programs through the office of drug policy.

(d) \$500,000 is appropriated to the commissioner of corrections as a match to federal funds for the expansion of sentencing to service and work release correctional programs and the development of intermediate sentencing alternatives.

(e) \$500,000 is appropriated to the commissioner of corrections as a match to federal funds for the development of pilot chemical dependency programs in local correctional facilities for adults and juveniles.

(f) \$500,000 is appropriated to the commissioner of corrections for the expansion of chemical dependency treatment programs in state adult and juvenile correctional institutions.

(g) \$18,750 is appropriated to the commissioner of corrections as a match to federal funds for the development of pilot drug testing programs to be used as a condition of pretrial release and probation for all defendants and offenders, respectively, with drug related histories.

(h) \$31,250 is appropriated to the commissioner of corrections as a match to federal funds for the development of pilot programs in local jurisdictions for the purpose of conducting chemical dependency assessments for drug offenders and selected other felony offenders.

(i) \$200,000 is appropriated to the commissioner of corrections for the expansion of programs for victims of domestic assault and abuse due to drugs and alcohol.

(j) \$50,000 is appropriated to the commissioner of public safety for implementation of article 1, sections 7 to 11.

(k) \$350,000 is appropriated to the commissioner of public safety for contracting with providers for expanded drug prevention support services for high-risk target groups and communities.

(l) \$50,000 is appropriated from the general fund to the commissioner of public safety to be used to reimburse juvenile courts for chemical use assessments as provided in article 1, section 12."

Delete the title and insert:

"A bill for an act relating to controlled substances; allowing prosecution

in any county of controlled substance offenses involving sales of amounts aggregated over a 120-day period; providing that cocaine base is weighed as a mixture for purposes of first, second, and third degree controlled substance crimes; prohibiting the importing of controlled substances into the state; requiring the reporting of transactions involving substances that are precursors to controlled substances; providing for administrative forfeiture of dangerous weapons found in proximity to controlled substances; providing for representation by the public defender of persons filing for judicial review of a forfeiture; providing that period for filing for judicial review of a forfeiture begins when an interpreter is provided for persons handicapped in communication; defining controlled substances for purposes of reporting prenatal exposure to controlled substances; requiring adoption of day-fine system by each judicial district; providing for an intensive supervision program; creating pilot programs to require drug and alcohol testing as a condition of probation; creating pilot programs to provide chemical dependency treatment services in juvenile and adult jails and correctional facilities; creating pilot programs to require chemical dependency assessments for drug offenders; prohibiting possession of controlled substances in motor vehicles; appropriating money; amending Minnesota Statutes 1988, sections 169.122; 241.26, subdivision 2; 244.05, by adding a subdivision; 260.151, subdivision 1; 609.035; 609.10; 609.135, subdivision 1, and by adding a subdivision; 609.5314, subdivisions 2 and 3; 611.14; 611.32; 626.556, subdivision 4; 631.40; Minnesota Statutes 1989 Supplement, sections 152.021; 152.022; 152.023, subdivision 2; 152.028, subdivision 2, and by adding a subdivision; 609.115, subdivision 1; 609.5314, subdivision 1; 626.556, subdivision 2; 626.5561, subdivisions 1, 3, 4, and by adding a subdivision; and 626.5562, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapters 152; 244; 290; and 299A; repealing Minnesota Statutes 1989 Supplement, section 152.027, subdivision 3."

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

S.F. No. 2011: A bill for an act relating to health; clarifying variance authority regarding training standards for ambulance attendants; establishing a state emergency medical services advisory council; amending Minnesota Statutes 1989 Supplement, section 144.804, subdivision 1; and proposing coding for new law in Minnesota Statutes, chapter 144.

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

Page 2, line 10, delete "*There is*"

Page 2, line 11, delete "*established an*" and insert "*The*" and delete "*to*" and insert "*shall*"

Page 2, line 12, delete the first "*to*" and delete the second "*to*"

Page 2, lines 17 and 18, delete "*, but not be limited to,*"

Page 2, line 22, delete "*shall consist*" and insert "*consists*" and delete everything after the first "*members*"

Page 2, line 23, after "*health*" insert "*to three-year terms*" and delete

"shall consist of" and insert *"must include"*

Page 2, after line 33, insert:

"(b) The compensation and removal of members and the expiration of the council are governed by section 15.059."

Sec. 3. [INITIAL APPOINTMENTS]"

Page 2, line 34, delete *"(b)"*

Page 2, line 36, delete everything after the period

Page 3, line 1, delete everything before the first *"A"*

Page 3, line 2, delete *"shall"* and insert *"may"*

Page 3, delete lines 4 and 5

Page 3, line 8, delete *"Section 2 is"* and insert *"Sections 2 and 3 are"*

Renumber the sections in sequence

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

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

S.F. No. 2346: A bill for an act relating to the state building code; accessibility for the physically disabled; establishing an access review board; providing for review of applications for permission to provide accessibility by means of stairway chair lifts; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 471.

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

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

S.F. No. 2478: A bill for an act relating to human services; clarifying medical assistance payment rate procedures for hospitals; allowing case management for certain recipients of medical assistance; amending verification of pregnancy requirements for medical assistance eligibility; clarifying eligibility requirements for medical assistance and general assistance medical care; clarifying asset and income allowances for institutionalized spouses; clarifying services to be covered by medical assistance; establishing requirements for a relative's responsibility; expanding the homestead exclusion for medical assistance eligibility; establishing procedures for a vendor's request for a contested case proceeding; establishing requirements for claims against the estate of a recipient; clarifying procedures for enforcement of medical support; amending Minnesota Statutes 1988, sections 13.46, subdivision 5; 256B.04, subdivision 15; 256B.055, subdivisions 3, 5, and 6; 256B.056, subdivisions 2, 7, and by adding a subdivision; 256B.0625, subdivisions 4, 5, 9, and by adding subdivisions; 256B.15; 256B.19, by adding a subdivision; 256B.69, subdivision 3; 256D.03, subdivisions 3 and 7; 518.171, subdivisions 1, 3, 4, and 7; Minnesota Statutes 1989 Supplement, sections 256.969, subdivisions 2c and 6a; 256.9695, subdivisions 1 and 3; 256B.055, subdivision 7; 256B.056, subdivisions 3 and 4; 256B.057, subdivisions 1, 2, and by adding subdivisions; 256B.0575;

256B.059, subdivisions 4 and 5; 256B.0595, subdivisions 1, 2, and 4; 256B.14; 256B.69, subdivision 16; 256D.03, subdivision 4; Laws 1989, chapter 282, article 3, section 98, subdivisions 4 and 5; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1989 Supplement, section 256B.055, subdivision 8.

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

Page 26, line 10, after "*restorations*" insert "*that are cost-effective*" and delete "*with disabilities*"

Page 26, line 11, delete "*disability*" and insert "*medical condition*"

Page 28, delete line 36

Page 29, delete lines 1 to 5

Page 29, line 6, delete "4" and insert "3"

Page 29, line 12, delete "5" and insert "4"

Page 30, delete lines 28 to 35 and insert:

"Subd. 3. [MINOR, BLIND, OR DISABLED CHILDREN.] If a decedent who was single, or who was the surviving spouse of a married couple, is survived by a child who is under age 21 or blind or permanently and totally disabled according to the supplemental security income program criteria, no claim shall be filed against the estate."

Subd. 4. [OTHER SURVIVORS.] If the decedent who was single or the surviving spouse of a married couple is survived by one of the following persons, a claim exists against the estate in an amount not to exceed the value of the non-homestead property included in the estate:"

Page 30, line 36, delete "(c)" and insert "(a)"

Page 31, line 4, delete "(d)" and insert "(b)"

Page 31, line 36, delete "1988" and insert "1989 Supplement"

Page 38, after line 35, insert:

"Sec. 41. Minnesota Statutes 1989 Supplement, section 256D.425, subdivision 3, is amended to read:

Subd. 3. [TRANSFERS.] The transfer policies and procedures of the Minnesota supplemental aid program are those used by the medical general assistance medical care program under section ~~256B.17~~ 256D.03, subdivision 3, paragraph (e), except that a resource that is transferred while otherwise excluded under subdivision 2 is not an available resource for purposes of eligibility for Minnesota supplemental aid."

Page 41, after line 29, insert:

"Sec. 48. [RULES RELATING TO MENTAL HEALTH PRACTITIONERS.]

The commissioner of human services shall adopt or amend rules to allow a mental health practitioner with only a bachelor's degree to provide mental health services under clinical supervision when employed by a private, nonprofit agency specializing in mental health services to low income children under age 15. To be eligible, the mental health practitioner must have provided outpatient mental health services, with a primary emphasis

on family-oriented mental health services, to children under age 15 under clinical supervision for at least ten years after receiving a bachelor's degree."

Page 41, delete lines 35 and 36 and insert "*effective for all claims filed for deaths occurring on and after the date of enactment.*

Subd. 2. Section 23 is effective the day after final enactment."

Page 42, delete lines 1 to 14

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 25, delete "subdivisions 3 and" and insert "subdivision"

Page 1, line 33, delete "subdivision 4;" and insert "subdivisions 3 and 4; 256D.425, subdivision 3;"

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

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

S.F. No. 2375: A bill for an act relating to workers' compensation; providing for loggers; requiring the commissioner of labor and industry to study issues concerning loggers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 176.

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

Page 2, line 21, delete "*shall*" and insert "*must*"

Page 2, line 22, delete "*maintain a separate*"

Page 2, delete line 23

Page 2, line 24, delete "*this section and shall*"

Page 3, line 3, delete "25" and insert "40"

Page 3, line 7, delete "*shall*" and insert "*must*"

Page 3, line 8, delete "*shall*" and insert "*may*"

Page 3, line 10, after the period, insert "*All revenue collected from this assessment must be deposited in a separately maintained account in the special compensation fund for the payment of rebates under subdivision 6 and the loggers safety and education program under subdivision 11.*"

Page 3, line 31, after "*section*" insert a comma

Page 3, delete line 32

Page 3, line 33, delete "*this purpose*" and insert "*is appropriated to and*" and delete "*shall*" and insert "*must*"

Page 4, lines 28 and 33, delete "*shall*" and insert "*must*"

Pages 4 and 5, delete section 2

Page 5, line 25, delete "5" and insert "4"

Renumber the sections in sequence

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

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

S.F. No. 2018: A bill for an act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses for failure to file tax returns; authorizing a limited number of video pull-tab devices and establishing standards and requirements for them; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes; abolishing lawful gambling on July 1, 1993; amending Minnesota Statutes 1988, sections 349.12, subdivision 10, and by adding subdivisions; 349.16, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.212, subdivision 5; 349.2121, subdivisions 1 and 4a; 349.2123; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.55; 609.75, subdivision 4; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 12 and 15; 349.151, subdivision 4; 349.152, subdivision 2, and by adding subdivisions; 349.161, as amended; 349.162; 349.163, as amended; 349.164; 349.2121, subdivision 2; 349.2122; 349.213, subdivision 2; 609.75, subdivision 3; 609.761, subdivision 1; Minnesota Statutes Second 1989 Supplement, sections 349.12, subdivisions 11 and 19; and 349.212, subdivisions 1 and 4; Laws 1989, First Special Session chapter 1, article 13, section 27; proposing coding for new law in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1988, sections 349.11, as amended; 349.12, as amended; 349.13; 349.14; 349.15, as amended; 349.16, as amended; 349.161, as amended; 349.162, as amended; 349.163, as amended; 349.164, as amended; 349.17, as amended; 349.18, as amended; 349.19, as amended; 349.211; 349.212, as amended; 349.2121, as amended; 349.2122, as amended; 349.2123; 349.2124; 349.2125, as amended; 349.2127, as amended; 349.213, as amended; 349.214, subdivisions 1, 1a, 3, and 4; 349.22, as amended; 349.23; Minnesota Statutes 1989 Supplement, sections 349.151, subdivisions 1, 2, 4, 4a, and 5; 349.152; 349.153; 349.20; 349.21; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; 349.219; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2.

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

Page 3, after line 3, insert:

"Sec. 5. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 10b. [VIDEO PULL-TAB DEVICE MEMORY CHIP] "Video pull-tab device memory chip" means a read-only memory chip used or intended

for use in driving a video pull-tab device."

Page 4, line 25, delete "17" and insert "20"

Page 5, line 2, delete everything after "process" and insert a semicolon

Page 5, delete line 3

Page 5, line 11, delete "or"

Page 5, line 15, before the period, insert ";

(9) if approved by the board, construction, improvement, expansion, maintenance, and repair of athletic fields and ice rinks and their appurtenances, owned by the organization or a public agency, provided that the organization may not use gambling profits as collateral for a loan to finance the construction, improvement, expansion, maintenance, or repair; or

(10) an expenditure for payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, and the tax imposed by section 349.212, subdivision 4"

Page 6, after line 13, insert:

"Sec. 9. Minnesota Statutes 1988, section 349.12, subdivision 18, is amended to read:

Subd. 18. [DEAL.] "Deal" means each separate package, or series of packages, consisting of one game of pull-tabs or tipboards with the same serial number, *and also includes a video pull-tab device memory chip."*

Page 7, after line 10, insert:

"Sec. 15. Minnesota Statutes Second 1989 Supplement, section 349.15, is amended to read:

349.15 [USE OF GROSS PROFITS.]

(a) Gross profits from lawful gambling may be expended only for lawful purposes or allowable expenses as authorized at a regular meeting of the conducting organization. Provided that no more than ~~55~~ 60 percent of the gross profit less the tax imposed under section 349.212, subdivision 1, from bingo, and no more than 50 percent of the gross profit less the taxes imposed by section 349.212, subdivisions 1, 4, and 6, from other forms of lawful gambling, may be expended for allowable expenses related to lawful gambling.

(b) The board shall provide by rule for the administration of this section, including specifying allowable expenses. The rules must specify that no more than one-third of the annual premium on a policy of liability insurance procured by the organization may be taken as an allowable expense. This expense shall be allowed by the board only to the extent that it relates directly to the conduct of lawful gambling and is verified in the manner the board prescribes by rule. The rules may provide a maximum percentage of gross profits which may be expended for certain expenses.

(c) Allowable expenses also include reasonable costs of bank account service charges, and the reasonable costs of an audit required by the board, except an audit required under section 349.19, subdivision 9.

(d) Allowable expenses include reasonable legal fees and damages that relate to the conducting of lawful gambling, except for legal fees or damages

incurred in defending the organization against the board, attorney general, United States attorney, commissioner of revenue, or a county or city attorney."

Page 12, line 8, after the headnote, insert "(a)"

Page 12, line 10, delete "following"

Page 12, line 11, before "if" insert "in paragraphs (b) to (h)"

Page 12, line 14, delete "(a)" and insert "(b)"

Page 12, line 19, delete "(b)" and insert "(c)"

Page 12, line 21, delete "(c)" and insert "(d)"

Page 12, line 23, delete "(d)" and insert "(e)"

Page 12, line 30, delete "(e)" and insert "(f)"

Page 12, line 33, delete "(f)" and insert "(g)"

Page 12, line 36, delete "(g)" and insert "(h)"

Page 15, line 34, strike "past" and insert "last"

Page 17, line 33, after "[QUALIFICATIONS.]" insert "A license may not be issued under this section to a licensed distributor. In addition,"

Page 18, line 2, delete "past" and insert "last"

Page 18, line 13, delete "All prohibitions" and insert "A prohibition"

Page 18, line 15, delete "apply" and insert "applies"

Page 19, line 1, delete "On and" and delete "January 1, 1991" and insert "December 31, 1990"

Page 19, line 2, after "sell" insert ": (1)"

Page 19, line 3, delete the period and after the second quotation mark, insert "; or (2) a video pull-tab device memory chip that is not programmed to display on the screen at all times when the device is in operation the words "For Sale in Minnesota Only" and a serial number unique to the chip."

Page 19, after line 32, insert:

"The board may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer."

Page 22, line 5, delete "or"

Page 22, line 6, delete "on and" and delete "January 1, 1991" and insert "December 31, 1990"

Page 22, line 8, delete the period and after the second quotation mark, insert "; or

(4) after December 31, 1990, sell a paper pull-tab outside this state that is marked with the words "For Sale in Minnesota Only."

Page 22, line 26, delete "samples"

Page 22, line 27, after "board" insert "one or more samples"

Page 22, line 30, after the period, insert "Samples required under this subdivision must be approved by the board before the equipment being

sampled is sold in this state."

Page 23, line 19, after "position" insert "*a person*"

Page 23, line 20, strike "past" and insert "*last*"

Page 23, line 25, delete "*or*"

Page 23, line 26, after "(4)" insert "*has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; or (5)*"

Page 24, line 3, delete "*an*"

Page 25, line 18, delete "*Each*" and insert "*An*"

Page 25, line 32, after "*board*" insert "*in writing*"

Page 27, line 17, delete "*(c)*" and insert "*(b)*"

Page 27, line 18, delete "*(b)*" and insert "*(a)*"

Page 27, line 22, delete "*(d)*" and insert "*(c)*"

Page 27, line 24, delete "*(e)*" and insert "*(d)*"

Page 27, line 29, delete "*(f)*" and insert "*(e)*"

Page 27, lines 34 and 35, delete "*The provisions of*"

Page 29, line 34, delete "*that*" and delete "*person registering*" and insert "*registrant to*"

Page 29, line 35, delete "*must*"

Page 30, line 20, delete "*and*"

Page 30, line 22, after the period, insert "*The board may by rule allow other persons not active members of the organization to receive compensation.*"

Page 32, lines 15 and 16, strike "*shall be*" and insert "*is*"

Page 34, line 2, after the second "*number*" insert "*, the model number, and the name of the manufacturer*"

Page 34, line 4, delete "*such*" and delete "*as*"

Page 34, after line 13, insert:

"(d) The license must specify by name the persons whom the board has authorized to have access to the device, and the extent of the access. The board may not authorize a person to have access who is not: (1) an active member of the licensed organization applying for the license; or (2) a licensed distributor or an employee thereof. No person other than a licensed peace officer or an authorized employee of the board, the commissioner of revenue or the commissioner of public safety may obtain or attempt to obtain access to a device or to any of its parts or components unless the person is named on the license and authorized by the board to have access."

Page 34, line 24, delete "*to*" and insert "*for*" and delete "*it has*" and insert "*that has first been tested and certified, by a laboratory approved by the board, as being*"

Page 34, line 25, delete "*determined is*"

Page 35, line 4, delete "*must*" and insert "*shall*"

Page 35, line 13, after the period, insert *"The chip must be secured within the device by a strip of security tape of a type approved by the board, capable of evidencing the removal of the chip from its memory board."*

Page 35, line 33, after the period, insert *"If the information is displayed on the video screen it must be displayed at all times when the machine is operable but not being played."*

Page 36, line 7, delete the second *"and"*

Page 36, line 8, before the period, insert *"; and*

(7) other information the board by rule requires"

Page 36, delete lines 13 to 31 and insert:

"(e) A video pull-tab device must contain electronic accounting meters that are maintained at all times, including when the game is not being supplied with external power. The following information must be recorded and stored on a meter capable of maintaining totals of not less than eight digits:

- (1) total coins and bills inserted by players, and their value;*
- (2) total credits wagered;*
- (3) total credits won; and*
- (4) total credits paid out by printed ticket voucher.*

The following information must be recorded and stored on a meter capable of maintaining totals of not less than six digits:

- (1) the number of times access was obtained to the compartment containing the memory chip;*
- (2) the number of chances played on the memory chip; and*
- (3) the number of cumulative credits representing credits won and money inserted by a player but not redeemed or played off.*

The electronic accounting meters described in this paragraph may be cleared only by an employee of the board, or by an authorized person in the presence of an employee of the board. The organization to which the device was leased must make a written record of the readings before and after clearing. The record must include the reason why the meter was cleared. A separate record must be made for each meter cleared. If the record is kept by an authorized person, a copy must be provided to the board."

Page 36, line 32, delete *"(h)"* and insert *"(f)"*

Page 36, line 34, delete *"(i)"* and insert *"(g)"*

Page 37, line 2, delete *"(j)"* and insert *"(h)"*

Page 37, after line 15, insert:

"Subd. 6. [HARDWARE REQUIREMENTS.] (a) A video pull-tab device must have:

- (1) a surge protector for all power fed to the device;*
- (2) a power switch located in an accessible place inside the device that controls the electrical current that powers the device;*

(3) *a separate secure compartment for holding coins or currency, with a key or combination different from that used for unlocking any other part of the device; and*

(4) *a battery back-up or its equivalent that allows the electronic meters of the device to maintain accurate readings of the following information for not less than 180 days after power is discontinued to the device:*

(i) *current and total tallies for amounts wagered and paid out;*

(ii) *records of access to the logic board compartment;*

(iii) *records of access to the cash and coin compartments; and*

(iv) *other information the board by rule requires.*

(b) *A video pull-tab device must not have:*

(1) *a hardware switch capable of altering the payment tables or payout percentages of the device; or*

(2) *a mechanism or program that will cause the electronic accounting meters to clear automatically.*

(c) *A video pull-tab device and its components must not be capable of being adversely affected by static discharge, radio frequency interference, or other electromagnetic interference.*

(d) *Logic boards, memory chips, and other logic control components of a video pull-tab device must be located in a locked compartment that is separate from any other compartment. The key or combination of this compartment must be different from that used for unlocking any other part of the device.*

(e) *A video pull-tab device must not be capable of being activated by a credit card."*

Page 37, line 16, delete "6" and insert "7"

Page 37, line 18, delete ", which location must be" and insert "and"

Page 37, delete lines 19 and 20 and insert "*The board may not approve a location unless the sale of alcoholic beverages at on-sale is authorized at the location under chapter 340A. The board*"

Page 37, line 27, delete the second "any" and insert "a"

Page 37, line 35, delete "7" and insert "8"

Page 38, line 7, after the period, insert "*No person under age 18 may wager on or receive a prize from a video pull-tab device.*"

Page 38, line 8, delete "8" and insert "9"

Page 38, line 16, delete "9" and insert "10"

Page 38, line 21, delete "10" and insert "11"

Page 38, line 25, delete "*specification and board approval of all persons who*" and insert "*procedures and criteria for authorization of persons to*"

Page 38, line 27, delete "and"

Page 38, after line 27, insert:

"(3) methods for determining the randomness of prize distribution on a memory chip; and"

Page 38, line 28, delete "(3)" and insert "(4)"

Page 42, line 15, delete "13" and insert "20"

Page 43, lines 2 to 13, strike the old language and delete the new language

Page 43, after line 22, insert:

"Sec. 36. Minnesota Statutes 1988, section 349.211, is amended by adding a subdivision to read:

Subd. 5. [PULL-TAB AND TIPBOARD PAYOUT.] The total amount awarded in prizes on a pull-tab or tipboard deal must not exceed 77 percent of the ideal gross of the deal."

Page 43, line 25, strike "There is hereby imposed" and after "tax" insert "is imposed"

Page 44, after line 2, insert:

"Sec. 38. Minnesota Statutes Second 1989 Supplement, section 349.212, subdivision 2, is amended to read:

Subd. 2. [COLLECTION; DISPOSITION.] The taxes imposed by this section are due and payable to the commissioner of revenue at the time when the gambling tax return is required to be filed. Returns covering the taxes imposed under this section must be filed with the commissioner of revenue on or before the 20th day of the month following the close of the previous calendar month. The commissioner may require that the returns be filed via magnetic media or electronic data transfer. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and 349.211, 349.212, and 349.213, must be paid to the state treasurer for deposit in the general fund."

Page 44, line 5, strike everything after "(a)"

Page 44, line 6, after "tax" insert "is imposed"

Page 45, line 4, delete "manufacturer" and insert "distributor" and delete the second comma

Page 45, lines 6 and 7, delete "manufacturer's" and insert "distributor's"

Page 45, line 10, strike "349.214" and insert "28"

Page 45, line 24, strike "may" and insert "shall"

Page 45, lines 24 and 25, delete "with the prior approval of the board"

Page 45, lines 29 to 36, delete the new language and insert "Of the revenue from the tax, at least 66 percent must be used for lawful gambling enforcement and regulation, and the remainder may be used for other law enforcement purposes. The portion of the revenue used for law enforcement purposes must not reduce the amount of money the city or county would otherwise appropriate for law enforcement purposes."

Page 46, line 1, after "(b)" insert "The rate of" and strike "may not exceed" and insert "is"

Page 47, line 25, delete everything after "who" and insert "supplies to an organization a replacement video pull-tab device memory chip"

Page 47, line 26, delete everything before "after" and after "chip" insert "being replaced"

Page 47, line 27, delete "*must*" and insert "*shall*" and after the first "*the*" insert "*replaced*"

Page 48, line 2, delete "*with unplayed chances*" and insert "*without having been put into play*"

Page 48, line 31, after the period, insert "*The commissioner may require that the report be submitted via magnetic media or electronic data transfer.*"

Page 50, line 26, strike "*shall be had*" and insert "*are held*"

Page 50, line 27, strike "*shall have*" and insert "*has the*"

Page 50, strike line 34

Page 50, line 35, strike everything before "*issuing*" and insert "*If an*" and after "*authority*" insert "*, on receipt of information from a peace officer described in section 349.33,*"

Page 51, line 1, strike "*any such*" and insert "*a*" and strike "*then that*" and insert "*the*"

Page 56, line 16, delete "*shall*"

Page 56, line 22, delete "*statute*" and insert "*status*"

Page 56, line 32, after "*study*" insert "*and report*"

Page 57, line 8, after "*349.14*" insert "*, 349.19, subdivision 9,*"

Page 57, line 10, delete "*section*" and insert "*sections*" and after "*4a;*" insert "*349.20; and 349.21;*"

Page 57, delete lines 13 and 14

Page 57, line 15, delete "*(c)*" and insert "*(b)*"

Page 57, line 26, delete "*(d)*" and insert "*(c)*"

Page 57, line 29, delete everything after "*4,*" and insert "*8, 10, 14, 22, 23, 33, 37, 39, 41, 42, 43, and 60 are*"

Page 57, line 30, delete "*26*" and insert "*27, 29*"

Page 57, line 31, delete everything before "*are*" and insert "*30, and 56*"

Page 57, line 32, delete "*52, 54, 56, and 58*" and insert "*57, 59, and 63*" and delete "*(c)*" and insert "*(b)*"

Page 57, line 33, delete "*58*" and insert "*63*" and delete "*(d)*" and insert "*(c)*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 18 to 20, delete "*expanding allowable uses for revenue from local gambling taxes and requiring board approval of these taxes*" and insert "*requiring local gambling taxes and prescribing uses for revenue therefrom*"

Page 1, line 22, delete "*subdivision 10,*" and insert "*subdivisions 10, 18,*"

Page 1, line 24, after "*amended;*" insert "*349.211, by adding a subdivision;*"

Page 1, line 37, delete the second "and" and insert "349.15;"

Page 1, line 38, after "1" insert ", 2,"

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. 2230: A bill for an act relating to game and fish; private shooting preserves; license requirement; pheasant release; license fee; amending Minnesota Statutes 1988, section 97A.121, subdivisions 1 and 4a; Minnesota Statutes 1989 Supplement, section 97A.475, subdivision 18.

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 1988, section 97A.115, is amended to read:

97A.115 [ESTABLISHMENT OF ~~PRIVATE~~ SHOOTING PRESERVES.]

Subdivision 1. [LICENSES; RULES.] A person ~~must be licensed to~~ *may not operate a private shooting preserve without a license.* The commissioner may issue a license for a ~~privately owned and operated~~ *commercial shooting preserve preserves and private shooting preserves* if the commissioner determines that it is in the public interest and *that there will not be an adverse effect on wild game bird populations. Private shooting preserves may only be located outside of the pheasant range as determined by the commissioner.* The commissioner may ~~make adopt~~ rules to implement this section and section 97A.121.

Subd. 2. [GAME AVAILABLE.] Game that may be released and hunted in a licensed shooting preserve must be specified in the license and is limited to *adult pheasant, quail, and chukar partridge for private shooting preserves and adult pheasant, quail, chukar partridge, turkey, mallard duck, black duck, and other species designated by the commissioner for commercial shooting preserves.* These game birds must be pen hatched and raised.

Subd. 3. [SIZE OF PRESERVE.] A ~~private~~ shooting preserve must be *at least 40 but not more than 160 contiguous acres for private shooting preserves and at least 100 but not more than 1,000 contiguous acres, including any water area, for commercial shooting preserves. A preserve limited to duck hunting may be a minimum of 50 contiguous acres including water area.*

Subd. 4. [POSTING OF BOUNDARIES.] The boundaries of a ~~private~~ shooting preserve must be clearly posted in a manner prescribed by the commissioner.

Subd. 5. [REVOCATION OF LICENSE.] The commissioner may revoke a ~~private~~ shooting preserve license if the licensee or persons authorized to hunt in the preserve have been convicted of a violation under this section or section 97A.121. After revocation, a new license may be issued in the discretion of the commissioner.

Sec. 2. Minnesota Statutes 1988, section 97A.121, is amended to read:

97A.121 [HUNTING IN PRIVATE SHOOTING PRESERVES.]

Subdivision 1. [HUNTER'S LICENSE.] (a) A person hunting released birds in a private shooting preserve must have the licenses required by law for the hunting of game birds pheasants. ~~A nonresident may obtain a special private shooting preserve license that is valid for the entire preserve season for the same fee as a resident small game hunting license.~~

(b) *A license is not required to hunt authorized game birds on a commercial shooting preserve.*

Subd. 2. [SEASON.] (a) The open season for hunting in ~~private commercial~~ shooting preserves is ~~from July 15 through April 15 continuous~~. Sanctioned registered field trials in ~~private commercial~~ shooting preserves may be held from April 16 to July 14 after notification to the commissioner.

(b) *The open season for hunting in a private shooting preserve is September 15 until December 31.*

(c) The commissioner may restrict the open season after receiving a complaint, holding a public hearing, and finding that the population of wild game birds is in danger by hunting in the preserve.

Subd. 3. [OPERATOR MAY ESTABLISH RESTRICTIONS.] A private shooting preserve licensee may determine who is allowed to hunt in the preserve. In each preserve the licensee may establish the charge for taking game, the shooting hours, the season, limitations, and restrictions on the age, sex, and number of each species that may be taken by a hunter. These provisions may not conflict with this section or section 97A.115 and may not be less restrictive than any rule or order.

Subd. 4. [LIMITS AND MARKING OF GAME BIRDS.] *Except as provided in subdivision 4a, the commissioner shall prescribe the minimum number of each authorized species that may be released and the percentage of each species that may be taken. The commissioner shall prescribe methods for identifying birds to be released.*

Subd. 4a. [PHEASANTS.] (a) A private shooting preserve licensed to release pheasants ~~must~~ may release ~~at least 500 no more than 300 adult~~ pheasants on the licensed shooting preserve area during the private shooting preserve hunting season. ~~At least 20 pheasants must be released within 14 days before a day that pheasants are hunted.~~ The number of pheasants harvested may not exceed 95 percent of the number of pheasants released ~~during the private shooting preserve hunting season.~~

(b) *A commercial shooting preserve must release at least 1,000 adult pheasants.*

Subd. 5. [MARKING HARVESTED GAME.] Harvested game, except ducks that are marked in accordance with regulations of the United States Fish and Wildlife Service, must be ~~tagged with a self-sealing tag, identifying marked or identified by the private shooting preserve in a manner prescribed by the commissioner.~~ The commissioner ~~shall~~ may issue the tags or other markings at a cost of 15 cents each. The ~~tag~~ marking must remain attached on the bird while the bird is transported.

Subd. 6. [RECORD KEEPING.] A private shooting preserve licensee must maintain a registration book listing the names, addresses, and hunting license numbers, *if applicable*, of all hunters, the date when they hunted, the amount and species of game taken, and the tag numbers *or other*

markings affixed to each bird. A ~~record~~ shooting preserve must ~~be kept~~ keep records of the number of each species raised and purchased and the date and number of each species released. The records must be open to inspection by the commissioner at all reasonable times.

Sec. 3. Minnesota Statutes 1989 Supplement, section 97A.475, subdivision 18, is amended to read:

Subd. 18. [SHOOTING PRESERVES.] The fee for a shooting preserve license is ~~\$82.50~~:

(1) for a private shooting preserve, \$100; and

(2) for a commercial shooting preserve, \$500."

Amend the title as follows:

Page 1, line 4, delete "section 97A.121," and insert "sections 97A.115; and 97A.121;"

Page 1, line 5, delete "subdivisions 1 and 4a;"

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. 1831: A bill for an act relating to human services; requiring duplication, contradiction, and archaic language in laws, rules, and regulations governing human services to be reduced or eliminated; requiring one state agency to administer each service; requiring technical assistance, fiscal responsibility, and interpretative guidelines for all regulatory standards; and establishing a legislative commission on regulatory reduction; proposing coding for new law in Minnesota Statutes, chapter 245A.

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

Delete everything after the enacting clause and insert:

"Section 1. [245A.17] [REFORM OF RULES AND REGULATIONS AFFECTING SERVICES TO PERSONS WITH MENTAL RETARDATION AND RELATED CONDITIONS.]

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

(a) "Commissioners" means the commissioners of human services and health.

(b) "Services" means all services provided to persons with mental retardation or related conditions that are licensed, certified, or regulated by the department of human services or health.

(c) "Rules and regulations" means all laws, interpretative bulletins, or program standards established or administered by the department of human services or health affecting services to persons with mental retardation and related conditions.

(d) "Affected parties" means all consumers of services, providers of services, advocacy groups, and licensing staff.

Subd. 2. [POLICY.] The Minnesota legislature intends to ensure that rules and regulations (1) assure quality of care and services, (2) conform with federal and state codes, (3) are cost effective, and (4) are concise, clear, and noncontradictory.

Subd. 3. [OBJECTIVES.] The commissioners shall submit by February 1, 1991, a plan for simplification of rules and regulations governing services to persons with developmental disabilities and related conditions. This plan shall be developed in consultation with affected parties."

Delete the title and insert:

"A bill for an act relating to health and human services; stating policy and requiring a plan relating to rules and regulations affecting services to persons with mental retardation and related conditions; proposing coding for new law in Minnesota Statutes, chapter 245A."

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. 2417: A bill for an act relating to human services; long-term care; establishing methods to determine recommended rates for day training and habilitation services; allowing a waiver for personal care services; clarifying definitions of certain facilities; establishing requirements for home care services; exempting certain persons from preadmission nursing home screening; clarifying allocations for alternative care grants; establishing limits on the investment per bed for newly constructed or established long-term care facilities; clarifying eligibility requirements for continued services; amending Minnesota Statutes 1988, sections 256B.04, subdivision 16; 256B.055, subdivision 12; 256B.091, subdivisions 4 and 6; 256B.48, subdivision 2; 256B.49, by adding a subdivision; 256B.50, subdivisions 1 and 1b; and 256B.501, by adding a subdivision; Minnesota Statutes 1989 Supplement, sections 252.46, subdivision 4; 256B.091, subdivision 8; and 256B.495, subdivision 1; Laws 1988, chapter 689, article 2, section 256, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Page 4, delete lines 8 to 11 and insert:

"(e) For purposes of this subdivision, a person "requires a level of care provided in a hospital, skilled nursing facility, intermediate care facility, or intermediate care facility for persons with mental retardation or related conditions" if the person requires 24-hour supervision because the person"

Page 9, line 34, after "home" insert "for the fiscal year ending June 30, 1991,"

Page 9, line 36, strike "by the commissioner"

Page 10, line 4, after the period, insert "The rate allowed for a screening is the actual cost of the screening up to a maximum rate of \$218, for a screening where two team members are present, and \$131, for a screening where only one team member is present. The commissioner shall establish by rulemaking an annual adjustment of the maximum screening rate."

Page 10, line 12, strike "For all"

Page 10, strike lines 13 to 16

Page 10, line 17, strike "screening" and insert "*If in more than ten percent of the total number of screenings performed by a county in a fiscal year for all individuals regardless of payment source the screening time-lines were not met because a county was late in screening the individual, the county is solely responsible for paying the cost of those delayed screenings that exceed ten percent*"

Page 12, line 1, delete "June" and insert "April"

Page 12, line 2, delete "15" and insert "1"

Page 12, delete lines 3 to 6 and insert:

"(2) The commissioner shall allocate the remainder of the state funds available for alternative care grants to each county according to an allocation ratio determined by (1) identifying for each county the total dollar amount of payments plus the dollar amount of claims submitted for calendar year 1989 or the fiscal year ending June 30, 1989, whichever is greater; and (2) totaling the dollar amounts determined for each county under clause (1). The allocation ratio for a county is the proportion of the dollar amount for that county determined under clause (1) to the total dollar amount determined under clause (2). To be counted in the allocation process, claims must be submitted by June 1, 1990."

Page 12, line 7, delete "year 1989."

Page 12, line 34, delete "*for special target populations,*" and insert "*by methodologies that target funds for programs designed to reduce premature nursing home placements and promote cost-effective alternatives to increasing nursing home beds and nursing home utilization.*"

Page 12, delete line 35

Page 13, line 2, after "county" insert "and senior"

Page 13, line 3, after "for" insert "allocating funds which may include"

Page 13, line 26, after "county" insert "and senior"

Page 17, after line 10, insert:

"Sec. 8. Minnesota Statutes 1988, section 256B.48, is amended by adding a subdivision to read:

Subd. 1c. [CASE MIX RATE FOR PROVIDER WITH ADDENDUM TO PROVIDER AGREEMENT.] A nursing home with an addendum to its provider agreement effective beginning September 24, 1985, shall have a case mix rate established by the commissioner under Minnesota Rules, part 9549.0056. To save medical assistance resources, for rate years beginning after July 1, 1990, the provider's case mix rate shall be the case mix rate established by the commissioner July 1, 1990, multiplied by an inflation factor based on the care related index applied by the commissioner under Minnesota Rules, part 9549.0055.

The provider and the department of health shall complete case mix assessments under Minnesota Rules, chapter 4656, and parts 9549.0058 and 9549.0059, on only those residents receiving medical assistance. The commissioner of health may audit and verify the limited provider assessments at any time."

Page 21, line 6, after "*of*" insert "*establishing payment rates under*"

Page 21, line 21, after "252.292" insert ", *in which case clause (3) does not apply*"

Page 22, line 27, delete "*as in subdivision 12*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 16, after "2" insert ", and by adding a subdivision"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1869, 1551, 1703, 1768, 2140, 2114, 2063, 1753, 1726, 1739, 2430, 2179, 2383, 2119, 2366, 2373, 1946, 1999, 2024, 1772, 2381, 1162, 2267, 2424, 2224, 2286, 2216, 2302, 2488, 2229, 2489, 2290, 2075, 1854, 1934, 1150, 2061, 1890, 2213, 2455, 1968, 1669, 2354, 2136, 2159, 1926, 1976, 1958, 1975, 1844, 1966, 1419, 1704, 1400, 1827, 2441, 1822, 2412, 2115, 2299, 2207, 1889, 1940, 2051, 1681, 2370, 2011, 2230 and 1831 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 1859 and 1919 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Luther moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1284. The motion prevailed.

Mr. Luther moved that the name of Ms. Peterson, D.C. be stricken as a co-author, and the name of Ms. Flynn be added as a co-author to S.F. No. 1492. The motion prevailed.

Mr. Luther moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1493. The motion prevailed.

Mr. Moe, D.M. moved that the name of Mr. Brandl be added as a co-author to S.F. No. 1823. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Flynn be added as a co-author to S.F. No. 1845. The motion prevailed.

Mr. Bertram moved that the name of Mr. Morse be added as a co-author to S.F. No. 1886. The motion prevailed.

Mr. Morse moved that the name of Mr. Knaak be added as a co-author to S.F. No. 2195. The motion prevailed.

Mr. Berg moved that the name of Mr. Ramstad be added as a co-author to S.F. No. 2230. The motion prevailed.

Mr. Morse moved that the names of Messrs. Purfeerst, Lessard and Frederick be added as co-authors to S.F. No. 2426. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Piepho be added as a co-author to S.F. No. 2446. The motion prevailed.

Mr. Marty moved that the name of Mr. Frederickson, D.R. be added as a co-author to S.F. No. 2454. The motion prevailed.

Mr. Dicklich moved that the name of Ms. Piper be added as a co-author to S.F. No. 2488. The motion prevailed.

Mr. Morse moved that the name of Mr. Davis be added as a co-author to S.F. No. 2516. The motion prevailed.

Mr. Ramstad, Mrs. McQuaid and Ms. Olson introduced—

Senate Resolution No. 159: A Senate resolution congratulating the Hopkins High School Royals Girls Gymnastics Team for winning the State Class AA Gymnastics title.

Referred to the Committee on Rules and Administration.

Mr. Lessard moved that the name of Mr. Moe, R.D. be added as a co-author to S.F. No. 2306. The motion prevailed.

Mr. Marty moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 2454. The motion prevailed.

Mr. Novak moved that S.F. No. 2321 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Finance. The motion prevailed.

CALENDAR

S.F. No. 1794: A bill for an act relating to veterans; redefining the term "veteran"; amending Minnesota Statutes 1988, section 197.447.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1789: A bill for an act relating to health; requiring licensed health care practitioners who dispense certain legend drugs for profit to file with the practitioner's licensing board; amending Minnesota Statutes 1988, section 151.37, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mrs. Pariseau voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1680: A bill for an act relating to cooperatives; providing absentee ballots are secret ballots; amending Minnesota Statutes 1989 Supplement, section 308A.635, subdivision 6.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1717: A bill for an act relating to education; establishing a task force to coordinate educational opportunity on the border between Minnesota and South Dakota.

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

So the bill passed and its title was agreed to.

S.F. No. 1820: A bill for an act relating to counties; permitting a county board to assign certain duties; proposing coding for new law in Minnesota Statutes, chapter 373.

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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1691: A bill for an act relating to children; establishing procedures for the placement and removal of children in foster homes; proposing coding for new law in Minnesota Statutes, chapter 257.

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 63 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Samuelson voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2130: A bill for an act relating to insurance; regulating the practices and record keeping of, and disclosures by, public adjusters; amending Minnesota Statutes 1988, section 72B.135, by adding subdivisions.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

CONSENT CALENDAR

S.F. No. 2353: A bill for an act relating to vocational rehabilitation; providing for supported employment programs; amending Minnesota Statutes 1988, section 129A.01, subdivisions 11, 12, and by adding a subdivision.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

After some time spent therein, the committee arose, and Mr. Diessner

reported that the committee had considered the following:

S.F. No. 488, which the committee recommends to pass, subject to the following motions:

Mr. Lessard moved to amend S.F. No. 488 as follows:

Page 2, line 8, after the period, insert "*A political subdivision may levy the amount of money needed to implement this section notwithstanding the levy limitation in sections 275.50 to 275.56.*"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 30 and nays 35, as follows:

Those who voted in the affirmative were:

Adkins	Bernhagen	Frederickson, D.J.	Lessard	Renneke
Anderson	Bertram	Gustafson	McGowan	Samuelson
Beckman	Chmielewski	Knutson	Mehrrens	Schmitz
Belanger	Dahl	Laidig	Merriam	Storm
Benson	Decker	Langseth	Piepho	Stumpf
Berg	Frederick	Larson	Purfeerst	Vickerman

Those who voted in the negative were:

Berglin	Flynn	Knaak	Moe, D.M.	Piper
Brataas	Frank	Kroening	Moe, R.D.	Pogemiller
Cohen	Frederickson, D.R.	Lantry	Morse	Ramstad
Davis	Freeman	Luther	Novak	Reichgott
DeCramer	Hughes	Marty	Olson	Solon
Dicklich	Johnson, D.E.	McQuaid	Pariseau	Spear
Diessner	Johnson, D.J.	Metzen	Pehler	Waldorf

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

Mr. Knaak moved to amend S.F. No. 488 as follows:

Page 2, line 32, delete "*a political subdivision*" and insert "*the parties*"

The motion prevailed. So the amendment was adopted.

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

Without objection, the Senate reverted to the Order of Business of Motions and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Merriam moved that his name be stricken as chief author, shown as a co-author, and the name of Mr. Morse be added as chief author to S.F. No. 1826. The motion prevailed.

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Beckman introduced —

S.F. No. 2531: A bill for an act relating to veterans; authorizing the veterans homes board to rent certain facilities; appropriating money; amending Minnesota Statutes 1989 Supplement, section 198.003.

Referred to the Committee on Veterans and Military Affairs.

Mr. Beckman introduced—

S.F. No. 2532: A bill for an act relating to education; permitting most ECSUs to form a representative assembly; amending Minnesota Statutes 1988, section 123.58, subdivision 5.

Referred to the Committee on Education.

Mr. Beckman introduced—

S.F. No. 2533: A bill for an act relating to education; clarifying education district levy limits; amending Minnesota Statutes 1989 Supplement, section 124.2721, subdivision 3.

Referred to the Committee on Education.

Mr. DeCramer introduced—

S.F. No. 2534: A bill for an act relating to education; clarifying responsibilities and authority of the higher education coordinating board; amending Minnesota Statutes 1989 Supplement, sections 136A.04 and 136A.08; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Mr. Bernhagen introduced—

S.F. No. 2535: A bill for an act relating to public safety; directing commissioner of public safety to conduct study on safety effectiveness of strobe lights on school buses and requiring a report.

Referred to the Committee on Transportation.

Messrs. Brandl, Pehler, Benson, Luther and Ms. Berglin introduced—

S.F. No. 2536: A bill for an act relating to insurance; accident and health; providing for the classification and disclosure of certain comprehensive health insurance data; regulating the Minnesota comprehensive health insurance plan; amending Minnesota Statutes 1988, sections 13.71, by adding a subdivision; 62E.10, subdivision 9; and 62E.14, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Frank introduced—

S.F. No. 2537: A bill for an act relating to animals; providing for a 24-hour animal cruelty hotline; proposing coding for new law in Minnesota Statutes, chapter 343.

Referred to the Committee on General Legislation and Public Gaming.

Mr. Berg introduced—

S.F. No. 2538: A bill for an act relating to hunting; amending Minnesota Statutes 1988, section 97B.501.

Referred to the Committee on Environment and Natural Resources.

Messrs. Frank, Beckman and Pogemiller introduced—

S.F. No. 2539: A bill for an act relating to economic development; the creation of a joint subcommittee of the legislature to examine economic development activities in the state.

Referred to the Committee on Economic Development and Housing.

Messrs. Johnson, D.J.; Brandl; Stumpf; Pogemiller and Novak introduced—

S.F. No. 2540: A bill for an act relating to taxation; updating references to the Internal Revenue Code; amending Minnesota Statutes 1989 Supplement, section 290.01, subdivision 19.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frederickson, D.R.; Laidig; Berg; Schmitz and Stumpf introduced—

S.F. No. 2541: A bill for an act relating to real property; providing for filing and recording of maps or plats for proposed rights-of-way by local governing bodies; proposing coding for new law in Minnesota Statutes, chapter 505.

Referred to the Committee on Local and Urban Government.

Messrs. Belanger, Ramstad, Decker, Mehrkens and Knaak introduced—

S.F. No. 2542: A bill for an act relating to education; increasing parental involvement; expanding eligibility for early childhood family education programs; encouraging the use of elementary school counselors; creating a new state aid; increasing the formula allowance; creating a parental involvement day; requiring a day off from work; requiring the board of teaching to adopt rules; creating tax credits; appropriating money; amending Minnesota Statutes 1988, sections 124.2711, subdivision 2; 124A.29, subdivision 1; 181.940, subdivision 3, and by adding subdivisions; and 290.06, by adding subdivisions; Minnesota Statutes 1989 Supplement, sections 121.882, subdivision 2; 124.2711, subdivision 1; and 124A.22, subdivision 2; Laws 1989, chapter 329, article 1, section 17, subdivision 2, as amended; and article 4, section 19, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 123; 124A; and 181.

Referred to the Committee on Education.

Ms. Reichgott introduced—

S.F. No. 2543: A bill for an act relating to occupations and professions; extending the application deadline for experienced social workers to obtain a social work license without examination; amending Minnesota Statutes 1989 Supplement, section 148B.23, subdivision 1.

Referred to the Committee on Health and Human Services.

Mr. Waldorf introduced—

S.F. No. 2544: A bill for an act relating to retirement; St. Paul police pension benefits; amending Laws 1955, chapter 151, section 9, subdivisions 5 and 6, as amended.

Referred to the Committee on Governmental Operations.

Mr. Stumpf introduced—

S.F. No. 2545: A bill for an act relating to human services; requiring that equalization aid be established and allocated to counties; appropriating money; proposing coding for new laws in Minnesota Statutes, chapter 245.

Referred to the Committee on Health and Human Services.

Mr. Pogemiller introduced—

S.F. No. 2546: A bill for an act relating to retirement; Minneapolis police and firefighters; health and medical benefits; continuance of surviving spouse benefits; amending Laws 1949, chapter 406, section 4, subdivisions 2 and 3, as amended; and section 6, subdivision 1, as amended; and Laws 1965, chapter 519, section 1, as amended.

Referred to the Committee on Governmental Operations.

Mr. Luther introduced—

S.F. No. 2547: A bill for an act relating to insurance; regulating cease and desist orders and communications with the department of commerce; amending Minnesota Statutes 1988, sections 45.027, subdivision 5; and 60A.17, by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Luther introduced—

S.F. No. 2548: A bill for an act relating to commerce; increasing the amount of the department's general civil penalty; amending Minnesota Statutes 1988, section 45.027, subdivision 6.

Referred to the Committee on Commerce.

Ms. Flynn introduced—

S.F. No. 2549: A bill for an act relating to insurance; regulating domestic insurers; providing for domestications and conversions to foreign insurers; proposing coding for new law in Minnesota Statutes, chapter 60A.

Referred to the Committee on Commerce.

Mr. Moe, R.D. introduced—

S.F. No. 2550: A bill for an act relating to public improvements; authorizing the sale of state bonds; appropriating money for an agriculture department facility.

Referred to the Committee on Agriculture and Rural Development.

Mr. Kroening introduced—

S.F. No. 2551: A bill for an act relating to metropolitan transit; providing assistance for the acquisition and betterment of certain light rail transit facilities in the metropolitan area; appropriating money; authorizing the issuance of state bonds; proposing coding for new law in Minnesota Statutes, chapter 174.

Referred to the Committee on Transportation.

Mr. Chmielewski introduced—

S.F. No. 2552: A bill for an act relating to health; removing limits on certain animal control funds; establishing a low-cost spaying and neutering pilot project; imposing a tax on sales of pet food and supplies; authorizing county regulation of dogs and cats without licensure; appropriating money; amending Minnesota Statutes 1988, section 343.11; proposing coding for new law in Minnesota Statutes, chapters 346 and 347.

Referred to the Committee on General Legislation and Public Gaming.

Ms. Berglin introduced—

S.F. No. 2553: A bill for an act relating to taxation; allowing credits against the individual income and corporate franchise taxes; increasing the excise tax rates applicable to alcoholic beverages; dedicating a portion of alcoholic beverage excise tax revenues to child protection services; amending Minnesota Statutes 1988, sections 290.06, by adding subdivisions; 297C.02, subdivision 1; and 297C.08.

Referred to the Committee on Taxes and Tax Laws.

Mr. Mehrkens, Ms. Olson, Messrs. Knaak, Piepho and Decker introduced—

S.F. No. 2554: A bill for an act relating to education; providing for the state takeover of all public K-12 education costs by the year 2000; amending Minnesota Statutes 1988, section 124A.22, subdivision 4; repealing Minnesota Statutes 1989 Supplement, section 124A.03, subdivision 2.

Referred to the Committee on Education.

Messrs. Ramstad and McGowan introduced—

S.F. No. 2555: A bill for an act relating to crimes; providing for forfeiture of conveyance devices used to commit a drunk driving offense by certain repeat DWI violators; amending Minnesota Statutes 1988, section 609.5312, subdivision 1; Minnesota Statutes 1989 Supplement, section 609.531, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Johnson, D.J. introduced—

S.F. No. 2556: A bill for an act relating to taxation; converting tax capacity references to market value; amending Minnesota Statutes 1989 Supplement, sections 38.18; 50.14, subdivision 4; 110.70; 118.12; 163.04, subdivision 3; 163.06, subdivision 6; 165.10, subdivision 1; 365.025, subdivision 4;

368.01, subdivision 23; 368.44; 368.47; 370.01; 383.06; 385.31; 386.34; 412.081, subdivision 1; 412.221, subdivision 2; 430.102, subdivision 2; 465.04; 471.24; 471.73; 475.58, subdivision 2; 475.73, subdivision 1; and 505.173, subdivision 1; Minnesota Statutes Second 1989 Supplement, section 373.40, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Metzen and Mrs. Pariseau introduced—

S.F. No. 2557: A bill for an act relating to agriculture; changing certain regional districts of the state agricultural society; amending Minnesota Statutes 1988, section 37.04, subdivision 2.

Referred to the Committee on Agriculture and Rural Development.

Mr. Cohen introduced—

S.F. No. 2558: A bill for an act relating to economic development; providing that the continuation of certain tax exemptions granted by municipalities be determined on a project basis; amending Minnesota Statutes 1988, section 469.043, subdivision 5.

Referred to the Committee on Economic Development and Housing.

Messrs. Solon and Bertram introduced—

S.F. No. 2559: A bill for an act relating to taxation; property; providing an adjustment to the levy limit base for certain county jail or correctional facility costs; providing a special levy for certain per diem correctional costs; amending Minnesota Statutes Second 1989 Supplement, sections 275.50, subdivision 5; and 275.51, subdivision 3f.

Referred to the Committee on Taxes and Tax Laws.

Mr. Solon introduced—

S.F. No. 2560: A bill for an act relating to appropriations; providing funding to the Western Lake Superior Sanitary District for the design of wastewater treatment alternatives.

Referred to the Committee on Finance.

Mr. Brandl introduced—

S.F. No. 2561: A bill for an act relating to taxation; providing a retroactive effective date for the credit for prior years' alternative minimum tax; amending Laws 1989, First Special Session chapter 1, article 10, section 47.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knaak introduced—

S.F. No. 2562: A bill for an act relating to education; intermediate school districts; providing teacher retirement and F.I.C.A. aid; proposing coding for new law in Minnesota Statutes, chapter 124.

Referred to the Committee on Education.

Ms. Berglin introduced—

S.F. No. 2563: A bill for an act relating to human services; requiring increases in rates for wages of employees of intermediate care facilities for persons with mental retardation, semi-independent living services, home and community-based waived services, developmental achievement centers, and mental health residential programs; requiring a fair wage plan; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

Referred to the Committee on Health and Human Services.

Mr. Pogemiller introduced—

S.F. No. 2564: A bill for an act relating to criminal sexual contact; expanding the definition of “sexual contact” in fifth degree criminal sexual conduct; amending Minnesota Statutes 1988, section 609.3451, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Stumpf introduced—

S.F. No. 2565: A bill for an act relating to game and fish; setting conditions under which a hunter may take two deer; amending Minnesota Statutes 1988, section 97B.301, subdivision 4.

Referred to the Committee on Environment and Natural Resources.

Mr. Solon introduced—

S.F. No. 2566: A bill for an act relating to insurance; long-term care; modifying the definition of medically prescribed long-term care; allowing additional licensed health care providers to prepare plans of care; regulating assessments; regulating cancellations; amending Minnesota Statutes 1988, sections 62A.46, subdivisions 2, 4, 5, and 8; 62A.48, subdivision 3, and by adding a subdivision; and 62A.56; Minnesota Statutes 1989 Supplement, section 62A.48, subdivision 1.

Referred to the Committee on Commerce.

Messrs. Stumpf and Anderson introduced—

S.F. No. 2567: A bill for an act relating to regional development commissions; establishing a maximum property tax levy; amending Minnesota Statutes 1989 Supplement, section 462.396, subdivision 2.

Referred to the Committee on Economic Development and Housing.

Mr. Cohen introduced—

S.F. No. 2568: A bill for an act relating to courts; conciliation court; permitting collection of conciliation court judgments under the revenue recapture act; permitting certain levies on homestead proceeds; amending Minnesota Statutes 1988, sections 270A.03, subdivisions 2, 4, and 5; 270A.04, subdivision 3; 270A.07, subdivision 2; and 510.07; Minnesota Statutes 1989 Supplement, section 270A.11.

Referred to the Committee on Judiciary.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 1:00 p.m., Wednesday, March 14, 1990. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate