

TWENTY-NINTH DAY

St. Paul, Minnesota, Thursday, April 4, 1991

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

CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rabbi Howard Siegel.

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

| | | | | |
|--------------|--------------------|---------------|------------|-----------|
| Adkins | Day | Johnson, D.J. | Mehrkens | Ranum |
| Beckman | DeCramer | Johnson, J.B. | Merriam | Reichgott |
| Belanger | Dicklich | Johnston | Metzen | Renneke |
| Benson, D.D. | Finn | Kelly | Moe, R.D. | Riveness |
| Benson, J.E. | Flynn | Knaak | Mondale | Sams |
| Berg | Frank | Kroening | Morse | Samuelson |
| Berglin | Frederickson, D.J. | Laidig | Neuville | Solon |
| Bernhagen | Frederickson, D.R. | Langseth | Novak | Spear |
| Bertram | Gustafson | Larson | Olson | Storm |
| Brataas | Halberg | Lessard | Pariseau | Stumpf |
| Cohen | Hottinger | Luther | Piper | Traub |
| Dahl | Hughes | Marty | Pogemiller | Vickerman |
| Davis | Johnson, D.E. | McGowan | Price | Waldorf |

The President declared a quorum present.

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

MEMBERS EXCUSED

Mr. Chmielewski and Ms. Pappas were excused from the Session of today.

EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committee indicated.

March 18, 1991

The Honorable Jerome Hughes
President of the Senate

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as requested by law:

JUDGE, WORKERS' COMPENSATION COURT OF APPEALS

Debra A. Wilson, 2153 Highland Parkway, St. Paul, Ramsey County, Minnesota, has been appointed by me, effective March 20, 1991, for a term expiring on the first Monday in January, 1997.

JUDGE, WORKERS' COMPENSATION COURT OF APPEALS

Steven D. Wheeler, 101 Norman Ridge Drive, Bloomington, Hennepin County, Minnesota, has been appointed by me, effective March 20, 1991, for a term expiring on the first Monday in January, 1997.

(Referred to the Committee on Employment.)

Warmest regards,
Arne H. Carlson, Governor

March 28, 1991

The Honorable Robert E. Vanasek
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1991 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

| S.F. No. | H.F. No. | Session Laws Chapter No. | Time and Date Approved 1991 | Date Filed 1991 |
|-------------|-------------|-----------------------------|-----------------------------------|--------------------|
| | 275 | 12 | 3:30 p.m. March 27 | March 28 |
| 393 | | 13 | 3:29 p.m. March 27 | March 28 |
| 7 | | 14 | 3:27 p.m. March 27 | March 28 |

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 75 and 468.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 2, 1991

Mr. President:

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

House Concurrent Resolution No. 5: A House concurrent resolution adopting Permanent Joint Rules of the House of Representatives and Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 2, 1991

Mr. Moe, R.D. moved that House Concurrent Resolution No. 5 be referred to the Committee on Rules and Administration. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S.F. No. 793: A bill for an act relating to the environment; establishing maximum content levels of mercury in batteries; prohibiting certain batteries; amending Minnesota Statutes 1990, sections 115A.9155, subdivision 2; 325E.125, subdivision 2, and by adding a subdivision; and 325E.1251.

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

Page 1, line 16, after "each" insert "*final*"

Page 2, line 4, delete everything after the comma

Page 2, delete lines 5 to 8 and insert "*a manufacturer shall make reasonable efforts to provide the final consumer of the battery, in a clear and conspicuous manner, a telephone number that the consumer can call to obtain information on*"

Page 2, line 9, delete everything before "*specific*"

Page 2, line 10, delete "*to the manufacturer*" and before the period, insert "*or proper disposal*"

Page 2, after line 10, insert:

"The manufacturer shall provide the telephone number to the commissioner of the agency."

Page 2, line 34, strike "Notwithstanding paragraph (a)."

Page 2, line 36, strike "button cell"

Page 3, line 1, delete the new language

Page 3, line 2, after the period, insert "*On application by a manufacturer, the commissioner of the pollution control agency may extend the deadline for compliance with this requirement until no later than January 1, 1994, for batteries designed to replace batteries subject to paragraph (d)."*

Page 3, delete lines 6 to 10 and insert:

"(e) After January 1, 1996, a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery (except an alkaline manganese button cell) that contains mercury, unless the commissioner of the pollution control agency grants an exemption under paragraph (f).

(f) On application by a manufacturer, the commissioner of the pollution control agency may exempt a manufacturer from the requirements of paragraph (e) if the manufacturer demonstrates that:

(1) the manufacturer has worked in good faith to develop mercury-free alkaline manganese batteries that, with respect to safety, leakage, capacity, rate capability, and shelf life, are comparable to alkaline manganese batteries containing no more than 0.025 percent mercury produced by the manufacturer on February 1, 1992; and

(2) if granted the exemption, the manufacturer will continue to work in good faith to achieve the goals described in clause (1).

An exemption granted by the commissioner of the pollution control agency under this paragraph must be limited to a maximum of two years and may be renewed."

Page 3, line 15, after the first comma, insert "zinc carbon,"

Page 3, line 19, after "and" insert "that when disposed of"

Page 3, line 20, delete everything after "hazard" and insert a period

Page 3, delete lines 21 and 22

Page 3, line 25, after "PENALTY" insert a semicolon and after "ENFORCEMENT" insert "COSTS"

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. 687: A bill for an act relating to the environment; requiring recycled CFCs used in refrigerant applications to comply with certain standards; proposing coding for new law in Minnesota Statutes, chapter 239.

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. 754: A bill for an act relating to state lands; transferring state land to the city of Moose Lake.

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

Page 1, line 6, delete "any law to the contrary" and insert "Minnesota Statutes, sections 94.09 to 94.16" and delete "of"

Page 1, line 7, delete "Minnesota"

Page 1, line 8, after "Lake" insert "without consideration"

Page 1, line 10, after "general" insert "and must provide that the land reverts to the state if the land ceases to be used for the purpose described in paragraph (d)"

Page 1, delete lines 17 to 21 and insert:

"(d) The city wishes to use the land for an electrical substation to meet

the needs of the Mercy hospital and nursing home."

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. 328: A bill for an act relating to insurance; Medicare supplement; requiring certain foreign travel coverages to be added to the basic plan; amending Minnesota Statutes 1990, section 62A.316.

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

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1990, section 62A.31, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract or other evidence of accident and health insurance, *the effect or purpose of which is to supplement Medicare coverage*, issued or delivered in this state or offered to a resident of this state shall be sold or issued to an individual age 65 or older covered by Medicare unless the following requirements are met:

(a) The policy must provide a minimum of the coverage set out in subdivision 2;

(b) The policy must cover preexisting conditions during the first six months of coverage if the insured was not diagnosed or treated for the particular condition during the 90 days immediately preceding the effective date of coverage;

(c) The policy must contain a provision that the plan will not be canceled or nonrenewed on the grounds of the deterioration of health of the insured;

(d) Before the policy is sold or issued, an offer of both categories of Medicare supplement insurance has been made to the individual, together with an explanation of both coverages; ~~and~~

(e) An outline of coverage as provided in section 62A.39 must be delivered at the time of application and prior to payment of any premium;

(f)(1) The policy must provide that benefits and premiums under the policy shall be suspended at the request of the policyholder for the period, not to exceed 24 months, in which the policyholder has applied for and is determined to be entitled to medical assistance under title XIX of the Social Security Act, but only if the policyholder notifies the issuer of the policy within 90 days after the date the individual becomes entitled to the assistance.

(2) If suspension occurs and if the policyholder or certificate holder loses entitlement to medical assistance, the policy is automatically reinstated (effective as of the date of termination of the entitlement) as of the termination of the entitlement, if the policyholder provides notice of loss of the entitlement within 90 days after the date of the loss.

(3) The policy which is reinstated (i) may not provide for any waiting period with respect to treatment of preexisting conditions, (ii) provides for coverage which is substantially equivalent to coverage in effect before the

date of the termination, and (iii) provides for classification of premiums on which terms are at least as favorable to the policyholder or certificate holder as the premium classification terms that would have applied to the policyholder or certificate holder had coverage never terminated;

(g) The written statement required by an application for Medicare supplement insurance under section 62A.43, subdivision 1, shall be made on a form approved by the commissioner that states that counseling services may be available in the state to provide advice concerning the purchase of Medicare supplement policies and enrollment under the Medicaid program;

(h) The policy guarantees renewability;

(i)(1) No insurer may deny or condition the issuance or effectiveness of a Medicaid supplement policy, or discriminate in the pricing of the policy, because of the health status, claims experience, receipt of health care, or medical condition for which an application is submitted during the six-month period beginning with the first month in which an individual first enrolled for benefits under part B of Medicare.

(2) Subject to clause (3), clause (1) shall not be construed as preventing the exclusion of benefits under a policy, during the first six months, based on a preexisting condition for which the policyholder received treatment or was otherwise diagnosed during the 90 days before it became effective.

(3) If a Medicare supplement policy or certificate replaces another policy or certificate which has been in effect for six months or longer, the replacing policy may not provide any time period applicable to preexisting conditions, waiting periods, elimination periods, and probationary periods in the new policy or certificate for similar benefits;

(j) If a Medicare supplement policy replaces another Medicare supplement policy, the issuer of the replacing policy shall waive any time periods applicable to preexisting conditions, waiting periods, elimination periods, and probationary periods in the new Medicare supplement policy for similar benefits to the extent the time was spent under the original policy; and

(k) The policy has been filed with and approved by the department as meeting all requirements of sections 62A.31 to 62A.44."

Page 1, line 25, after "incurred" insert "as a result of sudden and accidental illness, accident, or other medical emergency occurring"

Page 2, after line 22, insert:

"Sec. 3. Minnesota Statutes 1990, section 62A.36, subdivision 1a, is amended to read:

Subd. 1a. [SUPPLEMENT TO ANNUAL STATEMENTS.] Each insurer that has Medicare supplement policies in force in this state shall, as a supplement to the annual statement required by section 60A.13, submit, in a form prescribed by the commissioner, data showing its incurred claims experience, its earned premiums, and the aggregate amount of premiums collected and losses incurred for each Medicare policy form in force. If the data submitted does not confirm that the insurer has satisfied the loss ratio requirements of this section, the commissioner shall notify the insurer in writing of the deficiency. The insurer shall have 30 days from the date of the commissioner's notice to file amended rates that comply with this section. If the insurer fails to file amended rates within the prescribed time, the commissioner shall order that the insurer's filed rates for the nonconforming

policy be reduced to an amount that would have resulted in a loss ratio that complied with this section had it been in effect for the reporting period of the supplement. The insurer's failure to file amended rates within the specified time or the issuance of the commissioner's order amending the rates does not preclude the insurer from filing an amendment of its rates at a later time. The commissioner shall annually make the submitted data *as to premiums and loss ratios for the previous three years* available to the public at a cost not to exceed the cost of copying. *The commissioner shall provide the public with copies of the policies to which the loss ratios and premiums apply.* The data must be compiled in a form useful for consumers who wish to compare premium charges and loss ratios.

Sec. 4. Minnesota Statutes 1990, section 62A.43, subdivision 1, is amended to read:

Subdivision 1. [DUPLICATE COVERAGE PROHIBITED.] No agent shall sell a Medicare supplement plan, as defined in section 62A.31, to a person who currently has one plan in effect; however, an agent may sell a replacement plan in accordance with section 62A.40, provided that the second plan is not made effective any sooner than necessary to provide continuous benefits for preexisting conditions. Every application for Medicare supplement insurance shall require a *written statement signed by the applicant listing of all health and accident insurance maintained by the applicant as of the date the application is taken and stating if the applicant is entitled to any medical assistance. The written statement must be accompanied by a written acknowledgment, signed by the seller of the policy, of the request for and receipt of the statement.*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "conforming state Medicare supplement policy requirements to federal law;"

Page 1, line 4, delete "section" and insert "sections 62A.31, subdivision 1;"

Page 1, line 5, before the period, insert "; 62A.36, subdivision 1a; and 62A.43, subdivision 1"

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. 394: A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for administration of licensing requirements; changing the name of the board of architecture, engineering, land surveying, and landscape architecture; appropriating money; amending Minnesota Statutes 1990, sections 116J.70, subdivision 2a; 319A.02, subdivision 2; 326.02, subdivisions 1, 5, and by adding a subdivision; 326.03, subdivision 1; 326.031; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, and 2a; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

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

Page 5, line 10, delete the colon

Page 5, line 11, delete everything before "*the*"

Page 5, line 19, delete "*; and*" and insert a period

Page 5, delete line 20

Page 14, after line 33, insert:

"Sec. 21. [EXISTING INTERIOR DESIGNERS.]

Persons who on July 1, 1991, are in the business of interior design as defined by Minnesota Statutes, section 326.02, subdivision 4b, and who have filed a license application with the board of design professions by September 1, 1992, shall be allowed to continue in that business as if licensed under this act until final action is taken by the board on their application."

Page 15, line 1, delete "20" and insert "21"

Renumber the sections in sequence

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

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

S.F. No. 249: A bill for an act relating to commerce; requiring the preparation of fiscal notes for proposed health and accident insurance mandates; amending Minnesota Statutes 1990, section 3.982.

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

Page 1, line 9, after "NOTES" insert "*AND COST ANALYSIS*"

Page 2, lines 19, 20, 23, and 25, delete "*fiscal note*" and insert "*cost analysis*"

Page 2, line 20, delete "*of the bill*" and insert "*and a cost-benefit analysis on insurance costs*"

Page 2, line 26, delete "*note*" and insert "*cost analysis*" and delete "*fiscal notes*" and insert "*the cost analysis*"

Page 2, line 27, delete "*are*" and insert "*is*"

Amend the title as follows:

Page 1, line 3, delete "*fiscal notes*" and insert "*a cost analysis*" and after "*for*" insert "*a*"

Page 1, line 4, delete "*mandates*" and insert "*mandate*"

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. 925: A bill for an act relating to insurance; medical expense benefits; including language translation services as medical expense benefits for insurance; amending Minnesota Statutes 1990, section 65B.44, 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 1990, section 65B.44, subdivision 2, is amended to read:

Subd. 2. [MEDICAL EXPENSE BENEFITS.] Medical expense benefits shall reimburse all reasonable expenses for necessary medical, surgical, X-ray, optical, dental, chiropractic, and rehabilitative services, including prosthetic devices, prescription drugs, *foreign language translators, sign language interpreters*, necessary ambulance and all other reasonable transportation expenses incurred in traveling to receive covered medical benefits, hospital, extended care and nursing services. Hospital room and board benefits may be limited, except for intensive care facilities, to the regular daily semiprivate room rates customarily charged by the institution in which the recipient of benefits is confined. Such benefits shall also include necessary remedial treatment and services recognized and permitted under the laws of this state for an injured person who relies upon spiritual means through prayer alone for healing in accordance with that person's religious beliefs. *Language translation and interpretation benefits are limited to expenses incurred by a nonfatally injured person in connection with medical treatment and rehabilitation, if the foreign language translation is obtained from a third party vendor, community organization, or institution, and do not include language translation or interpretation services provided by medical providers or their staff or family members of the insured. Language translation benefits are further limited to a maximum of \$15 per hour. Language translation benefits for any care other than emergency care and diagnostic care are further limited to a maximum of \$60 per week, and for a maximum period not to exceed 13 weeks from the date of first treatment by a medical provider.* Medical expense loss includes medical expenses accrued prior to the death of a person notwithstanding the fact that benefits are paid or payable to the decedent's survivors. Medical expense benefits for rehabilitative services shall be subject to the provisions of section 65B.45."

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. 241: A bill for an act relating to commerce; motor vehicle sales and distribution; regulating franchises; proscribing certain acts; providing remedies; amending Minnesota Statutes 1990, sections 80E.03, subdivision 2; 80E.04, subdivision 1; 80E.05; 80E.06, subdivision 2; 80E.07, subdivision 1; 80E.12; 80E.13; and 80E.14, by adding subdivisions.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 80E.04, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENTS.] Each new motor vehicle manufacturer shall specify in writing to each of its new motor vehicle dealers licensed in this state the dealer's obligations for preparation, delivery, and warranty service on its products. The manufacturer shall also compensate the new

motor vehicle dealer for warranty service and parts required of the dealer by the manufacturer, and shall provide the dealer the schedule of compensation to be paid the dealer for parts, work, and service in connection with warranty services, and the time allowance for the performance of the work and service. *This section applies to all repair services performed by the dealer for the manufacturer or with the approval of the manufacturer and for which the dealer receives compensation or reimbursement from the manufacturer.*

Sec. 2. Minnesota Statutes 1990, section 80E.04, is amended by adding a subdivision to read:

Subd. 6. For purposes of this section, the terms "manufacturer" and "dealer" include manufacturers and distributors of motor vehicle engines and their dealers.

Sec. 3. Minnesota Statutes 1990, section 80E.05, is amended to read:
80E.05 [INDEMNIFICATION REQUIRED.]

Notwithstanding the terms of any franchise agreement to the contrary, it shall be a violation of sections 80E.01 to 80E.17 for any new motor vehicle manufacturer to fail to indemnify and hold harmless its franchised dealers against any judgment for damages, including, but not limited to, those based on strict liability, negligence, misrepresentation, warranty (express or implied), or revocation of acceptance as is defined in section 336.2-608, where the complaint, claim, or lawsuit relates ~~solely~~ to the alleged defective or negligent manufacture, assembly, or design of new motor vehicles, parts or accessories or other functions by the manufacturer, beyond the control of the dealer. *Indemnification under this section must include court costs, reasonable attorney fees, and expert witness fees incurred by the motor vehicle dealer.*

Sec. 4. Minnesota Statutes 1990, section 80E.06, subdivision 2, is amended to read:

Subd. 2. [CIRCUMSTANCES CONSTITUTING GOOD CAUSE.] Notwithstanding the terms of any franchise agreement or waiver to the contrary, good cause exists for the purposes of a termination, cancellation, or non-renewal, when the new motor vehicle dealer fails to comply with a provision of the franchise which is both reasonable and of material significance to the franchise relationship; provided, that the dealer has been notified in writing of the failure within 180 days after the manufacturer first acquired knowledge of the failure.

If failure by the new motor vehicle dealer relates to the performance of the new motor vehicle dealer in sales or service, then good cause shall be defined as the failure of the new motor vehicle dealer to comply with reasonable performance criteria established by the manufacturer; provided, that the new motor vehicle dealer was apprised by the manufacturer in writing of the failure; the notification stated that notice was provided for failure of performance pursuant to sections 80E.01 to 80E.17; the new motor vehicle dealer was afforded a reasonable opportunity in no event less than six months to comply with the criteria; and the dealer did not demonstrate substantial progress toward compliance with the manufacturer's performance criteria during the period.

To rebut allegations of good cause for a proposed termination, a dealer may present evidence including, but not limited to, a showing that the

grounds for termination resulted from acts or circumstances beyond the control of the dealer and which were communicated to the manufacturer, or that in evaluating the dealer's compliance with reasonable sales criteria, the manufacturer failed to consider the dealer's sales of factory program vehicles. For the purposes of this subdivision, "factory program vehicle" means a vehicle of the current model year offered for sale and resold by the manufacturer directly or at a factory sponsored or authorized auction and purchased by a dealer holding a current franchise from the manufacturer for that same line make.

Sec. 5. Minnesota Statutes 1990, section 80E.12, is amended to read:

80E.12 [UNLAWFUL ACTS BY MANUFACTURERS, DISTRIBUTORS, OR FACTORY BRANCHES.]

It shall be unlawful for any manufacturer, distributor, or factory branch to require a new motor vehicle dealer to do any of the following:

(a) order or accept delivery of any new motor vehicle, part or accessory thereof, equipment, or any other commodity not required by law which has not been voluntarily ordered by the new motor vehicle dealer, *provided that this paragraph does not modify or supersede reasonable provisions of the franchise requiring the dealer to market a representative line of the new motor vehicles the manufacturer or distributor is publicly advertising;*

(b) order or accept delivery of any new motor vehicle, part or accessory thereof, equipment, or any other commodity not required by law in order for the dealer to obtain delivery of any other motor vehicle ordered by the dealer ~~or to qualify for or participate in any rebate, refund, or similar program offered by the manufacturer;~~

(c) order or accept delivery of any new motor vehicle with special features, accessories, or equipment not included in the list price of the motor vehicles as publicly advertised by the manufacturer or distributor;

(d) participate monetarily in an advertising campaign or contest, or to purchase any promotional materials, showroom, or other display decorations or materials at the expense of the new motor vehicle dealer;

(e) enter into any agreement with the manufacturer or to do any other act prejudicial to the new motor vehicle dealer by threatening to cancel a franchise or any contractual agreement existing between the dealer and the manufacturer. Notice in good faith to any dealer of the dealer's violation of any terms of the franchise agreement shall not constitute a violation of sections 80E.01 to 80E.17;

(f) change the capital structure of the new motor vehicle dealer or the means by or through which the dealer finances the operation of the dealership; provided, that the new motor vehicle dealer at all times meets any reasonable capital standards agreed to by the dealer; and also provided, that no change in the capital structure shall cause a change in the principal management or have the effect of a sale of the franchise without the consent of the manufacturer or distributor as provided in section 80E.13, paragraph (j);

(g) prevent or attempt to prevent, by contract or otherwise, any motor vehicle dealer from changing the executive management control of the new motor vehicle dealer unless the franchisor proves that the change of executive management will result in executive management control by a person who is not of good moral character or who does not meet the franchisor's existing

reasonable capital standards and, with consideration given to the volume of sales and services of the new motor vehicle dealer, uniformly applied minimum business experience standards in the market area; provided, that where the manufacturer, distributor, or factory branch rejects a proposed change in executive management control, the manufacturer, distributor, or factory branch shall give written notice of its reasons to the dealer;

(h) refrain from participation in the management of, investment in, or the acquisition of, any other line of new motor vehicle or related products; provided, however, that this clause does not apply unless the new motor vehicle dealer maintains a reasonable line of credit for each make or line of new motor vehicle, and that the new motor vehicle dealer remains in substantial compliance with the terms and conditions of the franchise and with any reasonable facilities requirements of the manufacturer;

(i) during the course of the agreement, change the location of the new motor vehicle dealership or make any substantial alterations to the dealership premises during the course of the agreement, when to do so would be unreasonable; or

(j) prospectively assent to a release, assignment, novation, waiver, or estoppel whereby a dealer relinquishes any rights under sections 80E.01 to 80E.17, or which would relieve any person from liability imposed by sections 80E.01 to 80E.17 or to require any controversy between a new motor vehicle dealer and a manufacturer, distributor, or factory branch to be referred to any person or tribunal other than the duly constituted courts of this state or the United States, if the referral would be binding upon the new motor vehicle dealer.

Sec. 6. Minnesota Statutes 1990, section 80E.13, is amended to read:

80E.13 [UNFAIR PRACTICES BY MANUFACTURERS, DISTRIBUTORS, FACTORY BRANCHES.]

It is unlawful and an unfair practice for a manufacturer, distributor, or factory branch to engage in any of the following practices:

(a) To delay, refuse, or fail to deliver new motor vehicles or new motor vehicle parts or accessories in reasonable time and in reasonable quantity relative to the new motor vehicle dealer's facilities and sales potential in the dealer's relevant market area, after having accepted an order from a new motor vehicle dealer having a franchise for the retail sale of any new motor vehicle sold or distributed by the manufacturer or distributor, if the new motor vehicle or new motor vehicle parts or accessories are publicly advertised as being available for delivery or actually being delivered. This clause is not violated, however, if the failure is caused by acts or causes beyond the control of the manufacturer;

(b) To refuse to disclose to any new motor vehicle dealer handling the same line make, the manner and mode of distribution of that line make within the relevant market area;

(c) To obtain money, goods, service, or any other benefit from any other person with whom the dealer does business, on account of, or in relation to, the transaction between the dealer and the other person, other than for compensation for services rendered, unless the benefit is promptly accounted for, and transmitted to, the new motor vehicle dealer;

(d) To increase prices of new motor vehicles which the new motor vehicle dealer had ordered for private retail consumers prior to the dealer's receiving

the written official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order if the vehicle is in fact delivered to that customer. In the event of manufacturer price reductions, the amount of any reduction received by a dealer shall be passed on to the private retail consumer by the dealer if the retail price was negotiated on the basis of the previous higher price to the dealer;

(e) To offer any refunds or other types of inducements to any new motor vehicle dealer for the purchase of new motor vehicles of a certain line make ~~to be sold to the state or any political subdivision thereof~~ without making the same offer to all other new motor vehicle dealers in the same line make within the relevant market area;

(f) To release to any outside party, except under subpoena or in an administrative or judicial proceeding involving the manufacturer or dealer, any business, financial, or personal information which may be provided by the dealer to the manufacturer, without the express written consent of the dealer or unless pertinent to judicial or governmental administrative proceedings or to arbitration proceedings of any kind;

(g) To deny any new motor vehicle dealer the right of free association with any other new motor vehicle dealer for any lawful purpose;

(h) To unfairly discriminate among its new motor vehicle dealers with respect to warranty reimbursement or authority granted its new vehicle dealers to make warranty adjustments with retail customers;

(i) To compete with a new motor vehicle dealer in the same line make operating under an agreement or franchise from the same manufacturer in the relevant market area. A manufacturer shall not, however, be deemed to be competing when operating a dealership, either temporarily *or* for a reasonable period, ~~or in a bona fide retail operation~~ which is for sale to any qualified independent person at a fair and reasonable price, *or when involved* in a bona fide relationship in which an independent person has made a significant investment subject to loss in the dealership and can reasonably expect to acquire full ownership of the dealership on reasonable terms and conditions;

(j) To prevent a new motor vehicle dealer from receiving fair and reasonable compensation for the value of the new motor vehicle dealership. There shall be no transfer, assignment of the franchise, or major change in the executive management of the dealership, except as is otherwise provided in sections 80E.01 to 80E.17, without consent of the manufacturer, which shall not be unreasonably withheld. Denial of the request must be in writing and delivered to the new motor vehicle dealer within 60 days after the manufacturer receives the information necessary to evaluate the proposed transfer. If a denial is not sent within this period, the manufacturer shall be deemed to have given its consent to the proposed transfer or change; ~~or~~

(k) To threaten to modify or replace or modify or replace a franchise with a succeeding franchise that would adversely alter the rights or obligations of a new motor vehicle dealer under an existing franchise or that substantially impairs the sales or service obligations or investments of the motor vehicle dealer;

(l) To unreasonably deny the right to acquire factory program vehicles to any dealer holding a valid franchise from the manufacturer to sell the same line make of vehicles, provided that the manufacturer may impose reasonable restrictions and limitations on the purchase or resale of program

vehicles to be applied equitably to all of its franchised dealers. For the purposes of this paragraph, "factory program vehicle" has the meaning given the term in section 4."

Delete the title and insert:

"A bill for an act relating to commerce; motor vehicle sales and distribution; regulating franchises; proscribing certain acts; providing remedies; amending Minnesota Statutes 1990, sections 80E.04, subdivision 1, and by adding a subdivision; 80E.05; 80E.06, subdivision 2; 80E.12; and 80E.13."

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

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

S.F. No. 444: A bill for an act relating to education; providing a two-year tuition exemption to Minnesota veterans of the Persian Gulf war; proposing coding for new law in Minnesota Statutes, chapter 197.

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

Delete everything after the enacting clause and insert:

"Section 1. [197.753] [EDUCATIONAL ASSISTANCE; PERSIAN GULF WAR.]

Subdivision 1. [BENEFITS.] The commissioner of veterans affairs shall spend a biennial appropriation for tuition of eligible veterans, and for tuition of the eligible children of veterans at the University of Minnesota, a state university, a community college, a technical college, or any other university of higher learning within the state accredited by the north central association of colleges and secondary schools, a law college approved by the supreme court, a nursing school approved by the state board of nursing, or in a trade, business, or vocational school in the state approved by the state department of education, or in a theological seminary, for any course which such veteran or child may elect. Not more than \$750 shall be expended for the benefit of an eligible veteran or an eligible child under this section, and the need for the benefit shall be established and determined by the commissioner of veterans affairs.

Subd. 2. [VETERAN ELIGIBILITY.] A veteran is eligible for assistance under this section if the commissioner finds that the veteran:

(1) is a veteran who served in the active military service in any branch of the armed forces of the United States and became eligible for the Southwest Asia Service Medal issued according to presidential order ;

(2) was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction;

(3) has been separated or discharged from active military service under honorable conditions; and

(4) has not earned a baccalaureate degree.

Subd. 3. [ELIGIBLE CHILD.] A child of a veteran is eligible for assistance if the commissioner finds that the child:

(1) had a parent who died or is listed as missing in action or is a prisoner

of war as a result of military service in any branch of the armed forces of the United States in the Persian Gulf war theater as determined by the United States Veterans Administration or other instrumentality of the United States;

(2) resided in Minnesota for at least two years prior to the date of application for benefits under this section and the child's parent was a resident of Minnesota at the time of the parent's induction into the armed forces;

(3) has not earned a baccalaureate degree; and

(4) is under 25 years of age.

Subd. 4. [RECEIPT OF FEDERAL BENEFITS.] *The benefit in subdivision 1 is not available to a veteran who is entitled to the same or similar benefits under a law or regulation of the United States, with the exception that a veteran who has been eligible for and has used up the benefits the veteran is entitled to under the laws of the United States is entitled to the benefits provided for by subdivision 1.*

Subd. 5. [PROOF OF ELIGIBILITY.] *Approval for benefits under this section shall require submission of the following evidence: application, tuition statement, proof of military service, proof of residency, and where applicable, a statement from the United States Veterans Administration that the veteran has exhausted entitlement to federal educational benefits through use thereof or that the veteran died of service connected disabilities. Upon submission of satisfactory proof of eligibility, benefits shall be provided from the date of application and notification of approval shall be sent to the educational institution and applicant. Benefits shall be provided only once.*

Subd. 6. [REIMBURSEMENT FORM.] *Reimbursement to an institution or eligible individual authorized under subdivision 1 shall be on forms prescribed by the commissioner.*

Subd. 7. [EFFECT ON STATE GRANTS.] *Benefits received under this section shall not be considered in determining eligibility for a state grant under sections 136A.095 to 136A.132.*

Subd. 8. [TIME LIMIT ON USING BENEFIT.] *Eligible veterans shall have ten years from the date of last discharge or release from active duty within which to apply for the benefits provided by subdivision 1. Eligible children may apply for benefits until they are 25 years old.*

Sec. 2. [APPROPRIATION.]

\$ is appropriated for fiscal year 1992 and \$ is appropriated for fiscal year 1993 from the general fund to the commissioner of veterans affairs for any benefits provided under section 1. The unencumbered balance remaining from the first year does not cancel, but is available for the second year."

Amend the title as follows:

Page 1, line 2, delete "a two-year tuition" and insert "educational assistance to Persian Gulf war veterans and children of certain veterans; appropriating money;"

Page 1, delete line 3

Page 1, line 4, delete "war;"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

S.F. No. 339: A bill for an act relating to taxation; providing that certain nonprofit organizations that provide athletic programs qualify for a sales tax exemption on their purchases; amending Minnesota Statutes 1990, section 297A.25, subdivision 16.

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

Delete everything after the enacting clause and insert:

“Section 1. [TEMPORARY SALES TAX EXEMPTION FOR NON-PROFIT ATHLETIC ORGANIZATION.]

The gross receipts from the sale of tangible personal property and the storage, use, or other consumption of such property, and the gross receipts from the sale of meals and lodging, to a nonprofit educational organization that conducts athletic programs for children and adults who are persons with mental retardation or related conditions, are exempt from the taxes imposed under Minnesota Statutes, sections 297A.01 to 297A.44. Sales exempted by this section include sales pursuant to section 297A.01, subdivision 3, paragraphs (d) and (f). The exemption applies only to property, meals, and lodging purchased for use in the performance of the educational function of the organization. To qualify under this section, an organization must meet the organizational and operational tests that apply to nonprofit organizations under Minnesota Statutes, section 297A.25, subdivision 16.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective for sales occurring after May 5, 1989, and before August 15, 1991.”

Amend the title as follows:

Page 1, line 4, delete “; amending” and insert a period

Page 1, delete lines 5 and 6

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. 783: A bill for an act relating to health; infectious waste control; clarifying that veterinarians are also covered by the act; clarifying requirements for management and generators' plans; amending Minnesota Statutes 1990, sections 116.77; and 116.79, subdivisions 1 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. Minnesota Statutes 1990, section 116.76, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER.] “Commissioner” means the commissioner of ~~the pollution control agency~~ *health*.

Sec. 2. Minnesota Statutes 1990, section 116.77, is amended to read:

116.77 [COVERAGE.]

Sections 116.75 to 116.83 and 609.671, subdivision 10, cover any person, *including a veterinarian*, who generates, treats, stores, transports, or disposes of infectious or pathological waste ~~except~~ *but not including* infectious or pathological waste generated by households, farm operations, or agricultural businesses. Except as specifically provided, sections 116.75 to 116.83 do not limit or alter treatment or disposal methods for infectious or pathological waste.

Sec. 3. Minnesota Statutes 1990, section 116.78, subdivision 4, is amended to read:

Subd. 4. [SHARPS.] Sharps, except those generated from a household or from a farm operation or agricultural business:

- (1) must be placed in puncture-resistant containers;
- (2) may not be compacted or mixed with other waste material whether or not the sharps are decontaminated *unless it is part of an infectious waste decontamination process approved by the commissioner that will prevent exposure during transportation and disposal*; and
- (3) may not be disposed of at refuse-derived fuel facilities or at other facilities where waste is hand sorted.

Sec. 4. Minnesota Statutes 1990, section 116.79, subdivision 1, is amended to read:

Subdivision 1. [PREPARATION OF MANAGEMENT PLANS.] (a) To the extent applicable to the facility, a person in charge of a facility that generates, stores, decontaminates, incinerates, or disposes of infectious or pathological waste must prepare a management plan for the infectious or pathological waste handled by the facility. *A person may prepare a common management plan for all generating facilities owned and operated by the person. If a single plan is prepared to cover multiple facilities, the plan must identify common policy and procedures for the facilities and any management procedures that are facility specific. The plan must identify each generating facility covered by the plan. A management plan must list all physicians, dentists, chiropractors, podiatrists, veterinarians, certified nurse practitioners, certified nurse midwives, or physician assistants, employed by, under contract to, or working at the generating facilities. A management plan from a hospital must list the number of licensed beds and from a laboratory must list the number of generating employees.*

(b) The management plan must describe, to the extent the information is applicable to the facility:

- (1) the type of infectious waste and pathological waste that the person generates or handles;
- (2) the segregation, packaging, labeling, collection, storage, and transportation procedures for the infectious waste or pathological waste that will be followed;
- (3) the decontamination or disposal methods for the infectious or pathological waste that will be used;
- (4) the transporters and disposal facilities that will be used for the infectious waste;
- (5) the steps that will be taken to minimize the exposure of employees

to infectious agents throughout the process of disposing of infectious or pathological wastes; and

(6) the name of the individual responsible for the management of the infectious waste or pathological waste.

(c) The management plan must be kept at the facility.

(d) To the extent applicable to the facility, management plans must be accompanied by a statement of the quantity of infectious and pathological waste generated, decontaminated, stored, incinerated, or disposed of at the facility during the previous two-year period. Quantities ~~may~~ shall be reported by ~~weight, volume, or number and capacity of containers in gallons or pounds.~~ The commissioner of health shall prepare a summary of the quantities of infectious and pathological waste generated, by facility type.

(e) A management plan must be updated and resubmitted at least once every two years.

Sec. 5. Minnesota Statutes 1990, section 116.79, subdivision 3, is amended to read:

Subd. 3. [GENERATORS' PLANS.] (a) ~~Management plans prepared by facilities that generate infectious or pathological waste must be submitted to the commissioner of health with a fee of \$225 for facilities with 25 or more employees, or a fee of \$40 for facilities with less than 25 employees. A management plan prepared by a person who generates infectious or pathological waste must be submitted to the commissioner with the appropriate fee. The fee must be deposited in the state treasury and credited to the general fund.~~

(b) *A person shall submit for each generating facility the following fee with the generator's management plan:*

(1) *for a generating facility that is a private practice office with two or fewer physicians, dentists, chiropractors, podiatrists, veterinarians, certified nurse practitioners, certified nurse midwives, or physician assistants, employed by, under contract to, or working at the generating facility, a fee of \$40;*

(2) *for a generating facility that is a private practice office with three or more physicians, dentists, chiropractors, podiatrists, veterinarians, certified nurse practitioners, certified nurse midwives, or physician assistants, employed by, under contract to, or working at the generating facility, in addition to the fee for two practitioners as prescribed under clause (1), a fee of \$20 for each additional practitioner, up to a maximum total fee of \$225;*

(3) *for a generating facility that is a health facility or agency other than a hospital or laboratory described in clause (5) or (6), a fee of \$225. A corporate research and development laboratory with fewer than ten generating employees is also included in this category;*

(4) *for a generating facility that is not a health facility or agency, a fee of \$40. Included in this category are a corporate occupational health clinic; or a college or university campus, including its research laboratories, and student health service, but not including a hospital;*

(5) *for a generating facility that is a laboratory, including a corporate research and development laboratory, with ten to 49 generating employees, or a hospital with 50 to 299 licensed beds, a fee of \$450;*

(6) *for a generating facility that is a laboratory, including a corporate research and development laboratory, with 50 or more generating employees or a hospital with 300 or more licensed beds, a fee of \$600;*

(7) *the following persons shall pay a fee of \$225 to cover the generation at all its facilities:*

(i) *a community health board; or*

(ii) *Migrant Health Services, Inc.;*

(8) *for a generator with a generating satellite facility or mobile facility, that is used for an average of less than five hours per week on an annual basis, no additional fee is required; and*

(9) *the fees are waived for the Bureau of Indian Affairs, federal facilities, and state agencies.*

(b) (c) A person who begins the generation of infectious or pathological waste after January 1, 1990, must submit to the commissioner of health a copy of the person's management plan prior to initiating the handling of the infectious or pathological waste.

(c) (d) If a hospital or nursing home that is a generator also incinerates infectious or pathological waste on site, a separate management plan must be prepared for the incineration activities detail that incineration in the plan.

(d) (e) The commissioner of health must establish a procedure for randomly reviewing the plans.

(e) (f) The commissioner of health may require a management plan of a generator to be modified if the commissioner of health determines that the plan is not consistent with state or federal law or that the plan is not adequate to minimize exposure of persons to the infectious or pathological waste.

Sec. 6. Minnesota Statutes 1990, section 116.79, subdivision 4, is amended to read:

Subd. 4. [PLANS FOR STORAGE, DECONTAMINATION, INCINERATION, AND DISPOSAL FACILITIES.] (a) A person who stores or decontaminates infectious or pathological waste, other than at the facility where the waste was generated, or a person who incinerates or disposes of infectious or pathological waste, must submit a copy of the management plan to the commissioner of the pollution control agency with a fee of \$225. A person who incinerates on site at a hospital must submit a fee of \$100. The fee must be deposited in the state treasury and credited to the general fund. A person who incinerates on site must submit an attachment to the generator's management plan detailing the incineration operation.

(b) The commissioner shall review the plans and may require a plan to be modified within 180 days after the plan is submitted if the commissioner determines that the plan is not consistent with state or federal law or that the plan is not adequate to minimize exposure of persons to the waste.

Sec. 7. Minnesota Statutes 1990, section 116.80, subdivision 2, is amended to read:

Subd. 2. [PREPARATION OF MANAGEMENT PLANS.] (a) A commercial transporter in charge of a business that transports infectious waste must prepare a management plan for the infectious waste handled by the commercial transporter.

(b) The management plan must describe, to the extent the information is applicable to the commercial transporter:

(1) the type of infectious waste that the commercial transporter handles;

(2) the transportation procedures for the infectious waste that will be followed;

(3) the disposal facilities that will be used for the infectious waste;

(4) the steps that will be taken to minimize the exposure of employees to infectious agents throughout the process of transporting and disposing of infectious waste; and

(5) the name of the individual responsible for the transportation and management of the infectious waste.

(c) The management plan must be kept at the commercial transporter's principal place of business.

(d) Management plans must be accompanied by a statement of the quantity of infectious waste transported during the previous two-year period. Quantities ~~may shall~~ be reported by ~~weight, volume, or number and capacity of containers in gallons or pounds.~~

(e) A management plan must be updated and resubmitted at least once every two years.

(f) The commissioner shall review the plans and may require a plan to be modified within 180 days after the plan is submitted if the commissioner determines that the plan is not consistent with state or federal law or that the plan is not adequate to minimize exposure of persons to the waste.

Sec. 8. Minnesota Statutes 1990, section 116.80, subdivision 3, is amended to read:

Subd. 3. [REGISTRATION REQUIRED.] (a) A commercial transporter must register with the commissioner.

(b) To register, a commercial transporter must submit a copy of the management plan to the commissioner of the ~~pollution control agency~~ with a fee of \$225. The fee must be deposited in the state treasury and credited to the general fund.

(c) The registration is valid for two years.

(d) The commissioner shall issue a registration card with a unique registration number to a person who has submitted a transporter's management plan unless the commissioner finds that registrant has outstanding unresolved violations of this section or a history of serious violations of chapter 115, 115A, 115B, or 116. The registration card must include the date the card expires.

Sec. 9. Minnesota Statutes 1990, section 116.81, subdivision 1, is amended to read:

Subdivision 1. [AGENCY RULES.] The ~~agency, in consultation with the commissioner of health,~~ may adopt rules to implement sections 116.76 to 116.82. ~~The agency has primary responsibility for rules relating to transportation of infectious waste and facilities storing, transporting, decontaminating, incinerating, and disposing of infectious waste 116.83.~~ The ~~agency commissioner,~~ before adopting rules affecting animals or research animal waste, must consult the commissioner of agriculture and the board of animal health.

Pursuant to section 15.039, subdivision 3, rules adopted under this subdivision remain effective and shall be enforced until amended or repealed by the commissioner.

Sec. 10. Minnesota Statutes 1990, section 116.82, subdivision 3, is amended to read:

Subd. 3. [LOCAL ENFORCEMENT.] Sections 116.76 to 116.81 may be enforced by a county by delegation of enforcement authority ~~granted to by the commissioner of health and the agency in section 116.83.~~ Separate enforcement actions may not be brought by a state agency and a county for the same violations. The state or county may not bring an action that is being enforced by the federal Office of Safety and Health Administration.

Sec. 11. Minnesota Statutes 1990, section 116.83, is amended to read:

116.83 [ENFORCEMENT.]

Subdivision 1. [STATE RESPONSIBILITIES.] ~~The agency or the commissioner of health may shall enforce sections 116.76 to 116.81. The commissioner of health is primarily responsible for enforcement involving generators. The agency is primarily responsible for enforcement involving other persons subject to sections 116.76 to 116.81 116.83.~~

Subd. 2. [ENFORCEMENT AUTHORITY.] The commissioner of health has the authority ~~of the agency~~ to enforce sections 116.76 to ~~116.81 116.83~~ under section 115.071.

Subd. 3. [ACCESS TO INFORMATION AND PROPERTY.] Subject to section 144.651, the commissioner ~~of the pollution control agency or the commissioner of health~~ may on presentation of credentials, during regular business hours:

(1) examine and copy any books, records, memoranda, or data that is related to compliance with sections 116.76 to ~~116.81 116.83~~; and

(2) enter public or private property regulated by sections 116.76 to ~~116.81 116.83~~ for the purpose of taking an action authorized by this section including obtaining information and conducting investigations.

Sec. 12. [REPEALER.]

Minnesota Statutes 1990, sections 116.76, subdivision 2; and 116.81, subdivision 2, are repealed.

Sec. 13. [REVISOR INSTRUCTION.]

The revisor shall renumber Minnesota Statutes, sections 116.75 to 116.83, as part of Minnesota Statutes, chapter 145, and shall make necessary cross-reference changes in Minnesota Statutes.

Sec. 14. [APPROPRIATION; INCREASED COMPLEMENT.]

\$ is appropriated from the general fund to the commissioner of health for the purposes of sections 1 to 11 to be available for the biennium ending June 30, 1993. The complement of the department of health is increased by and the complement of the pollution control agency is decreased by"

Delete the title and insert:

"A bill for an act relating to health; infectious waste control; transferring responsibility for infectious waste from the pollution control agency to the

department of health; clarifying that veterinarians are also covered by the act; clarifying requirements for management and generators' plans; allowing certain medical waste to be mixed with other waste under certain conditions; appropriating money; amending Minnesota Statutes 1990, sections 116.76, subdivision 5; 116.77; 116.78, subdivision 4; 116.79, subdivisions 1, 3, and 4; 116.80, subdivisions 2 and 3; 116.81, subdivision 1; 116.82, subdivision 3; and 116.83; repealing Minnesota Statutes 1990, sections 116.76, subdivision 2; and 116.81, subdivision 2."

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

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

S.F. No. 155: A bill for an act relating to human services; authorizing counties to retain one-half of the nonfederal share of child support recoveries that are directly attributable to county effort; amending Minnesota Statutes 1990, section 256.019.

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. 91: A bill for an act relating to human services; requiring increases in rates for salaries of employees of intermediate care facilities for persons with mental retardation, home and community-based waived services, developmental achievement centers, and semi-independent living services programs; amending Minnesota Statutes 1990, sections 245.465; 252.24, by adding a subdivision; 252.275, by adding a subdivision; 252.28, by adding a subdivision; 256B.491, by adding a subdivision; and 268A.06, by adding a subdivision.

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

Page 2, line 12, after "RESIDENTIAL" insert "AND COMMUNITY SUPPORT"

Page 2, line 15, after the comma, insert "*and programs funded under Minnesota Rules, parts 9535.0100 to 9535.1600,*" and delete "*to reflect*"

Page 2, delete lines 16 to 22

Page 2, line 23, delete everything before the second comma and insert "*computed by increasing the total salaries, payroll taxes, and fringe benefits related to personnel below top management by the percentage increase in Standard Industrial Code 805 (average hourly earnings of nursing and personal care workers) forecast by Data Resources, Inc., for the rate year compared to the previous rate year in the forecast published in the second quarter of the calendar year preceding the rate year*"

Page 2, line 35, delete everything after "*rates*"

Page 2, delete line 36

Page 3, delete lines 1 to 5

Page 3, line 6, delete everything before the second comma and insert

"computed by increasing the total salaries, payroll taxes, and fringe benefits related to personnel below top management by the percentage increase in Standard Industrial Code 805 (average hourly earnings of nursing and personal care workers) forecast by Data Resources, Inc., for the rate year compared to the previous rate year in the forecast published in the second quarter of the calendar year preceding the rate year"

Page 3, line 19, delete "to reflect"

Page 3, delete lines 20 to 26

Page 3, line 27, delete everything before the second comma and insert *"computed by increasing the total salaries, payroll taxes, and fringe benefits related to personnel below top management by the percentage increase in Standard Industrial Code 805 (average hourly earnings of nursing and personal care workers) forecast by Data Resources, Inc., for the rate year compared to the previous rate year in the forecast published in the second quarter of the calendar year preceding the rate year"*

Page 4, line 4, delete everything after "adjustment"

Page 4, delete lines 5 to 10

Page 4, line 11, delete everything before the second comma and insert *"computed by increasing the total salaries, payroll taxes, and fringe benefits related to personnel below top management by the percentage increase in Standard Industrial Code 805 (average hourly earnings of nursing and personal care workers) forecast by Data Resources, Inc., for the rate year compared to the previous rate year in the forecast published in the second quarter of the calendar year preceding the rate year"*

Page 4, line 27, delete "to reflect"

Page 4, delete lines 28 to 34

Page 4, line 35, delete everything before the second comma and insert *"computed by increasing the total salaries, payroll taxes, and fringe benefits related to personnel below top management by the percentage increase in Standard Industrial Code 805 (average hourly earnings of nursing and personal care workers) forecast by Data Resources, Inc., for the rate year compared to the previous rate year in the forecast published in the second quarter of the calendar year preceding the rate year"*

Page 5, line 11, delete "figured by"

Page 5, delete lines 12 to 18

Page 5, line 19, delete everything before the comma and insert *"computed by increasing the total salaries, payroll taxes, and fringe benefits related to personnel below top management by the percentage increase in Standard Industrial Code 805 (average hourly earnings of nursing and personal care workers) forecast by Data Resources, Inc., for the rate year compared to the previous rate year in the forecast published in the second quarter of the calendar year preceding the rate year"*

Amend the title as follows:

Page 1, line 5, after the comma, insert "community support services."

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. 1045: A bill for an act relating to the provision of mental health services and the regulation of unlicensed mental health practitioners; eliminating the office of social work and mental health boards; sunsetting the board of unlicensed mental health service providers; providing for an autonomous board of social work; providing for an autonomous board of marriage and family therapy; establishing the office of mental health practice; providing additional disciplinary remedies to the board of social work and the board of marriage and family therapy; appropriating money; amending Minnesota Statutes 1990, sections 144.335, subdivision 1; 148B.01, subdivision 7; 148B.03; 148B.04, subdivisions 3 and 4; 148B.05; 148B.06; 148B.07; 148B.08; 148B.09; 148B.11; 148B.12; 148B.13; 148B.15; 148B.17; 148B.18, subdivision 10; 148B.33, subdivision 1; 148B.38, subdivision 3; and 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1990, sections 148B.01, subdivisions 2, 5, and 6; 148B.02; 148B.16; 148B.171; 148B.40; 148B.41; 148B.42; 148B.43; 148B.44; 148B.45; 148B.46; 148B.47; and 148B.48.

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

Page 2, line 29, strike "ADVERSE" and insert "*DISCIPLINARY*"

Page 2, line 30, strike "adverse" and insert "*disciplinary*"

Page 3, line 8, strike "ADVERSE" and insert "*DISCIPLINARY*"

Page 3, line 10, strike the first comma

Page 4, line 16, strike "or filing"

Page 6, lines 4 and 5, strike "adverse action or"

Page 6, lines 8, 10, 17, 21, and 29, strike "or adverse"

Page 7, lines 15 and 19, strike "to the plaintiff"

Page 7, lines 16 and 17, strike "to the plaintiff"

Page 10, line 25, strike "to the plaintiff or other claimant"

Page 11, lines 6 and 8, strike "adverse"

Page 17, line 35, strike "commissioner" and insert "*commission*" and strike "accreditations" and insert "*accreditation*"

Page 18, lines 26, 28, and 30, delete "1991" and insert "1992"

Page 26, line 18, delete "board" and insert "office"

Page 27, line 7, delete "chapter 144" and insert "*section 148B.61*" and delete "1991" and insert "1992"

Page 27, line 9, delete "1991" and insert "1992"

Page 34, after line 3, insert:

"Subd. 6. [PUBLIC EMPLOYEES.] Notwithstanding subdivision 1, the commissioner must not take disciplinary action against an employee of the state or a political subdivision of the state. If, after an investigation conducted in compliance with and with the authority granted under sections

148B.60 to 148B.72, the commissioner determines that the employee violated a provision or provisions of this chapter, the commissioner shall report to the employee's employer the commissioner's findings and the actions the commissioner recommends that the employer take. The commissioner's recommendations are not binding on the employer."

Page 37, line 21, after "through" insert "surpluses in license and renewal fees collected by the health-related licensing boards, plus"

Page 37, line 24, after the period, insert "At the end of each fiscal year, any surplus remaining of the amounts deposited in the state government special revenue fund by the health-related licensing boards, up to a maximum of \$, is appropriated to the commissioner of health for the office of mental health practice, to be available until June 30 of the following fiscal year. The remaining expenses of the office must be paid for by collections from the health-related licensing boards according to the formula determined by the commissioner. For the transition period from July 1, 1991, to June 30, 1992, the commissioner shall use a portion of the money collected under this section to pay the difference between the costs of the operation of the board of unlicensed mental health service providers and the amount of money collected by the board in fees."

Page 39, line 5, delete "1991" and insert "1992" and after "and" insert "after"

Page 39, line 15, delete everything after the first comma and insert "1992."

Page 39, delete line 16

Page 39, line 17, delete "1991." and delete "1991" and insert "1992"

Page 39, line 26, delete "1991" and insert "1992"

Page 39, lines 18 and 19, delete "as of June 30, 1991, shall transfer" and insert "is transferred"

Page 39, line 23, delete "July 1, 1991" and insert "January 1, 1992"

Page 39, line 34, delete "1991" and insert "1992" and after the period, insert "The commissioner of health and the office of mental health practice shall use the rules adopted by the board of unlicensed mental health service providers until new rules are adopted, unless a rule provision conflicts with a provision of this act, in which case the provision of this act supersedes the rule provision."

Page 40, line 9, after the third semicolon, insert "and" and after "148B.171" delete the semicolon and insert "are repealed effective July 1, 1991. Minnesota Statutes 1990, sections"

Page 40, line 11, delete "1991" and insert "1992"

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

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

S.F. No. 429: A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1990, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, subdivisions 1, 3, and by

adding a subdivision; 144.415; 144.416; and 144.417, 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 1990, section 144.413, is amended by adding a subdivision to read:

Subd. 1a. [EMPLOYER.] "Employer" means a person, partnership, corporation, or nonprofit entity that employs one or more persons. It includes political subdivisions of the state.

Sec. 2. Minnesota Statutes 1990, section 144.413, is amended by adding a subdivision to read:

Subd. 1b. [PLACE OF WORK.] "Place of work" means an indoor area under the control of an employer where services are performed for the employer.

Sec. 3. Minnesota Statutes 1990, section 144.413, subdivision 2, is amended to read:

Subd. 2. [PUBLIC PLACE.] "Public place" means any enclosed, indoor area used by the general public or serving as a place of work, including, but is not limited to, restaurants, retail stores, industrial establishments, offices and other commercial establishments, public conveyances, motor carriers as defined in section 221.011, subdivision 15, that carry passengers for hire, educational facilities, hospitals, nursing homes, auditoriums, arenas and meeting rooms, but excluding private, enclosed offices occupied exclusively by smokers even though such offices may be visited by nonsmokers and common areas of apartments and condominiums.

Sec. 4. Minnesota Statutes 1990, section 144.413, is amended by adding a subdivision to read:

Subd. 3a. [RESTAURANT.] "Restaurant" has the meaning given in section 157.01.

Sec. 5. Minnesota Statutes 1990, section 144.414, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC PLACES.] No person shall smoke in a public place or at a public meeting except in designated smoking areas. This prohibition does not apply in cases in which an entire room or hall is used for a private social function and seating arrangements are under the control of the sponsor of the function and not of the proprietor or person in charge of the place. Furthermore, this prohibition shall not apply to factories, warehouses, and similar places of work not usually frequented by the general public, except that the state commissioner of health shall establish rules to restrict or prohibit smoking in those places of work where the close proximity of workers or the inadequacy of ventilation causes smoke pollution detrimental to the health and comfort of nonsmoking employees.

Sec. 6. Minnesota Statutes 1990, section 144.414, subdivision 3, is amended to read:

Subd. 3. [HEALTH CARE FACILITIES AND CLINICS.] (a) Smoking is prohibited in any area of a hospital, health care clinic, doctor's office, or other health care-related facility, other than a nursing home, boarding care facility, or licensed residential facility, except as allowed in this

subdivision.

(b) Smoking by patients in a chemical dependency treatment program or mental health program may be allowed in a separated well-ventilated area pursuant to a policy established by the administrator of the program that identifies circumstances in which prohibiting smoking would interfere with the treatment of persons recovering from chemical dependency or mental illness.

~~(c) Smoking by a patient may be allowed if authorized in writing by the patient's attending physician.~~

Sec. 7. Minnesota Statutes 1990, section 144.415, is amended to read:

144.415 [DESIGNATION OF SMOKING AREAS.]

(a) Smoking areas may be designated by proprietors or other persons in charge of public places, except in places in which smoking is prohibited by the fire marshal or by other law, ordinance or rule.

(b) Where smoking areas are designated, ~~existing~~ physical barriers and ventilation systems shall be used to minimize the ~~toxic effect~~ *presence* of smoke in adjacent nonsmoking areas. In the case of ~~public places a restaurant or an establishment other than a bar with an on-sale license for the sale of intoxicating liquor or nonintoxicating malt liquor~~ consisting of a single room, the provisions of this law shall be considered met if one side of the room is reserved and posted as a no smoking area. No public place other than a bar shall be designated as a smoking area in its entirety. If a bar is designated as a smoking area in its entirety, this designation shall be posted conspicuously on all entrances normally used by the public.

Sec. 8. Minnesota Statutes 1990, section 144.416, is amended to read:

144.416 [RESPONSIBILITIES OF PROPRIETORS.]

The proprietor or other person in charge of a public place shall make reasonable efforts to ~~prevent~~ *limit* smoking in the public place to *designated smoking areas and to protect nonsmokers from exposure to smoke by*

~~(a)~~ (1) posting appropriate signs;

~~(b)~~ (2) arranging seating *or other space* to provide a smoke-free area *that is adequate to accommodate all persons who request a smoke-free area and to protect them from exposure to smoke;*

~~(c)~~ (3) asking smokers to refrain from smoking *when the proprietor becomes aware that the smoker is smoking in a smoke-free area;*

~~(d)~~ (4) asking smokers to refrain from smoking upon request of a client ~~or employee~~ suffering discomfort from the smoke; ~~or and~~

~~(e)~~ (5) any other means which may be appropriate.

Sec. 9. Minnesota Statutes 1990, section 144.417, subdivision 1, is amended to read:

Subdivision 1. [RULES.] The state commissioner of health shall adopt rules necessary and reasonable to implement the provisions of sections 144.411 to 144.417; ~~except as provided for in section 144.414.~~

The state commissioner of health may, upon request, waive the provisions of sections 144.411 to 144.417 if the commissioner determines there are compelling reasons to do so and a waiver will not significantly affect the

health and comfort of nonsmokers.

Sec. 10. Minnesota Statutes 1990, section 144.417, subdivision 2, is amended to read:

Subd. 2. [PENALTIES.] ~~Any~~ A person who violates ~~section~~ sections 144.414 to 144.417 is guilty of a petty misdemeanor."

Delete the title and insert:

"A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1990, sections 144.413, subdivision 2, and by adding subdivisions; 144.414, subdivisions 1 and 3; 144.415; 144.416; and 144.417, subdivisions 1 and 2."

And when so amended the bill be re-referred to the Committee on Commerce without recommendation. Amendments adopted. Report adopted.

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

S.F. No. 473: A bill for an act relating to health; authorizing an exception to the moratorium on nursing home beds; amending Minnesota Statutes 1990, section 144A.071, subdivision 3.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 144A.071, is amended by adding a subdivision to read:

Subd. 3a. [FLOATING CERTIFICATION OF BEDS.] Nothing in this section prohibits the commissioner of health from allowing a facility to transfer medical assistance certification among licensed beds, provided the transfer is allowed under federal regulations, the total number of certified beds in the facility does not increase, and the beds meet all certification standards."

Delete the title and insert:

"A bill for an act relating to health; allowing nursing homes to transfer medical assistance certification among beds; amending Minnesota Statutes 1990, section 144A.071, 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. 885: A bill for an act relating to health; creating a limited exception to the moratorium on licensure of new nursing home beds; allowing a licensed, but not medical assistance certified, facility to upgrade beds from boarding care beds to nursing home beds; amending Minnesota Statutes 1990, section 144A.071, subdivision 3.

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

Page 5, line 23, delete everything after "facility" and insert "with an

addendum to its provider agreement effective beginning July 1, 1983."

Page 5, line 24, delete everything before "if"

Amend the title as follows:

Page 1, line 4, delete everything after "a"

Page 1, line 5, delete "certified," and after "facility" insert "with an addendum to its provider agreement"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was re-referred

S.F. No. 350: A bill for an act relating to the environment; adding a purpose for expenditure from the metropolitan landfill contingency action trust fund; authorizing the city of Hopkins to issue bonds to pay for environmental response costs at a landfill; authorizing the city to impose a solid waste collection surcharge; authorizing a landfill cleanup assessment against property; authorizing a service charge; appropriating money; amending Minnesota Statutes 1990, section 473.845, subdivision 3.

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

Page 2, line 13, delete "*approximately 26 acre*"

Page 3, line 3, after "\$5,000,000" insert ", *subject to the reduction provided in section 7. The proceeds of the bonds may be used*"

Page 4, line 11, delete the second "or" and insert a comma and after "assessments" insert ", *or service charges*"

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

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

S.F. No. 598: A bill for an act relating to transportation; establishing state transportation goals and requiring periodic revisions of the state transportation plan; establishing a Minnesota highway board and prescribing its powers and duties; directing a study of rail-highway grade crossings and requiring a report; authorizing the commissioner of transportation to make grants for the improvement of commercial navigation facilities; authorizing local units of government to advance funds for the completion of trunk highway projects; authorizing cities to assess up to 35 percent of a street improvement without regard to benefits conferred; authorizing cities to impose street access charges on building permits; authorizing road authorities to enter into agreements for the construction, maintenance, and operation of toll roads and bridges; creating a transportation services fund and providing for its uses; specifying percentage of unrefunded motor fuel tax revenue that is attributable to use on forest roads; authorizing the commissioner of transportation to plan, acquire, construct and equip light rail transit facilities, and restricting authority of regional rail authorities; directing a study of highway corridors; creating a legislative advisory commission on transportation and directing it to conduct certain studies; amending

Minnesota Statutes 1990, sections 162.02, subdivision 3a; 168.54, subdivisions 5 and 6; 169.09, subdivision 13; 169.86, subdivision 5; 169.862; 170.23; 171.185; 171.26; 171.36; 173.13, subdivision 4; 173.231; 174.01; 174.03, subdivision 2, and by adding a subdivision; 221.036, subdivision 14; 296.16, subdivision 1a; 296.421, subdivision 8; 299D.03, subdivision 5; 398A.04, subdivision 8; 473.399, by adding a subdivision; 473.3993, subdivisions 2, 3, and by adding a subdivision; 473.3994; 473.3996; proposing coding for new law in Minnesota Statutes, chapters 3; 160; 161; 162; 174; 221; 471; and 473; proposing coding for new law as Minnesota Statutes, chapter 457A; repealing Minnesota Statutes 1990, section 473.3994, subdivision 6; and Laws 1989, chapter 339, section 21.

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

Delete everything after the enacting clause and insert:

"ARTICLE I

TRANSPORTATION PLANNING

Section 1. Minnesota Statutes 1990, section 174.01, is amended to read:
174.01 [CREATION; POLICY.]

Subdivision 1. [DEPARTMENT CREATED.] In order to provide a balanced transportation system, which system includes aeronautics, highways, motor carriers, ports, public transit, railroads and pipelines, a department of transportation is created. The department shall be the principal agency of the state for development, implementation, administration, consolidation, and coordination of state transportation policies, plans and programs.

Subd. 2. [TRANSPORTATION GOALS.] The legislature establishes the following goals of the state transportation system:

- (1) to provide safe transportation for all users throughout the state;*
- (2) to provide multimodal transportation that enhances mobility and economic development and provides access to all persons and businesses in Minnesota;*
- (3) to provide a reasonable travel time for commuters to and from work or school;*
- (4) to provide for the economical, efficient, and safe movement of goods to and from markets by rail, highway, and waterway;*
- (5) to provide convenient interstate and intrastate access to tourism and recreational facilities in Minnesota;*
- (6) to provide transit services throughout the state to meet the mobility needs of transit users;*
- (7) to ensure the highest levels of productivity through system management and the utilization of all available technological advancements;*
- (8) to provide safe and efficient air transportation in Minnesota;*
- (9) to maximize the benefits received for each state transportation investment;*
- (10) to provide funding for transportation that, at a minimum, preserves the transportation infrastructure;*

(11) to ensure that the planning and implementation of all modes of transportation are consistent with the environmental and energy goals of the state; and

(12) to increase transit and high occupancy vehicle use.

Sec. 2. Minnesota Statutes 1990, section 174.03, is amended by adding a subdivision to read:

Subd. 1a. [REVISION OF STATE TRANSPORTATION PLAN.] The commissioner shall revise the state transportation plan by July 1, 1993, and by July 1 of each odd-numbered year thereafter. Before final adoption of a revised plan, the commissioner shall hold a hearing to receive public comment on the plan. The revised state transportation plan must:

(1) incorporate the goals of the state transportation system in section 174.01; and

(2) provide objectives, policies, and strategies for achieving those goals.

Sec. 3. Minnesota Statutes 1990, section 174.03, subdivision 2, is amended to read:

Subd. 2. [IMPLEMENTATION OF PLAN.] After the adoption and each revision of the statewide transportation plan, the commissioner and the transportation regulation board shall take no action inconsistent with that revised plan.

ARTICLE 2

RAILROAD CROSSINGS

Section 1. [RAIL-HIGHWAY CROSSING IMPROVEMENT.]

Subdivision 1. [STATE RAIL CORRIDOR STUDY.] The commissioner of transportation shall conduct a study of railroad-highway grade crossing safety and improvement in Minnesota.

Subd. 2. [CONTENT OF STUDY.] This study must include:

(1) a method of determining the relative benefits of grade crossing protection and improvement to the railroad, the road authority, and the public and cost-sharing guidelines;

(2) sources of funding for grade crossing protection and improvement;

(3) research needs for grade crossing safety; and

(4) recommendations for statutory changes to improve grade crossing safety.

Subd. 3. [REPORT.] The commissioner shall report to the governor and legislature not later than February 1, 1992, on the results of the study.

Sec. 2. Minnesota Statutes 1990, section 169.26, is amended to read:

169.26 [SPECIAL STOPS AT RAILROADS.]

Subdivision 1. [REQUIREMENTS.] (a) When any person driving a vehicle approaches a railroad grade crossing under any of the circumstances stated in this paragraph, the driver shall stop the vehicle not less than ten feet from the nearest railroad track and shall not proceed until safe to do so. These requirements apply when:

(1) a clearly visible electric or mechanical signal device warns of the

immediate approach of a railroad train;

(2) a crossing gate is lowered warning of the immediate approach or passage of a railroad train; or

(3) an approaching railroad train is plainly visible and is in hazardous proximity.

(b) The driver of a vehicle shall stop and remain ~~standing~~ *stopped* and not traverse the grade crossing when a human flagger signals the approach or passage of a train. No person may drive a vehicle past a flagger at a railroad crossing until the flagger signals that the way is clear to proceed.

(c) The fact that a train approaching a railroad grade crossing is visible from the crossing shall be prima facie evidence that it is not safe to proceed.

Subd. 1a. [VIOLATION.] (a) A peace officer as defined in section 169.725 may arrest the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of subdivision 1 within the past four hours.

(b) The owner or, in the case of a leased vehicle, the lessee of a motor vehicle is subject to the penalties in subdivision 2 if a motor vehicle owned or leased by the person is operated in violation of subdivision 1. This subdivision does not apply to a lessor of a motor vehicle if the lessor keeps a record of the name and address of the lessee. This subdivision does not prohibit or limit the prosecution of a motor vehicle operator for violating subdivision 1. A violation of this paragraph does not constitute grounds for revocation or suspension of the owner's driver's license.

Subd. 2. [PENALTY.] A person who violates this section is guilty of a misdemeanor and subject to the following penalties:

(1) for the first offense, a fine of \$100 and four hours of community service in an operation life saver program;

(2) for the second offense, a fine of \$150 and eight hours of community service in an operation life saver program; and

(3) for the third and subsequent offenses, a fine of \$250 and 12 hours of community service in an operation life saver program.

Subd. 3. [DRIVER TRAINING.] *All driver education courses approved by the commissioner of education and the commissioner of public safety must include instruction on railroad-highway grade crossing safety. The commissioner of education and the commissioner of public safety shall by rule provide minimum standards of course content relating to operation of vehicles at railroad and highway grade crossings.*

Subd. 4. [APPROPRIATION.] *The fines collected for a violation of subdivision 1 must be deposited in the state treasury and appropriated to the rail service improvement account under section 222.49 for public education on railroad grade crossing safety.*

Sec. 3. Minnesota Statutes 1990, section 171.13, subdivision 1, is amended to read:

Subdivision 1. [APPLICANTS.] Except as otherwise provided in this section, the commissioner shall examine each applicant for a driver's license by such agency as the commissioner directs. This examination must include a test of applicant's eyesight; ability to read and understand highway signs

regulating, warning, and directing traffic; knowledge of traffic laws; knowledge of the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely and legally; *knowledge of railroad grade crossing safety*; an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and other physical and mental examinations as the commissioner finds necessary to determine the applicant's fitness to operate a motor vehicle safely upon the highways, provided, further however, no driver's license shall be denied an applicant on the exclusive grounds that the applicant's eyesight is deficient in color perception. Provided, however, that war veterans operating motor vehicles especially equipped for handicapped persons, shall, if otherwise entitled to a license, be granted such license. The commissioner shall make provision for giving these examinations either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant.

Sec. 4. Minnesota Statutes 1990, section 171.13, is amended by adding a subdivision to read:

Subd. 1d. [RAILROAD CROSSING SAFETY.] The commissioner shall include in each edition of the driver's manual published by the department a section relating to safe operation of vehicles at railroad grade crossings.

Sec. 5. Minnesota Statutes 1990, section 219.074, is amended by adding a subdivision to read:

Subd. 3. [CROSSING INVENTORY.] By December 31, 1993, the commissioner shall complete an inventory of all public and private grade crossings in the state and shall annually revise the inventory to reflect grade crossing changes made under this section.

Sec. 6. [219.165] [SAFETY RULES AT PRIVATE RAILROAD GRADE CROSSINGS.]

By December 31, 1992, the commissioner shall adopt rules establishing minimum safety standards at all private railroad grade crossings in the state.

Sec. 7. [219.384] [REMOVAL OF DANGEROUS OBSTRUCTIONS.]

Subdivision 1. [REMOVAL ORDERED.] If a railroad company, road authority, or abutting property owner fails to control the growth of trees or vegetation or the placement of structures or other obstructions on its right-of-way or property so as to interfere with the safety of the public traveling on a public or private grade crossing, the local governing body of the town or municipality where the grade crossing is located may, by notice, require the obstruction to be removed as necessary to provide an adequate view of oncoming trains at the crossings. The commissioner shall adopt rules establishing minimum standards for visibility at public and private grade crossings.

Subd. 2. [PENALTY.] A railroad company, road authority, or property owner that fails to comply with this section within 30 days after being notified in writing is subject to a fine of \$50 for each day that the condition is uncorrected.

Sec. 8. Minnesota Statutes 1990, section 219.402, is amended to read:

219.402 [ADEQUATE CROSSING PROTECTION.]

Crossing safety devices or improvements installed or maintained under this chapter as approved by the board, or the commissioner, whether by

order or otherwise, are adequate and appropriate protection for the crossing.

Sec. 9. Minnesota Statutes 1990, section 222.50, subdivision 7, is amended to read:

Subd. 7. The commissioner may expend money from the rail service improvement account for the following purposes:

(a) To pay interest adjustments on loans guaranteed under the state rail user loan guarantee program;

(b) To pay a portion of the costs of capital improvement projects designed to improve rail service including construction or improvement of short segments of rail line such as side track, team track and connections between existing lines, and construction and improvement of loading, unloading, storage and transfer facilities of a rail user;

(c) To acquire, maintain, manage and dispose of railroad right-of-way pursuant to the state rail bank program;

(d) To provide for aerial photography survey of proposed and abandoned railroad tracks for the purpose of recording and reestablishing by analytical triangulation the existing alignment of the in-place track; or

(e) To pay a portion of the costs of acquiring a rail line by a regional railroad authority established pursuant to chapter 398A; or

(f) To promote public education in railroad grade crossing safety, in an amount not exceeding one percent of the money in the account in a fiscal year.

All money derived by the commissioner from the disposition of railroad right-of-way or of any other property acquired pursuant to sections 222.46 to 222.62 shall be deposited in the rail service improvement account.

ARTICLE 3

PORT DEVELOPMENT ASSISTANCE

Section 1. [457A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For purposes of sections 1 to 6, the following terms have the meanings given them.

Subd. 2. [COMMERCIAL NAVIGATION FACILITY.] "Commercial navigation facility" means (1) terminals and docks used for the transfer of property or passengers between commercial vessels and land, and supporting equipment, structures, and transportation facilities, (2) disposal facilities for dredging material produced by port development projects, and (3) buildings and related structures and facilities used by commercial vessels under construction or repair. "Commercial navigation facility" does not include any commercial navigation facility not on the commercial navigation system or commercial navigation facilities which are the responsibility of the United States Army Corps of Engineers and the United States Coast Guard.

Subd. 3. [COMMERCIAL VESSEL.] "Commercial vessel" means a vessel used for the transportation of passengers or property. "Commercial vessel" does not include a vessel used primarily for recreational or sporting purposes.

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of transportation.

Subd. 5. [DREDGING.] "Dredging" means excavating harbor sediment or bottom materials, including mobilizing or operating equipment for excavating and transporting dredged material to placing dredged material in a disposal facility.

Subd. 6. [NAVIGATION SYSTEM.] "Navigation system" means (1) the commercially navigable waters of the Mississippi River, the Minnesota, and the St. Croix rivers, (2) the commercial harbors on Minnesota's Lake Superior shoreline, and (3) the commercial navigation facilities on those waterways.

Subd. 7. [PERSON.] "Person" means an individual, a partnership, a corporation, an association, or other organization or entity that applies for assistance under this chapter.

Sec. 2. [457A.02] [PROGRAM ESTABLISHED.]

Subdivision 1. [PURPOSE OF PROGRAM.] A port development assistance program is established for the purpose of:

(1) expediting the movement of commodities and passengers on the commercial navigation system;

(2) enhancing the commercial vessel construction and repair industry in Minnesota; and

(3) promoting economic development in and around ports and harbors in the state.

Subd. 2. [COMMISSIONER TO ADMINISTER.] The commissioner shall administer the port development assistance program and may make grants and loans to and enter into assistance agreements with eligible recipients under section 3, subdivision 1.

Sec. 3. [457A.03] [PORT ASSISTANCE.]

Subdivision 1. [ELIGIBLE APPLICANTS.] A person, political subdivision, or port authority that owns a commercial navigation facility may apply to the commissioner for assistance under this chapter.

Subd. 2. [TYPES OF ASSISTANCE.] The commissioner may make loans for a project that will serve either or both of the purposes in section 2, subdivision 1, clauses (1) and (2). The commissioner may make grants, or a combination of grants and loans for a project that will serve either or both of the purposes in section 2, subdivision 1, clauses (1) and (2), and that will enhance economic development in and around the commercial navigation facility being assisted.

Subd. 3. [STATE PARTICIPATION; LIMITATIONS.] The commissioner shall not provide assistance under this chapter in an amount that exceeds 50 percent of the non-federal share of any project. Assistance provided under this chapter may not be used to match any other state funds. The commissioner shall not assume continuing funding responsibility for any commercial navigation facility project.

Sec. 4. [ASSISTANCE AGREEMENTS.]

Subdivision 1. [AGREEMENTS REQUIRED.] The commissioner and an eligible recipient shall enter into an assistance agreement that specifies the project costs that will be paid with assistance under this chapter.

Subd. 2. [COSTS.] (a) The following costs are eligible for assistance:

(1) final engineering costs on a commercial navigation facility project;

(2) capital improvements to a commercial navigation facility; and
(3) costs of dredging necessary to open a new commercial navigation facility project or to dispose of dredged material.

(b) The following costs are ineligible for assistance:

- (1) the applicant's administrative, insurance, and legal costs;
- (2) costs of acquiring permits for a project;
- (3) costs of preparing environmental documents, feasibility studies, or project designs;
- (4) interest on money borrowed by the applicant or interest charged to the applicant for late payment of project costs;
- (5) costs related to the routine maintenance or repair or operation of a commercial navigation facility;
- (6) costs of dredging to maintain an existing channel; and
- (7) costs for a project that consists exclusively of dredging.

Subd. 3. [INSURANCE; LIABILITY.] The applicant must provide a comprehensive general liability insurance policy, with the minimum amount prescribed by the commissioner in rule, naming the commissioner and officers, employees, and agents of the department of transportation as additional insureds; and must save and hold the commissioner harmless from and against all liability, damage, loss, claims, demands, and actions related to the project.

Subd. 4. [PERFORMANCE AND PAYMENT BONDS.] A recipient must provide evidence of performance and payment bonds, satisfying all applicable legal requirements for the full amount of any and all construction contracts let in connection with the project.

Subd. 5. [REPAYMENT.] An assistance agreement must require the recipient to repay all or part of any assistance received, in an amount determined by the commissioner, if the project for which the assistance is provided is not completed according to the terms of the assistance agreement, or is converted, during the period of time specified in the assistance agreement, to a use that is inconsistent with the purposes of this chapter, or inconsistent with the terms of the assistance agreement, or not approved in writing by the commissioner.

Sec. 5. [457A.05] [RULES.]

The commissioner may adopt rules governing applications for assistance under this chapter including:

- (1) procedures for establishing application deadlines and for notifying potential recipients of those deadlines;
- (2) eligibility criteria for projects;
- (3) information required to be submitted with applications;
- (4) contents of assistance agreements; and
- (5) any other requirement the commissioner deems necessary for the administration of this chapter.

Sec. 6. [457A.06] [REVOLVING FUND.]

Subdivision 1. [FUND ESTABLISHED.] A port development revolving fund is established in the state treasury. The fund consists of (1) all money appropriated to the commissioner for the purposes of this chapter, (2) all money received by the commissioner from repayment of loans made under this chapter, and (3) all interest earned on money deposited in the fund.

Subd. 2. [APPROPRIATION.] Money in the port development revolving fund is appropriated to the commissioner for the purposes of this chapter.

Sec. 7. [EFFECTIVE DATE.]

Sections 1 to 6 are effective July 1, 1991.

ARTICLE 4

LOCAL HIGHWAYS

Section 1. [162.021] [NATURAL PRESERVATION ROUTES.]

Subdivision 1. [ESTABLISHMENT.] (a) The commissioner shall establish a natural preservation routes category within the county state-aid highway system.

(b) Natural preservation routes include those routes that possess particular scenic, environmental, or historical characteristics, such as routes along lakes or through forests, wetlands, or flood plains, that would be harmed by construction or reconstruction meeting the engineering standards under section 162.07 or the rules adopted under that section.

(c) The commissioner shall adopt rules establishing minimum construction and reconstruction standards that recognize public safety and reflect the function, reduced traffic volume, and slower speed on natural preservation routes. The rules may not establish standards for natural preservation routes that are higher than the standards for national forest highways within national forests and state park access roads within state parks. Design standards specifying the width of vehicle recovery areas on forest highways, forest and park roads, and on natural preservation routes must be reduced to minimize environmental impact.

Subd. 2. [SIGNS.] Signs must be posted at entry points to and at regular intervals along natural preservation routes. Signs posted must conform to the commissioner's manual of uniform traffic devices. Properly posted signs are prima facie evidence that adequate notice of a natural preservation route has been given to the motoring public.

Subd. 3. [LIABILITY.] Where a county state-aid highway has been designated a natural preservation route and signs have been posted under subdivision 2, the state and the county with jurisdiction over the road and their officers and employees are exempt from liability for any tort claim for injury to persons or property arising from travel on the highway and related to its design standards for construction or reconstruction.

Subd. 4. [PUBLIC INFORMATION.] A county proposing a project on a county state-aid highway that requires removal of the entire surface of the highway shall send to owners of property abutting the highway a written notice that describes the project and different design and construction alternatives available to the county. The county shall hold a public meeting to discuss design and construction alternatives.

Subd. 5. [DESIGNATION OF ROUTE.] A county state-aid highway may be designated as a natural preservation route only by resolution of the

county board.

Sec. 2. [160.82] [STREETS AND HIGHWAYS WITHIN PARKS.]

Subdivision 1. [DEFINITION.] "Park road" means that portion of a street or highway located entirely within the park boundaries of or abutting a city, county, regional, or state park.

Subd. 2. [RESTRICTIONS.] A road authority may not make any changes in the width, grade, or alignment of a park road, other than a county state-aid highway or municipal state-aid street, that would affect the wildlife habitat or aesthetic characteristics of the park road or its adjacent vegetation or terrain, other than changes required to permit the safe travel of vehicles at the speed lawfully designated for that park road. A road authority may not make any changes in the width, grade, or alignment of a park road that is a county state-aid highway or municipal state-aid street that would affect the wildlife habitat or aesthetic characteristics of the park road or its adjacent vegetation or terrain, other than changes required by the minimum state-aid standard applicable to that road.

Subd. 3. [LIABILITY.] A road authority making changes in a park road described in subdivision 1, and its officers and employees, are exempt from liability for any tort claim for injury to persons or property arising from travel on that park road and related to the design of that park road, where the design has been adopted to conform to this section.

Sec. 3. [160.83] [RUSTIC ROADS PROGRAM.]

Subdivision 1. [DESIGNATION.] A road authority other than the commissioner may, by resolution, designate a road or highway under its jurisdiction as a rustic road. A rustic road must have the characteristics of outstanding natural features or rustic or scenic beauty; a daily traffic volume of less than 150 vehicles per day; year-round use as a local access road; and maximum allowable speed of 45 miles per hour.

Subd. 2. [LOCAL AUTHORITY.] The road authority has the same authority over rustic roads as over other highways and roads under its jurisdiction. The road authority may designate the type and character of vehicles that may be operated on the rustic road; designate a rustic road or portion of the road as a pedestrian way or bicycle way, or both; and establish priority of right-of-way, paint lines, and construct dividers to physically separate vehicular, bicycle, or pedestrian traffic.

Subd. 3. [JOINT DESIGNATION.] Two or more road authorities may jointly designate a rustic road along a common boundary or into or through their jurisdictions. The road authorities may enter into agreements to divide the costs and responsibility for maintaining the rustic road.

Subd. 4. [COSTS.] A rustic road must be maintained by the road authority having jurisdiction over the road and is not eligible for state-aid funding. State money must not be spent to construct, reconstruct, maintain, or improve a rustic road, except that the commissioner shall pay from the transportation services fund the costs of publishing a map of rustic roads within the state and installing and maintaining signs designating rustic roads.

Sec. 4. [161.361] [ADVANCE FUNDING FOR TRUNK HIGHWAY PROJECTS.]

Subdivision 1. [ADVANCE FUNDING.] A road authority other than the commissioner may by agreement with the commissioner make advances from

any available funds to the commissioner to expedite construction of all or part of a trunk highway. Money may be advanced under this section only for projects already included in the commissioner's highway work program.

Subd. 2. [REPAYMENT.] Subject to the availability of state money, the commissioner shall repay without interest the amount advanced under subdivision 1, up to the state's share of project costs, at the time the project is scheduled for completion in the highway work program. The total amount of annual repayment to road authorities under this section must never exceed the amount stated in the department's debt management policy or \$10 million, whichever is less.

Sec. 5. Minnesota Statutes 1990, section 162.02, subdivision 3a, is amended to read:

Subd. 3a. [VARIANCES, RULES AND ENGINEERING STANDARDS.] The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.021 or 162.07, subdivision 2. A political subdivision in which a county state-aid highway is located or is proposed to be located may submit a written request to the commissioner for a variance for that highway. The commissioner shall publish notice of the request in the state register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within 20 days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing. *For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.*

Sec. 6. Minnesota Statutes 1990, section 162.09, subdivision 3a, is amended to read:

Subd. 3a. [VARIANCES, RULES AND ENGINEERING STANDARDS.] The commissioner may grant variances from the rules and from the engineering standards developed pursuant to section 162.13, subdivision 2. A political subdivision in which a municipal state-aid street is located or is proposed to be located may submit a written request to the commissioner for a variance for that street. The commissioner shall publish notice of the request in the state register and give notice to all persons known to the commissioner to have an interest in the matter. The commissioner may grant or deny the variance within 30 days of providing notice of the request. If a written objection to the request is received within 20 days of providing notice, the variance shall be granted or denied only after a contested case hearing has been held on the request. If no timely objection is received and the variance is denied without hearing, the political subdivision may request, within 30 days of receiving notice of denial, and shall be granted a contested case hearing. *For purposes of this subdivision, "political subdivision" includes (1) an agency of a political subdivision which has jurisdiction over parks, and (2) a regional park authority.*

Sec. 7. Minnesota Statutes 1990, section 162.14, subdivision 6, is amended to read:

Subd. 6. [ADVANCES.] Any such city, except cities of the first class,

may make advances from any funds available to it for the purpose of expediting the construction, reconstruction, improvement, or maintenance of its municipal state-aid street system; provided that such advances shall not exceed ~~40 percent of its last apportionment~~ *the city's total estimated apportionment for the three years following the year the advance is made.* Advances made by any such city shall be repaid out of subsequent apportionments made to such city in accordance with the commissioner's rules.

Sec. 8. Minnesota Statutes 1990, section 169.14, is amended by adding a subdivision to read:

Subd. 5e. [SPEED LIMIT ON PARK ROADS.] A local authority may establish a speed limit on a park road within the local authority's boundaries except that a speed limit on a park road located entirely within a regional park may only be established by a county. A speed limit established under this subdivision must not be lower than 20 miles per hour, and no speed limit established under this subdivision may reduce existing speed limits by more than 15 miles per hour. A speed limit established under this subdivision is effective on the erection of appropriate signs designating the speed limit and indicating the beginning and end of the reduced speed zone. Any speed in excess of the posted speed is unlawful.

Sec. 9. [444.30] [TRANSPORTATION SYSTEMS.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the term "municipality" means a home rule charter or statutory city or a town. The term "governing body" means the town board with respect to towns.

Subd. 2. [AUTHORIZATION.] Any municipality may build, construct, reconstruct, repair, enlarge, improve, maintain, or in any other manner obtain transportation systems, including grading, base construction, surfacing construction, curb and gutter, striping, signing, signalization, lighting, sidewalks, pedestrian pathways, landscaping, boulevard restoration, and other appurtenances and related facilities for the collection, transport, and disbursement of traffic, all hereinafter called facilities, and maintain and operate the facilities inside its corporate limits, and acquire by gift, purchase, lease, condemnation, or otherwise any and all land and easements required for that purpose. The authority hereby granted is in addition to all other powers with reference to the facilities otherwise granted by the laws of this state or by charter of any municipality.

Subd. 3. [FINANCING.] For the purpose of paying the cost of building, constructing, reconstructing, repairing, enlarging, improving, maintaining, or in other manner obtaining the facilities or any portion of them, a municipality may issue and sell its general obligations, which may be made payable primarily from taxes or from special assessments to be levied to pay the cost of the facilities or from net revenues derived from transportation charges or from other nontax revenues pledged for their payment under charter or other statutory authority, or from two or more of the sources; or it may issue special obligations, payable solely from taxes or special assessments or from revenues, or from two or more of the sources. Real estate tax revenues should be used only, and then on a temporary basis, to pay general or special obligations when the other revenues are insufficient to meet the obligations. All obligations shall be issued and sold in accordance with chapter 475. When special assessments are pledged for the payment of the obligations, they shall be authorized and issued in accordance with the provisions of chapter 429, or of the city's charter if it authorizes these obligations and the governing body determines to proceed under the charter.

When net revenues are pledged to the payment of the obligations, together with or apart from taxes and special assessments, the pledge shall be made in accordance with the provisions of subdivision 4.

Subd. 4. [CHARGES; NET REVENUES.] To pay for the construction, reconstruction, repair, enlargement, improvement, or other obtainment and the maintenance, operation, and use of the facilities, the governing body of a municipality may impose just and equitable charges for the use and for the availability of the facilities and for connections with them and make contracts for the charges as provided in this section. Charges shall be as nearly as possible proportionate to the cost of transportation systems and may be fixed on the basis of traffic generated or by reference to a reasonable classification of the types of premises to which service is furnished, or by reference to the quantity, type, and loading of the traffic generated, or on any other equitable basis including, but without limitation, any combination of those referred to above. The governing body may make the charges a charge against the owner, lessee, occupant, or all of them and may provide and covenant for certifying unpaid charges to the county auditor with taxes against the property served for collection as other taxes are collected. In determining the reasonableness of the charges to be imposed, the governing body may give consideration to all costs of the establishment, operation, maintenance, depreciation, and necessary replacements of the system, and of improvements, enlargements, and extensions necessary to serve adequately the territory of the municipality including the principal and interest to become due on obligations issued or to be issued. When net revenues have been appropriated to the payment of the cost of the establishment, or of any specified replacement, improvement, enlargement, or extension, or to pay the principal and interest due on obligations to be issued for such purpose, no charges imposed to produce net revenues adequate for the purpose shall be deemed unreasonable by virtue of the fact that the project to be financed has not been commenced or completed, if proceedings for it are taken with reasonable dispatch and the project, when completed, may be expected to make service available to the premises charged which will have a value reasonably commensurate with the charges. All charges, when collected, and all moneys received from the sale of any facilities or equipment or any by-products, shall be placed in a separate fund, and used first to pay the normal, reasonable, and current costs of operating and maintaining the facilities. The net revenues received in excess of the costs may be pledged by resolutions of the governing body, or may be used though not so pledged, for the payment of principal and interest on obligations issued as provided in subdivision 3, or to pay the portion of the principal and interest as may be directed in the resolutions, and net revenues derived from any facilities whether or not financed by the issuance of the obligations, may be pledged or used to pay obligations issued for other facilities of the same types. In resolutions authorizing the issuance of either general or special obligations and pledging net revenues to them, the governing body may make covenants for the protection of holders of the obligations and taxpayers of the municipality as it deems necessary, including, but without limitation, a covenant that the municipality will impose and collect charges of the nature authorized by this section at the times and in the amounts required to produce, together with any taxes or special assessments designated as a primary source of payment of the obligations, net revenues adequate to pay all principal and interest when due on the obligations and to create and maintain reserves securing the payments as may be provided in the resolutions. When a covenant is made it shall be enforceable by appropriate action on the part of

any holder of the obligations or any taxpayer of the municipality in a court of competent jurisdiction, and the obligations shall be deemed to be payable wholly from the income of the system whose revenues are so pledged, within the meaning of sections 475.51 and 475.58.

Subd. 5. [LEVY ASSESSMENTS.] The governing body of a municipality may also levy assessments against property within the municipal limits benefited by the transportation system under the procedure authorized by law or charter with reference to other assessments for benefits of local improvements, may transfer and use for the purposes hereof surplus funds of the municipality not specifically dedicated to another purpose, and may levy taxes on property within the municipal limits for the purposes hereof.

ARTICLE 5

TOLL FACILITIES

Section 1. [160.83] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The terms used in sections 1 to 6 have the meanings given them in this section and section 160.02.

Subd. 2. [BOT FACILITY.] "BOT facility" means a build-operate-transfer toll facility constructed, improved, or rehabilitated and operated by a private operator that holds title to the facility subject to a development agreement that provides that title will be transferred to the road authority on expiration of an agreed term.

Subd. 3. [BTO FACILITY.] "BTO facility" means a build-transfer-operate toll facility constructed, improved, or rehabilitated by a private operator who: (1) transfers any interest it may have in the toll facility to the road authority before operation begins; and (2) operates the toll facility for an agreed term under a lease, management, or toll-concession agreement.

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of the department of transportation.

Subd. 5. [DEVELOPMENT AGREEMENT.] "Development agreement" means a written agreement between a road authority and a private operator that provides for the construction, improvement, rehabilitation, ownership, and operation of a toll facility.

Subd. 6. [PRIVATE OPERATOR.] "Private operator" means an individual, a corporation, a partnership, a cooperative or unincorporated association, a joint venture, or a consortium that constructs, improves, rehabilitates, owns, leases, operates, or manages a toll facility subject to sections 1 to 6. The term includes related parties and entities that together perform some or all of these functions for the same toll facility.

Subd. 7. [ROAD AUTHORITY.] "Road authority" has the meaning given it in section 160.02, subdivision 9, and also refers to a joint powers authority formed under section 6.

Subd. 8. [TOLL FACILITY.] "Toll facility" means a bridge, causeway, or tunnel, and its approaches; a road, street, or highway; an appurtenant building, structure, or other improvement; land lying within applicable rights-of-way; and other appurtenant rights or hereditaments that together comprise a project for which a private operator is authorized to operate and impose tolls under sections 1 to 6.

Sec. 2. [160.84] [AUTHORITY.]

Subdivision 1. [ROAD AUTHORITY.] A road authority may solicit or accept proposals from and enter into development agreements with private operators for constructing, improving, rehabilitating, operating, and managing toll facilities wholly or partly within the road authority's jurisdiction. A road authority soliciting toll facility proposals must publish a notice of solicitation in the State Register.

Subd. 2. [PRIVATE OPERATORS.] Private operators are authorized to construct, improve, rehabilitate, own, lease, manage, and operate toll facilities subject to the terms of sections 1 to 6. Private operators may mortgage, grant security interests in, and pledge their interests in: (1) toll facilities and their components; (2) development, lease, toll concessions, and other related agreements; and (3) income, profits, and proceeds of the toll facility.

Subd. 3. [APPROVAL.] No road authority and private operator may enter into a development agreement without the prior approval of the commissioner and the governing body of each county and municipality through which the facility is to pass. A road authority and private operator in the metropolitan area, as defined in section 473.121, subdivision 2, must obtain the council approval required in section 473.167, subdivision 1.

Subd. 4. [DEVELOPMENT AGREEMENT.] (a) A development agreement for toll facilities may provide for any mode of ownership or operation approved by the road authority, including ownership by the private operator without reversion of title, operation of the facilities under leases or management contracts, or BOT or BTO facilities.

(b) A development agreement may permit the private operator to assemble funds from any available source, including federal, state, and local grants, bond proceeds, contributions, and pledges and to incorporate an existing road or highway, a bridge, and approach structures, and related improvements into the toll facility. The private operator shall pay the road authority the fair market value of any property incorporated into the facility or shall adjust toll charges to the public to reflect the value of the incorporated property.

(c) A development agreement may include grants of title, easements, rights-of-way, and leasehold estates necessary to the toll facility.

(d) A development agreement may authorize the private operator to charge variable rate tolls based on time of day, vehicle characteristics, or other factors approved by the road authority.

(e) A development agreement may include authorization by the road authority to the private operator to exercise powers possessed by the road authority with respect to similar facilities.

Subd. 5. [RIGHT-OF-WAY ACQUISITION.] A private operator may acquire right-of-way by donation, lease, or purchase. A road authority may acquire right-of-way by eminent domain and may donate, sell, or lease a right-of-way to a private operator.

Subd. 6. [RESTRICTION.] No toll facility may be used for any purpose other than the transportation purposes specified in the development agreement for the term of the agreement.

Subd. 7. [TOLL FACILITY ACQUIRED BY ROAD AUTHORITY.] A development agreement that requires transfer or reversion of a toll facility to a road authority must provide that the transfer be at no cost to the road

authority. The private operator shall establish an escrow account with sufficient funds to ensure that the facility meets applicable construction and maintenance standards of the road authority upon reversion.

Subd. 8. [APPLICATION OF OTHER LAW.] A private operator must obtain all environmental, navigational, design, or safety approvals required if the toll facility were constructed or operated by a road authority.

Sec. 3. [DEVELOPMENT AGREEMENTS; MANDATORY PROVISIONS.]

A development agreement must include the following provisions:

(a) The toll facility must meet the road authority's standards of design and construction for roads and bridges of the same functional classification and must be constructed by contractors on the department's list of eligible contractors.

(b) The commissioner must review and approve the location and design of a bridge over navigable waters as if the bridge were constructed by a road authority. This does not diminish the private operator's responsibility for bridge safety.

(c) The private operator shall manage and operate the toll facility in cooperation with the applicable road authority and subject to the development agreement and any amendments.

(d) The toll facility is subject to regular inspections by the road authority and the commissioner.

(e) The road authority shall provide maintenance, snow removal, and police services to the toll facility and the operator shall pay the road authority the cost of services provided.

Sec. 4. [COST RECOVERY.]

Subdivision 1. [USE OF TOLL REVENUES.] Toll revenues must be applied to repayment of indebtedness incurred for the toll facility; lease or toll concessions payments; costs of operation, administration, rehabilitation, and maintenance necessary to meet applicable standards of the commissioner; and reasonable reserves for future capital outlays. The enumeration of uses in this subdivision does not state priorities for the use of these revenues.

Subd. 2. [RESIDUAL TOLL REVENUES.] Residual toll revenues belong to the private operator, except for payments to a road authority under the development agreement or a related toll concession agreement.

Subd. 3. [CONTINUATION OF TOLLS.] After expiration of a lease for a BTO facility, or after title has reverted for a BOT facility, the road authority may continue to charge tolls for the facility.

Subd. 4. [TOLLS PRESCRIBED.] A road authority may prescribe tolls on a toll facility only if the road authority reasonably determines that no feasible alternative to the toll facility exists to serve the traffic that uses the facility. Tolls prescribed by a road authority for a facility must permit the operator a reasonable return on both investment and capital.

Sec. 5. [LAW ENFORCEMENT.]

State and local law enforcement authorities have the same powers and authority on a toll facility within their respective jurisdictions as they have

on any other highway, road, or street within their jurisdiction. Law enforcement officers have free access to the toll facility at any time to exercise such powers as though it were a public right-of-way. State and local traffic and motor vehicle laws apply to persons driving or occupying motor vehicles on the toll facility.

Sec. 6. [JOINT AUTHORITY.]

(a) Two or more road authorities with jurisdiction over a toll facility may enter into a joint powers agreement under Minnesota Statutes, section 471.59, to exercise the powers, duties, and functions of the road authorities related to the toll facility, including negotiation and administration of the development agreement and related lease and toll concession agreements. If all road authorities with jurisdiction over a toll facility concur, title to or authority over the facility may be tendered to the commissioner who may accept the title or authority pursuant to the development agreement and this section.

(b) If a facility is located within the jurisdiction of more than one road authority, a road authority may prescribe tolls only under a joint agreement entered into under paragraph (a). Tolls may be prescribed under a joint agreement only if all road authorities with jurisdiction over the facility are parties to the agreement.

ARTICLE 6

TRANSPORTATION SERVICES FUND

Section 1. [161.041] [TRANSPORTATION SERVICES FUND.]

Subdivision 1. [FUND CREATED.] A transportation services fund is created in the state treasury. The fund consists of all money required by law to be deposited in the fund, and other money made available to the fund by law.

Subd. 2. [USES OF FUND.] Money in the transportation services fund may be expended by appropriation for any transportation purpose.

Sec. 2. Minnesota Statutes 1990, section 168.54, subdivision 5, is amended to read:

Subd. 5. The proceeds of the fee imposed under the provisions of this section shall be collected by the commissioner of public safety and paid into the ~~general~~ transportation services fund.

Sec. 3. Minnesota Statutes 1990, section 168.54, subdivision 6, is amended to read:

Subd. 6. The unobligated balances in excess of \$4,000 in said revolving fund as of June 30 of each fiscal year shall be canceled into the ~~general~~ transportation services fund.

Sec. 4. Minnesota Statutes 1990, section 169.09, subdivision 13, is amended to read:

Subd. 13. [ACCIDENT REPORTS CONFIDENTIAL.] All written reports and supplemental reports required under this section to be provided to the department of public safety shall be without prejudice to the individual so reporting and shall be for the confidential use of the department of public safety and other appropriate state, federal, county, and municipal governmental agencies for accident analysis purposes, except that the department of public safety or any law enforcement department of any municipality or

county in this state shall, upon written request of any person involved in an accident or upon written request of the representative of the person's estate, surviving spouse, or one or more surviving next of kin, or a trustee appointed pursuant to section 573.02, disclose to the requester, the requester's legal counsel or a representative of the requester's insurer any information contained therein except the parties' version of the accident as set out in the written report filed by the parties or may disclose identity of a person involved in an accident when the identity is not otherwise known or when the person denies presence at the accident. No report shall be used as evidence in any trial, civil or criminal, arising out of an accident, except that the department of public safety shall furnish upon the demand of any person who has, or claims to have, made a report, or, upon demand of any court, a certificate showing that a specified accident report has or has not been made to the department of public safety solely to prove a compliance or a failure to comply with the requirements that the report be made to the department of public safety. Disclosing any information contained in any accident report, except as provided herein, is unlawful and a misdemeanor.

Nothing herein shall be construed to prevent any person who has made a report pursuant to this chapter from providing information to any persons involved in an accident or their representatives or from testifying in any trial, civil or criminal, arising out of an accident, as to facts within the person's knowledge. It is intended by this subdivision to render privileged the reports required but it is not intended to prohibit proof of the facts to which the reports relate. Legally qualified newspaper publications and licensed radio and television stations shall upon request to a law enforcement agency be given an oral statement covering only the time and place of the accident, the names, addresses, and dates of birth of the parties involved, whether a citation was issued, and if so, what it was for, and whether the parties involved were wearing seat belts, and a general statement as to how the accident happened without attempting to fix liability upon anyone, but said legally qualified newspaper publications and licensed radio and television stations shall not be given access to the hereinbefore mentioned confidential reports, nor shall any such statements or information so orally given be used as evidence in any court proceeding, but shall merely be used for the purpose of a proper publication or broadcast of the news.

When these reports are released for accident analysis purposes the identity of any involved person shall not be revealed. Data contained in these reports shall only be used for accident analysis purposes, except as otherwise provided by this subdivision. Accident reports and data contained therein which may be in the possession or control of departments or agencies other than the department of public safety shall not be discoverable under any provision of law or rule of court.

Notwithstanding other provisions of this subdivision to the contrary, the commissioner of public safety shall give to the commissioner of transportation the name and address of a carrier subject to section 221.031 that is named in an accident report filed under subdivision 7 or 8. The commissioner of transportation may not release the name and address to any person. The commissioner shall use this information to enforce accident report requirements under chapter 221. In addition the commissioner of public safety may give to the United States Department of Transportation commercial vehicle accident information in connection with federal grant programs relating to safety.

The ~~department~~ *commissioner of public safety* may charge authorized

persons a \$5 fee for a copy of an accident report. *Proceeds from the fee must be deposited into the transportation services fund.*

Sec. 5. Minnesota Statutes 1990, section 170.23, is amended to read:
170.23 [ABSTRACTS; FEE; ADMISSIBLE IN EVIDENCE.]

The commissioner shall upon request furnish any person a certified abstract of the operating record of any person subject to the provisions of this chapter, and, if there shall be no record of any conviction of such person of violating any law relating to the operation of a motor vehicle or of any injury or damage caused by such person, the commissioner shall so certify. Such abstracts shall not be admissible as evidence in any action for damages or criminal proceedings arising out of a motor vehicle accident. A fee of \$5 shall be paid for each such abstract. The commissioner shall permit a person to inquire into the operating record of any person by means of the inquiring person's own computer facilities for a fee to be determined by the commissioner of at least \$2 for each inquiry. The commissioner shall furnish an abstract that is not certified for a fee to be determined by the commissioner in an amount less than the fee for a certified abstract but more than the fee for an inquiry by computer. Fees collected under this section must be paid into the state treasury with 90 percent of the money credited to the ~~trunk highway~~ *transportation services fund* and ten percent credited to the general fund.

Sec. 6. Minnesota Statutes 1990, section 171.185, is amended to read:

171.185 [COSTS PAID FROM ~~TRUNK HIGHWAY~~ *TRANSPORTATION SERVICES FUND.*]

All costs incurred by the commissioner in carrying out the provisions of sections 171.182 to 171.184 shall be paid from the ~~trunk highway~~ *transportation services fund*.

Sec. 7. Minnesota Statutes 1990, section 171.26, is amended to read:

171.26 [MONEY CREDITED TO ~~TRUNK HIGHWAY~~ *TRANSPORTATION SERVICES FUND AND TO GENERAL FUND.*]

All money received under the provisions of this chapter shall be paid into the state treasury with 90 percent of such money credited to the ~~trunk highway~~ *transportation services fund*, and ten percent credited to the general fund, except as provided in section 171.29, subdivision 2.

Sec. 8. Minnesota Statutes 1990, section 171.36, is amended to read:

171.36 [LICENSE RENEWAL AND FEES.]

All licenses shall expire one year from date of issuance and may be renewed upon application to the commissioner. Each application for an original or renewal school license shall be accompanied by a fee of \$150 and each application for an original or renewal instructor's license shall be accompanied by a fee of \$50. The license fees collected under sections 171.33 to 171.41 shall be paid into the ~~trunk highway~~ *transportation services fund*. No license fee shall be refunded in the event that the license is rejected or revoked.

Sec. 9. Minnesota Statutes 1990, section 173.13, subdivision 4, is amended to read:

Subd. 4. The annual fee for each such permit or renewal thereof shall be as follows:

(1) If the advertising area of the advertising device does not exceed 50 square feet, the fee shall be ~~\$20~~ \$40.

(2) If the advertising area exceeds 50 square feet but does not exceed 300 square feet, the fee shall be ~~\$40~~ \$80.

(3) If the advertising area exceeds 300 square feet, the fee shall be ~~\$80~~ \$160.

(4) No fee shall be charged for a permit for official signs and notices as they are defined in section 173.02, except that a fee may be charged for a star city sign erected under section 173.085.

Sec. 10. Minnesota Statutes 1990, section 173.231, is amended to read:

173.231 [FEES.]

All fees collected under sections 173.07 and 173.13, ~~shall~~ must be paid into the ~~trunk highway~~ transportation services fund.

Sec. 11. Minnesota Statutes 1990, section 221.036, subdivision 14, is amended to read:

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

Sec. 12. [221.297] [DISPOSITION OF RECEIPTS.]

All money deposited in the state treasury from fees and penalties under this chapter must be credited to the transportation services fund.

Sec. 13. Minnesota Statutes 1990, section 296.16, subdivision 1a, is amended to read:

Subd. 1a. [INTENT; FOREST ROADS.] ~~\$675,000~~ Approximately 0.116 percent of the total annual unrefunded revenue from the gasoline fuel tax on all gasoline and special fuel received in, produced, or brought into this state, except gasoline and special fuel used for aviation purposes, is derived from the operation of motor vehicles on state forest roads and county forest access roads, ~~and~~. Of this ~~sum, \$400,000~~ amount, 0.0605 percent is annually derived from motor vehicles operated on state forest roads and ~~\$275,000~~ 0.0555 percent is annually derived from motor vehicles operated on county forest access roads in this state.

Sec. 14. Minnesota Statutes 1990, section 296.421, subdivision 8, is amended to read:

Subd. 8. [COMPUTATION AND DISTRIBUTION OF UNREFUNDED TAXES FOR FOREST ROADS.] The amount of unrefunded tax paid on gasoline and special fuel used to operate motor vehicles on forest roads, except gasoline and special fuel used for aviation purposes, is ~~\$675,000~~ annually 0.116 percent of the total unrefunded revenue from the tax on all gasoline and special fuel received in, produced, or brought into the state, and this revenue is appropriated from the highway user tax distribution fund and must be transferred and credited in equal installments on July 1 and January 1 to the state forest road account established in section 89.70. ~~\$275,000 of this amount~~ An amount equal to 0.0555 percent of the unrefunded revenue must be annually transferred to counties for management and maintenance of county forest roads.

Sec. 15. Minnesota Statutes 1990, section 299D.03, subdivision 5, is

amended to read:

Subd. 5. [FINES AND FORFEITED BAIL MONEY.] (a) All fines and forfeited bail money, from traffic and motor vehicle law violations, collected from persons apprehended or arrested by officers of the state patrol, shall be paid by the person or officer collecting the fines, forfeited bail money or installments thereof, on or before the tenth day after the last day of the month in which these moneys were collected, to the county treasurer of the county where the violation occurred. Three-eighths of these receipts shall be credited to the general revenue fund of the county. The other five-eighths of these receipts shall be transmitted by that officer to the state treasurer and shall be credited to the ~~trunk highway~~ *transportation services* fund. If, however, the violation occurs within a municipality and the city attorney prosecutes the offense, and a plea of not guilty is entered, one-third of the receipts shall be credited to the general revenue fund of the county, one-third of the receipts shall be paid to the municipality prosecuting the offense, and one-third shall be transmitted to the state treasurer as provided in this subdivision. All costs of participation in a nationwide police communication system chargeable to the state of Minnesota shall be paid from appropriations for that purpose.

(b) Notwithstanding any other provisions of law, all fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by these employees, shall be paid by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the county treasurer of the county where the violation occurred. Five-eighths of these receipts shall be transmitted by that officer to the state treasurer and shall be credited ~~to the highway user tax distribution fund~~ *as follows: 62 percent to the transportation services fund; 29 percent to the county state-aid highway fund; and nine percent to the municipal state-aid street fund.* Three-eighths of these receipts shall be credited to the general revenue fund of the county.

Sec. 16. [EFFECTIVE DATE.]

Sections 1 to 15 are effective July 1, 1991.

ARTICLE 7

METROPOLITAN TRANSPORTATION DEVELOPMENT

Section 1. [174.35] [LIGHT RAIL TRANSIT.]

The commissioner of transportation may plan, acquire, construct, and equip light rail transit facilities in the metropolitan area as provided in this section, sections 473.399 to 473.3996, and sections 3 to 13 and may exercise the powers granted in chapter 174 as necessary for this purpose.

Sec. 2. Minnesota Statutes 1990, section 398A.04, subdivision 8, is amended to read:

Subd. 8. [TAXATION.] Before deciding to exercise the power to tax, the authority shall give six weeks published notice in all municipalities in the region. If a number of voters in the region equal to five percent of those who voted for candidates for governor at the last gubernatorial election present a petition within nine weeks of the first published notice to the secretary of state requesting that the matter be submitted to popular vote, it shall be submitted at the next general election. The question prepared

shall be:

"Shall the regional rail authority have the power to impose a property tax?

Yes

No"

If a majority of those voting on the question approve or if no petition is presented within the prescribed time the authority may levy a tax at any annual rate not exceeding ~~0.04835~~ 0.024175 percent of market value of all taxable property situated within the municipality or municipalities named in its organization resolution. Its recording officer shall file in the office of the county auditor of each county in which territory under the jurisdiction of the authority is located a certified copy of the board of commissioners' resolution levying the tax, and each county auditor shall assess and extend upon the tax rolls of each municipality named in the organization resolution the portion of the tax that bears the same ratio to the whole amount that the net tax capacity of taxable property in that municipality bears to the net tax capacity of taxable property in all municipalities named in the organization resolution. Collections of the tax shall be remitted by each county treasurer to the treasurer of the authority.

Sec. 3. Minnesota Statutes 1990, section 473.399, is amended by adding a subdivision to read:

Subd. 4. [FEDERAL FUNDING.] The regional transit board and the commissioner of transportation shall jointly seek federal assistance for light rail transit facilities in the metropolitan area in accordance with the board's regional transit plan. No political subdivision in the metropolitan area may apply for or be a recipient of federal assistance for light rail transit planning or facilities, except in conjunction with an application for assistance by the board and the commissioner.

Sec. 4. Minnesota Statutes 1990, section 473.3993, subdivision 2, is amended to read:

Subd. 2. [PRELIMINARY DESIGN PLAN.] "Preliminary design plan" means a light rail transit plan that ~~identifies~~ includes:

(1) preliminary plans for the physical design of facilities, *at approximately the ten percent engineering level*, including location, length, and termini of routes; general dimension, elevation, alignment, and character of routes and crossings; whether the track is elevated, on the surface, or below ground; approximate station locations; and related park and ride, parking, and other transportation facilities; and a plan for handicapped access; and

(2) preliminary plans for intermodal coordination with bus operations and routes; ridership; capital costs; operating costs and revenues; *and funding for final design, construction, and operation; and an implementation method.*

Sec. 5. Minnesota Statutes 1990, section 473.3993, is amended by adding a subdivision to read:

Subd. 2a. [PRELIMINARY ENGINEERING PLAN.] "Preliminary engineering plan" means a light rail transit engineering plan that includes the items in the preliminary design plan, but with greater detail and specificity including, at a minimum:

(1) preliminary engineering plans for the physical design of the facilities, at approximately the 30 percent engineering level, and appropriate performance specifications for the elements required for final design plans under subdivision 3, clause (1); and

(2) plans for the physical design of facilities, at approximately the 30 percent level, and appropriate specifications for all elements required for final design plans under subdivision 3, clause (2); a funding plan for final design, construction, and operation; and an implementation method.

Sec. 6. Minnesota Statutes 1990, section 473.3993, subdivision 3, is amended to read:

Subd. 3. [FINAL DESIGN PLAN.] "Final design plan" means a light rail transit plan that includes the items in the preliminary design *and preliminary engineering* plan for the facilities proposed for construction, but with greater detail and specificity. The final design plan must include, at a minimum:

(1) final plans for the physical design of facilities, including the right-of-way definition; environmental impacts and mitigation measures; intermodal coordination with bus operations and routes; and civil engineering plans for vehicles, track, stations, parking, and access, including handicapped access; and

(2) final plans for civil engineering for electrification, communication, and other similar facilities; operational rules, procedures, and strategies; capital costs; ridership; operating costs and revenues; financing for construction and operation; an implementation method; and other similar matters.

The final design plan must be stated with sufficient particularity and detail to allow the proposer to begin the acquisition and construction of operable facilities. If a turn-key implementation method is proposed, instead of civil engineering plans the final design plan must state detailed design criteria and performance standards for the facilities.

Sec. 7. Minnesota Statutes 1990, section 473.3994, is amended to read:
473.3994 [LIGHT RAIL TRANSIT; ~~DESIGN~~ FACILITY PLANS.]

Subd. 1a. [PRELIMINARY DESIGN PLANS.] *The regional transit board shall establish a procedure for preparing preliminary design plans for light rail transit facilities in the metropolitan area. The procedure must ensure the completion of preliminary design plans necessary to implement the board's regional transit plan, to qualify for federal funds in accordance with the board's plan, and to prepare proposals for engineering and construction projects in a timely and cost-effective manner. The board shall consult the joint light rail transit advisory committee in establishing the procedure.*

Subd. 2. [PRELIMINARY DESIGN PLANS; PUBLIC HEARING.] ~~Before preparing final design plans for a light rail transit facility, the~~ A political subdivision proposing the that has prepared preliminary design plans for a proposed facility must hold a public hearing on the physical design component of the preliminary design plans. The proposer must provide appropriate public notice of the hearing and publicity to ensure that affected parties have an opportunity to present their views at the hearing.

Subd. 3. [PRELIMINARY DESIGN PLANS; LOCAL APPROVAL.] At

least 30 days before the hearing under subdivision 2, the proposer shall submit the physical design component of the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town shall hold a public hearing, except that a county board need not hold a hearing if the county board membership is identical to the membership of the regional railroad authority submitting the plan for review. Within 45 days after the hearing under subdivision 2, the city, county, or town shall review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45 days after the hearing is deemed to be approval, unless an extension of time is agreed to by the city, county, or town and the proposer.

Subd. 4. [PRELIMINARY DESIGN PLANS; REGIONAL TRANSIT BOARD REFERRAL.] If the governing body of one or more cities, counties, or towns disapproves the preliminary design plans within the period allowed under subdivision 3, the proposer may refer the plans, along with any comments of local jurisdictions, to the regional transit board. The board shall hold a hearing on the plans, giving the proposer, any disapproving local governmental units, and other persons an opportunity to present their views on the plans. The board may conduct independent study as it deems desirable and may mediate and attempt to resolve disagreements about the plans. Within 90 days after the referral, the board shall review the plans submitted by the proposer and may recommend amended plans to accommodate the objections presented by the disapproving local governmental units.

Subd. 4a. [PRELIMINARY ENGINEERING PLANS.] (a) Before beginning final design on a proposed facility, the commissioner shall submit the physical design component of preliminary engineering plans to the governing body of each statutory and home rule city, county, and town in which the route is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town shall review and approve or disapprove the plans for the route located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within the time period is considered to be approval, unless an extension is agreed to by the city, county, or town and the commissioner.

(b) If the governing body of one or more cities, counties, or towns disapproves the plans within the period allowed under paragraph (a), the commissioner may refer the plans, along with any comments of local jurisdictions, to the regional transit board. The board shall review the preliminary engineering plans under the same procedure and with the same effect as provided in subdivision 4 for preliminary design plans.

Subd. 5. [FINAL DESIGN PLANS.] (a) Before beginning construction, the ~~proposer~~ commissioner shall submit the physical design component of final design plans to the governing body of each statutory and home rule city, county, and town in which the route is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town shall review and approve or disapprove the plans for the route located in the city, county, or town. A local unit of government that disapproves the plans shall

describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within the time period is deemed to be approval, unless an extension is agreed to by the city, county, or town and the ~~proposer~~ *commissioner*.

(b) If the governing body of one or more cities, counties, or towns disapproves the plans within the period allowed under paragraph (a), the ~~proposer~~ *commissioner* may refer the plans, along with any comments of local jurisdictions, to the regional transit board. The board shall review the final design plans under the same procedure and with the same effect as provided in subdivision 4 for preliminary design plans.

Subd. 6. [COUNTY APPROVAL.] The proposer of a light rail transit facility in the metropolitan area ~~must~~ *shall* submit the preliminary and final design plans for the facility to the governing board of the county in which the route is proposed to be located for approval or disapproval. The proposer of the facility may not proceed with construction of the facility without the approval of the county.

Subd. 7. [COUNCIL REVIEW.] Before proceeding with construction of a light rail transit facility, ~~a regional rail authority established under chapter 398A~~ *must the proposer of the facility shall submit preliminary design plans, preliminary engineering plans, and final design plans to the metropolitan council. The council must shall review the plans for consistency with the council's development guide and comment on the plans.*

Subd. 8. [METROPOLITAN SIGNIFICANCE.] This section does not diminish or replace the authority of the council under section 473.173.

Sec. 8. Minnesota Statutes 1990, section 473.3996, is amended to read:

473.3996 [LIGHT RAIL TRANSIT FACILITY ~~DESIGN~~ PLANS; REVIEW ~~BY BOARD~~.]

Subdivision 1. [PRELIMINARY DESIGN AND ENGINEERING PLANS; BOARD REVIEW.] Before submitting the physical design component of final design plans of a light rail transit facility for local review under section 473.3994, subdivision 5, the proposer shall submit preliminary design ~~and preliminary engineering plans~~ to the regional transit board for review. The board shall review the ~~preliminary design plans~~ to determine the compatibility of the plans with other light rail transit plans and facilities in the metropolitan area, ~~the adequacy of the plans for operation and maintenance of facilities,~~ the adequacy of the plans for handicapped accessibility, and the conformity of the plans with the *council's transportation policy plan and the board's regional light rail transit plan prepared under section 473.399. The board shall submit the plans to the transit commission for review and recommendations on specifications and other matters affecting operation and maintenance of facilities. The board shall submit the plans to the council for review and recommendations on the conformity of the plans with the council's transportation policy plan.* The board may comment on any aspect of the plans. The board has 90 days to complete its review, unless an extension of time is agreed to by the proposer. If the board determines that the plans do not satisfy the standards stated in this subdivision, the board shall recommend modifications in the plans that are necessary in order to satisfy the board. After adopting or amending the regional plan required by section 473.399, the board may again review any previously reviewed preliminary design plans and recommend modifications

that are necessary to satisfy the board.

Subd. 2. [FINAL DESIGN PLANS; BOARD APPROVAL.] Before acquiring or constructing light rail transit facilities, other than land for right of way, the ~~proposer~~ *commissioner* shall submit final design plans to the regional transit board for review. The board shall review the final design plans under the same *procedure and schedule* and according to the same standards as provided for its review of preliminary design plans. The board shall either approve the plans, or if it determines that the plans do not satisfy the standards, disapprove the plans, in whole or in part, and recommend modifications in the plans that are necessary to secure approval. ~~A proposer~~ *The commissioner* may not proceed with acquisition or construction of a light rail transit facility, other than land for right of way, unless the final design plans for the facility have been approved by the board. ~~Following approval of final design plans by the board, if a regional railroad authority wishes to select a bid or a response to a request for proposal that is more than ten percent higher than the capital costs indicated in the final design plans for the facility, the authority may not proceed with construction until it has resubmitted the final design plans to the transit board for further review and approval or disapproval. The board has ten working days to review and approve or disapprove and recommend modification, unless an extension of time is agreed to by the authority.~~

Subd. 3. [PRELIMINARY DESIGN PLANS; DEPARTMENT REVIEW.] *Preliminary design plans adopted after the effective date of this subdivision must be submitted to the commissioner of transportation for review. The commissioner shall review the plans for engineering and financial feasibility and may recommend modifications. The commissioner shall complete the review within 90 days, unless the agency submitting the plan agrees to an extension of time.*

Sec. 9. [473.3997] [LIGHT RAIL DESIGN AND CONSTRUCTION; DEPARTMENT OF TRANSPORTATION.]

Subdivision 1. [RESPONSIBILITY.] All light rail transit facilities in the metropolitan area must be constructed by or under contract with the commissioner of transportation. The commissioner shall prepare all preliminary engineering plans and final design plans for light rail transit facilities in the metropolitan area. The commissioner may authorize a regional railroad authority in the metropolitan area to prepare preliminary engineering plans for light rail transit facilities projects approved by the regional transit board. A regional railroad authority may not prepare final design plans for or construct light rail transit facilities except under a contract with the commissioner.

Subd. 2. [INTERGOVERNMENTAL COORDINATION.] *The commissioner shall incorporate into the engineering and final design plans appropriate elements of the preliminary design plans of regional railroad authorities. The commissioner shall consult with regional and local agencies of government in preparing the plans. The commissioner may enter into agreements for engineering, design, and construction services with a regional railroad authority, a city, or a regional agency. The commissioner shall include the metropolitan transit commission in planning and engineering decisions, particularly the system components of light rail facilities. The commissioner may by agreement authorize the transit commission to complete project components, including acquisition and testing of vehicles or system components.*

Sec. 10. [CENTRAL CORRIDOR FACILITIES.]

Subdivision 1. [PRELIMINARY ENGINEERING PLAN.] The commissioner of transportation shall prepare preliminary engineering plans for light rail transit facilities in the central corridor and the two downtowns and for associated yards, shops, and system support facilities. The commissioner shall submit the plans for review in the manner provided under Minnesota Statutes, sections 473.3994 and 473.3996, by July 1, 1992.

Subd. 2. [TUNNEL.] The commissioner may not construct underground light rail transit facilities, except that the commissioner may enter into agreements providing for underground construction if the additional costs of underground construction are paid by the city or the regional railroad authority in which the facility is located.

Subd. 3. [OWNERSHIP.] By January 1, 1993, the commissioner shall present to the legislature a plan for transferring or sharing ownership in the land and facilities for light rail transit in the corridor, and providing for maintenance of the facilities. The plan must be prepared in consultation with the regional transit board, the metropolitan transit commission, and affected local government units.

Subd. 4. [REPORT TO BOARD.] The commissioner shall report to the transportation study board on the status of the preliminary engineering plans, including cost estimates, for the central corridor by November 15, 1991.

Sec. 11. [REPEALER.]

Laws 1989, chapter 339, section 21, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Section 2 is effective for taxes levied in 1991, payable in 1992, and thereafter.

Sec. 13. [APPLICATION.]

Sections 1 and 3 to 12 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

ARTICLE 8**TRANSPORTATION STUDIES****Section 1. [161.53] [RESEARCH ACTIVITIES.]**

The commissioner may set aside for transportation research in each fiscal year an amount up to one percent of the total amount of all funds appropriated to the commissioner other than county state-aid and municipal state-aid highway funds. The commissioner shall expend this money for (1) research to improve the design, construction, maintenance, management, and environmental compatibility of transportation systems; (2) research to improve the development of transportation policies with respect to energy efficiency and economic development; (3) programs for implementing and monitoring research results; and (4) developing transportation education and outreach activities. Of the amount the commissioner shall expend 0.15 percent, but not exceeding \$800,000 in any fiscal year, for research and related activities performed by the center for transportation studies of the University of Minnesota. The center shall establish a technology transfer and training center for Minnesota transportation professionals.

Sec. 2. [DEPARTMENT OF TRANSPORTATION; CORRIDOR STUDIES.]

Subdivision 1. [FINDING.] The legislature finds that a system of improved highways between regional centers in greater Minnesota and the Twin Cities metropolitan area is needed to promote economic development and to enhance commercial access, personal mobility, and traffic safety in Minnesota. It is therefore in the public interest to provide financing methods that accelerate construction of trunk highways linking regional centers in greater Minnesota with the Twin Cities metropolitan area.

Subd. 2. [STUDY.] The commissioner of transportation shall study and report to the governor and legislature the feasibility and desirability of establishing a comprehensive system of multilane divided highways connecting all regional centers with the Twin Cities metropolitan area. The study must include:

(1) existing highways on corridors between regional centers and the metropolitan area;

(2) improvements to bring all highways in these corridors to expressway standards;

(3) the cost of these improvements;

(4) the role of these improvements in the department of transportation's trunk highway programming priorities; and

(5) a schedule for completing these improvements.

The commissioner shall complete the study and submit the report not later than January 15, 1992.

Sec. 3. [3.862] [TRANSPORTATION STUDY BOARD.]

Subdivision 1. [BOARD EXTENDED; MEMBERSHIP.] The transportation study board created under Laws 1988, chapter 603, section 6, is hereby extended. The board shall consist of the following members:

(1) five members of the senate from both political parties, appointed by the senate committee on rules and administration subcommittee on committees; and

(2) five members of the house of representatives from both political parties, appointed by the speaker of the house. Appointments are for two-year terms beginning July 1 of each odd-numbered year. Vacancies must be filled in the same manner as the original appointments.

Subd. 2. [OFFICERS.] The board shall elect a chair and vice-chair from among its members. The chair must alternate biennially between a member of the house of representatives and a member of the senate. The vice-chair must be a house member when the chair is a senate member, and a senate member when the chair is a house member.

Subd. 3. [STAFF.] The board may employ professional, technical, consulting, and clerical services. The board may use legislative staff to provide legal counsel, research, secretarial, and clerical assistance.

Subd. 4. [EXPENSES AND REIMBURSEMENT.] The members of the board may receive per diem when attending meetings and other commission business. Members, employees, and legislative staff must be reimbursed for expenses actually and necessarily incurred in the performance of their duties

under the rules governing legislators and legislative employees.

Sec. 4. [3.863] [DUTIES.]

The transportation study board shall perform the following duties:

- (1) review and participate with the house of representatives and senate transportation committees in developing recommendations for state transportation policies;*
- (2) monitor state transportation programs, expenditures, and activities;*
- (3) review and participate in the coordination of legislative initiatives that affect state and local transportation agencies; and*
- (4) propose special studies to the legislature and conduct studies at the direction of the legislature.*

Sec. 5. [3.864] [SPECIAL STUDIES.]

Subdivision 1. [STUDIES.] The board shall conduct the studies in subdivisions 2 to 7 by January 1, 1993. The board may request the commissioner of transportation to conduct any of the studies and report to the board and the legislature.

Subd. 2. [HIGHWAY PLANNING PROCESS.] The board shall review the department of transportation's policies and procedures for identifying, evaluating, prioritizing, and implementing trunk highway development projects. The board shall not propose, identify, or otherwise select any specific project or category of projects. The board shall report to the legislature and the commissioner of transportation on the results of the study with recommendations:

- (1) to the commissioner of transportation with respect to changes in the department's policies and procedures; and*
- (2) to the legislature with respect to changes in law governing those policies and procedures.*

Subd. 3. [HIGHWAY JURISDICTION.] The board shall conduct a study of the functional classification of all streets and highways in Minnesota. The study shall include:

- (1) development of a state jurisdiction plan, which must include:*
 - (i) criteria for determining the functional class of each street and highway in the state;*
 - (ii) identification of the appropriate jurisdiction of each street and highway, based on functional class; and*
 - (iii) criteria for determining when jurisdiction should be based on factors other than functional class;*
- (2) recommendations for implementing the jurisdiction plan; and*
- (3) recommendations for changes in law to facilitate future jurisdiction transfers, including establishment of a highway jurisdiction board.*

The board shall report to the legislature and the commissioner of transportation on the results of the study.

Subd. 4. [LIGHT RAIL TRANSIT.] The board shall review and report to the legislature on any preliminary engineering plans for light rail transit adopted by the commissioner of transportation under article 7.

Subd. 5. [STATE-AID DISTRIBUTION.] The board shall study all unresolved issues relating to distribution of the county state-aid highway fund and the municipal state-aid street fund. These issues may include, but need not be limited to:

(1) formulas for distributing money in these funds;

(2) methods of measuring and quantifying factors used in those formulas;

(3) the role of screening boards in this distribution;

(4) methods of mitigating reductions in state aid that might result to one or more counties from various changes in state aid formulas and distribution procedures; and

(5) appropriate levels of state participation in the cost of constructing and maintaining county state-aid highways and municipal state-aid streets.

Subd. 6. [LOCAL PARTICIPATION IN TRUNK HIGHWAY PROJECTS.] The board shall study the appropriate role of local units of government in assisting in the cost of projects to construct or reconstruct trunk highways. The study must include a recommendation of guidelines to govern the extent of that participation and the types of projects for which participation is feasible and desirable.

Subd. 7. [INCREASED USE OF HIGH-OCCUPANCY VEHICLES.] The board shall study the feasibility and desirability of increasing incentives for the use of high-occupancy vehicles such as carpools, vanpools, and transit. The board shall study and evaluate, among other things, each of the following incentives:

(1) tax incentives to employees;

(2) tax incentives and other incentives to employers;

(3) parking charges designed to discourage single-occupant vehicles and promote high-occupancy vehicles;

(4) road pricing on freeways and other commuting routes;

(5) staggered work hours;

(6) expanded availability and reduced cost of regular-route transit; and

(7) increased use of demand-responsive transit to meet the needs of persons otherwise automobile dependent.

Sec. 6. [APPROPRIATION.]

\$ is appropriated from the highway user tax distribution fund to the transportation study board.

Sec. 7. [REPEALER.]

Laws 1988, chapter 603, section 6, is repealed."

Delete the title and insert:

"A bill for an act relating to transportation; establishing state transportation goals and requiring periodic revisions of the state transportation plan; directing a study of rail-highway grade crossings; establishing penalties for violations of grade crossing safety laws; directing the commissioner to take certain actions relating to grade crossings; authorizing the commissioner of transportation to make grants and loans for the improvement of commercial navigation facilities; establishing special categories of roads and highways;

authorizing local units of government to advance funds for the completion of highway projects; establishing a transportation utility; authorizing road authorities to enter into agreements for the construction, maintenance, and operation of toll facilities; creating a transportation services fund; specifying percentage of unrefunded motor fuel tax revenue that is attributable to use on forest roads; authorizing the commissioner of transportation to plan, acquire, construct, and equip light rail transit facilities, and limiting authority of regional rail authorities; authorizing transportation research; directing a study of highway corridors; extending the transportation study board and specifying duties; appropriating money; amending Minnesota Statutes 1990, sections 162.02, subdivision 3a; 162.09, subdivision 3a; 162.14, subdivision 6; 168.54, subdivisions 5 and 6; 169.09, subdivision 13; 169.14, by adding a subdivision; 169.26; 170.23; 171.13, subdivision 1, and by adding a subdivision; 171.185; 171.26; 171.36; 173.13, subdivision 4; 173.231; 174.01; 174.03, subdivision 2, and by adding a subdivision; 219.074, by adding a subdivision; 219.402; 221.036, subdivision 14; 222.50, subdivision 7; 296.16, subdivision 1a; 296.421, subdivision 8; 299D.03, subdivision 5; 398A.04, subdivision 8; 473.399, by adding a subdivision; 473.3993, subdivisions 2 and 3, and by adding a subdivision; 473.3994; and 473.3996; proposing coding for new law in Minnesota Statutes, chapters 3; 160; 161; 162; 174; 219; 221; 444; and 473; proposing coding for new law as Minnesota Statutes, chapter 457A; repealing Laws 1988, chapter 603, section 6; and Laws 1989, chapter 339, section 21."

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

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

H.F. No. 331: A bill for an act relating to education; permitting education districts and districts operating under joint powers agreements to conduct meetings via interactive television; amending Minnesota Statutes 1990, sections 122.92, subdivision 1; and 471.59, subdivision 2.

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

Page 2, line 5, after "*may*" insert "*also*" and delete "*public*"

Page 2, lines 20 and 21, delete "*composed of school district members*" and insert "*formed for educational purposes*"

Amend the title as follows:

Page 1, line 2, after "*districts*" insert a comma

Page 1, line 3, delete "*and*" and after "*agreements*" insert "*, and joint vocational technical boards*"

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred

H.F. No. 57: A bill for an act relating to taxation; property; making technical corrections to, and clarifications to, the calculation of certain special levies, the calculation of the levy limit base, the calculation of the amount of market value reductions in certain property tax discrimination

actions, certain special levy referendum provisions, and to the effective dates of certain aid reductions; amending Minnesota Statutes 1990, sections 275.50, subdivision 5; 275.51, subdivision 3f; and 278.05, subdivision 4; Laws 1990, chapter 604, article 3, sections 49, subdivision 3; 50, subdivision 3; 51, subdivision 3; 59, subdivision 2; and 61, subdivision 2; and article 4, section 22.

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

Page 12, line 26, delete "*the court-determined market*"

Page 12, after line 34, insert:

"Sec. 4. Minnesota Statutes 1990, section 282.33, subdivision 1, is amended to read:

Subdivision 1. Whenever an unrecorded deed from the state of Minnesota conveying tax-forfeited lands shall have been lost or destroyed, an application, in form approved by the attorney general, for a new deed may be made by the grantee or the grantee's successor in interest to the commissioner of revenue. If it appears to the commissioner of revenue that the facts stated in the petition are true, the commissioner shall issue a new deed to the original grantee, in form approved by the attorney general, with like effect as the original deed. The commissioner shall send the new deed to the county recorder, who after recording the deed will forward it to the county auditor. The application shall be accompanied by a fee of \$20 \$25, payable to the commissioner of revenue, which shall be deposited with the state treasurer and credited to the general fund."

Page 17, line 13, delete "4" and insert "5"

Page 17, line 17, after the period, insert "*Section 4 is effective June 1, 1990.*"

Page 17, line 18, delete "5" and insert "6"

Page 17, line 19, delete "6" and insert "7"

Page 17, line 20, delete "7 and 8" and insert "8 and 9"

Page 17, lines 22 and 24, delete "9" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, delete "and" and after "4;" insert "and 282.33, subdivision 1;"

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. 132 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 132 | 137 | | | | |

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 132 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 132 and insert the language after the enacting clause of S.F. No. 137, the first engrossment; further, delete the title of H.F. No. 132 and insert the title of S.F. No. 137, the first engrossment.

And when so amended H.F. No. 132 will be identical to S.F. No. 137, and further recommends that H.F. No. 132 be given its second reading and substituted for S.F. No. 137, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 326 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

| GENERAL ORDERS | | CONSENT CALENDAR | | CALENDAR | |
|----------------|----------|------------------|----------|----------|----------|
| H.F. No. | S.F. No. | H.F. No. | S.F. No. | H.F. No. | S.F. No. |
| 326 | 552 | | | | |

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 326 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 326 and insert the language after the enacting clause of S.F. No. 552, the first engrossment; further, delete the title of H.F. No. 326 and insert the title of S.F. No. 552, the first engrossment.

And when so amended H.F. No. 326 will be identical to S.F. No. 552, and further recommends that H.F. No. 326 be given its second reading and substituted for S.F. No. 552, and that the Senate File be indefinitely postponed.

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

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

S.F. No. 707: A bill for an act relating to public safety; modifying exceptions to the requirement of inspection of boilers and pressure vessels; amending Minnesota Statutes 1990, section 183.56.

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

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

S.F. No. 581: A bill for an act relating to companion animals; establishing a low-cost spaying and neutering program; imposing a tax on wholesale sales of dog and cat food; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 346; proposing coding for new law as Minnesota Statutes, chapter 297E.

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

S.F. No. 833: A bill for an act relating to commerce; regulating heavy and utility equipment dealership agreements; providing for returns and repurchases under certain circumstances; providing remedies; amending Minnesota Statutes 1990, section 325E.0681, by adding subdivisions.

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. 785: A bill for an act relating to financial institutions; permitting interstate banking with additional reciprocating states; amending Minnesota Statutes 1990, section 48.92, subdivision 7.

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

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

H.F. No. 472: A bill for an act relating to occupations and professions; amending the definition of high pressure piping; amending Minnesota Statutes 1990, section 326.461, subdivision 2.

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

H.F. No. 697: A bill for an act relating to credit unions; providing that credit unions may be designated as depositories of state funds; providing for the election of a supervisory committee; clarifying investment authority of board of directors; amending Minnesota Statutes 1990, sections 9.031, subdivision 1; 52.04, subdivision 1; 52.08; and 52.09, subdivision 2.

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

H.F. No. 238: A bill for an act relating to consumer protection; prohibiting the provision of a credit card number as a condition of check cashing or acceptance; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

as follows:

Delete everything after the enacting clause and insert:

"Section 1. [325F.981] [CHECK CASHING PRACTICES.]

Subdivision 1. [PROVISION OF CREDIT CARD NUMBER.] A person shall not require as a condition of acceptance of a check, or as a means of identification, that the person presenting the check provide a credit card number.

Subd. 2. [DISPLAY WITHOUT RECORDATION.] Subdivision 1 does not prohibit a person from requesting the person presenting the check to display a credit card, but the only information concerning a credit card which may be recorded is the type and issuer of the credit card and the expiration date. Subdivision 1 does not require acceptance of a check whether or not a credit card is presented.

Subd. 3. [EXCEPTION.] A person may require production of and may record a credit card number as a condition for cashing a check only if: (1) the person requesting the card number has agreed with the issuer to cash or accept checks from the issuer's cardholders; (2) the issuer has agreed to guarantee cardholder checks cashed or accepted by that person; and (3) the cardholder has given actual, apparent, or implied authority for use of the card number in this manner and for this purpose."

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. 497: A bill for an act relating to game and fish; authorizing the commissioner to establish special seasons for persons with a physical disability to take game with firearms and by archery; proposing coding for new law in Minnesota Statutes, chapter 97B.

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

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

Page 1, line 11, after "*establish*" insert "*criteria,*" and after "*seasons*" insert a comma

Page 1, line 14, delete "*subdivision*" and insert "*section*"

Page 1, line 15, before the period, insert "*and must be participating in a program for physically disabled hunters sponsored by a nonprofit organization*" and after the period, insert "*A license is not required for a person to assist a physically disabled person hunting during a special season under this section.*"

Page 1, delete lines 16 to 19

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. 305: A bill for an act relating to Coon Creek watershed district; providing for the establishment of a district water maintenance and repair fund; authorizing a tax levy for water maintenance and repair purposes.

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

Page 1, line 25, after "*dams*," insert "*storm*"

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

S.F. No. 951: A bill for an act relating to housing; modifying procedures relating to rent escrow actions; modifying procedures relating to the tenant's loss of essential services; modifying provisions relating to tenant remedy actions, retaliatory eviction proceedings, and receivership proceedings; modifying provisions relating to Minnesota housing finance agency low- and moderate-income housing programs; providing for an emergency mortgage and rental assistance pilot project; modifying certain receivership, assignment of rents and profits, and landlord and tenant provisions; modifying provisions relating to housing and redevelopment authorities; providing for the issuance of general obligation bonds for housing by the cities of Minneapolis and St. Paul; authorizing the city of Minneapolis to make small business loans; modifying the property tax classification of certain residential real estate; excluding housing districts from the calculation of local government aid reductions; modifying the interest rate reduction program; changing the definition of mentally ill person; consolidating special needs housing programs; clarifying and amending biennial reporting requirement; authorizing new construction of accessible housing; authorizing off-reservation home improvement program; appropriating money; amending Minnesota Statutes 1990, sections 268.39; 273.124, subdivisions 1 and 11; 273.13, subdivision 25; 273.1399, subdivision 1; 462A.03, subdivisions 10 and 16; 462A.05, subdivision 20, and by adding a subdivision; 462A.21, subdivisions 4k, 12a, and 14; 462A.22, subdivision 9; 462A.222, subdivision 3; 462C.03, subdivision 10; 469.011, subdivision 4; 469.012, subdivision 1; 469.015, subdivisions 3, 4, and by adding a subdivision; 469.176, subdivision 4f; 474A.048, subdivision 2; 481.02, subdivision 3; 504.02; 504.185, subdivision 2; 504.20, subdivisions 3, 4, 5, and 7; 504.27; 559.17, subdivision 2; 566.03, subdivision 1; 566.17, subdivisions 1, 2, and by adding a subdivision; 566.175, subdivision 6; 566.18, subdivision 9; 566.29, subdivisions 2 and 4; and 576.01, subdivision 2; Laws 1974, chapter 285, section 4, as amended; Laws 1987, chapter 404, section 28, subdivision 1; Laws 1988, chapter 594, section 6; Laws 1989, chapter 335, article 1, section 27, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapters 268 and 609; repealing Minnesota Statutes 1990, section 462A.05, subdivisions 28 and 29.

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

Delete everything after the enacting clause and insert:

"ARTICLE 1
LANDLORD AND TENANT

Section 1. Minnesota Statutes 1990, section 481.02, subdivision 3, is amended to read:

Subd. 3. [PERMITTED ACTIONS.] The provisions of this section shall not prohibit:

(1) any person from drawing, without charge, any document to which the person, an employer of the person, a firm of which the person is a member, or a corporation whose officer or employee the person is, is a party, except another's will or testamentary disposition or instrument of trust serving purposes similar to those of a will;

(2) a person from drawing a will for another in an emergency if the imminence of death leaves insufficient time to have it drawn and its execution supervised by a licensed attorney-at-law;

(3) any insurance company from causing to be defended, or from offering to cause to be defended through lawyers of its selection, the insureds in policies issued or to be issued by it, in accordance with the terms of the policies;

(4) a licensed attorney-at-law from acting for several common-carrier corporations or any of its subsidiaries pursuant to arrangement between the corporations;

(5) any bona fide labor organization from giving legal advice to its members in matters arising out of their employment;

(6) any person from conferring or cooperating with a licensed attorney-at-law of another in preparing any legal document, if the attorney is not, directly or indirectly, in the employ of the person or of any person, firm, or corporation represented by the person;

(7) any licensed attorney-at-law of Minnesota, who is an officer or employee of a corporation, from drawing, for or without compensation, any document to which the corporation is a party or in which it is interested personally or in a representative capacity, except wills or testamentary dispositions or instruments of trust serving purposes similar to those of a will, but any charge made for the legal work connected with preparing and drawing the document shall not exceed the amount paid to and received and retained by the attorney, and the attorney shall not, directly or indirectly, rebate the fee to or divide the fee with the corporation;

(8) any person or corporation from drawing, for or without a fee, farm or house leases, notes, mortgages, chattel mortgages, bills of sale, deeds, assignments, satisfactions, or any other conveyances except testamentary dispositions and instruments of trust;

(9) a licensed attorney-at-law of Minnesota from rendering to a corporation legal services to itself at the expense of one or more of its bona fide principal stockholders by whom the attorney is employed and by whom no compensation is, directly or indirectly, received for the services;

(10) any person or corporation engaged in the business of making collections from engaging or turning over to an attorney-at-law for the purpose of instituting and conducting suit or making proof of claim of a creditor in any case in which the attorney-at-law receives the entire compensation for

the work;

(11) any regularly established farm journal or newspaper, devoted to general news, from publishing a department of legal questions and answers to them, made by a licensed attorney-at-law, if no answer is accompanied or at any time preceded or followed by any charge for it, any disclosure of any name of the maker of any answer, any recommendation of or reference to any one to furnish legal advice or services, or by any legal advice or service for the periodical or any one connected with it or suggested by it, directly or indirectly;

(12) any authorized management agent of an owner of rental property used for residential purposes, whether the management agent is a natural person, corporation, partnership, limited partnership, or any other business entity, from commencing, maintaining, conducting, or defending in its own behalf any action in any court in this state to recover or retain possession of the property, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal; and

(13) any person from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state pursuant to the provisions of section 566.175 or sections 566.18 to ~~566.33~~ 566.35 or from commencing, maintaining, conducting, or defending on behalf of the plaintiff or defendant any action in any court of this state for the recovery of rental property used for residential purposes pursuant to the provisions of section 566.02 or 566.03, subdivision 1, except that the provision of this clause does not authorize a person who is not a licensed attorney-at-law to conduct a jury trial or to appear before a district court or the court of appeals or supreme court pursuant to an appeal, and provided that, except for a nonprofit corporation, a person who is not a licensed attorney-at-law shall not charge or collect a separate fee for services rendered pursuant to this clause.

Sec. 2. Minnesota Statutes 1990, section 504.02, is amended to read:

504.02 [CANCELLATION OF LEASES IN CERTAIN CASES; ABANDONMENT OR SURRENDER OF POSSESSION.]

Subdivision 1. [ACTION TO RECOVER.] (a) In case of a lease of real property, when the landlord has a subsisting right of reentry for the failure of the tenant to pay rent the landlord may bring an action to recover possession of the property and such action is equivalent to a demand for the rent and a reentry upon the property; but if, at any time before possession has been delivered to the plaintiff on recovery in the action, the lessee or a successor in interest as to the whole or any part of the property pays to the plaintiff or brings into court the amount of the rent then in arrears, with interest and costs of the action, and an attorney's fee not exceeding \$5, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the original lease.

(b) If the lessee or successor in interest brings into court the amount of the rent in arrears and the court finds:

(1) that for reasons beyond the defendant's reasonable control the defendant could not pay the rent in arrears prior to the bringing of the action; and

(2) that the defendant meets the financial eligibility criteria in section 563.01, subdivision 3;

the court shall order the court administrator to refund to the plaintiff the filing fee in the action and order the defendant to pay the remainder of the costs of the action to the plaintiff.

Subd. 2. [LEASE GREATER THAN 20 YEARS.] (a) If the lease under which the right of reentry is claimed is a lease for a term of more than 20 years, reentry cannot be made into the land or such action commenced by the landlord unless, after default, the landlord shall serve upon the tenant, also upon all creditors having a lien of record legal or equitable upon the leased premises or any part thereof, a written notice that the lease will be canceled and terminated unless the payment or payments in default shall be made and the covenants in default shall be performed within 30 days after the service of such notice, or within such greater period as the lessor shall specify in the notice, and if such default shall not be removed within the period specified within the notice, then the right of reentry shall be complete at the expiration of the period and may be exercised as provided by law. If any such lease shall provide that the landlord, after default, shall give more than 30 days' notice in writing to the tenant of the landlord intention to terminate the tenancy by reason of default in terms thereof, then the length of the notice to terminate shall be the same as provided for and required by the lease.

(b) As to such leases for a term of more than 20 years, if at any time before the expiration of six months after possession obtained by the plaintiff by abandonment or surrender of possession by the tenant or on recovery in the action, the lessee or a successor in interest as to the whole or part of the property, or any creditor having a lien legal or equitable upon the leased premises or any part thereof, pays to the plaintiff, or brings into court, the amount of rent then in arrears, with interest and the costs of the action, and performs the other covenants on the part of the lessee, the lessee or successor may be restored to the possession and hold the property according to the terms of the original lease. The provisions of this section shall not apply to any action or proceeding now pending in any of the courts of this state.

Subd. 3. [JUDGMENT TO BE RECORDED.] Upon recovery of possession by the landlord in the action a certified copy of the judgment shall be recorded in the office of the county recorder of the county where the land is situated if unregistered land or in the office of the registrar of titles of such county if registered land and upon recovery of possession by the landlord by abandonment or surrender by the tenant an affidavit by the landlord or the landlord's attorney setting forth such fact shall be recorded in a like manner and such recorded certified copy of such judgment or such recorded affidavit shall be prima facie evidence of the facts stated therein in reference to the recovery of possession by such landlord.

Sec. 3. Minnesota Statutes 1990, section 504.18, subdivision 1, is amended to read:

Subdivision 1. In every lease or license of residential premises, whether in writing or parol, the lessor or licensor covenants:

(a) That the premises and all common areas are fit for the use intended by the parties.

(b) To keep the premises in reasonable repair during the term of the lease or license, except when the disrepair has been caused by the willful, malicious, or irresponsible conduct of the lessee or licensee or a person under the direction or control of the lessee or licensee.

(c) To maintain the premises in compliance with the applicable health and safety laws of the state, *including the weatherstripping, caulking, storm window, and storm door energy efficiency standards for renter-occupied residences prescribed by section 216C.27, subdivisions 1 and 3*, and of the local units of government where the premises are located during the term of the lease or license, except when violation of the health and safety laws has been caused by the willful, malicious, or irresponsible conduct of the lessee or licensee or a person under the direction or control of the lessee or licensee.

The parties to a lease or license of residential premises may not waive or modify the covenants imposed by this section.

Sec. 4. Minnesota Statutes 1990, section 504.185, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE.] When a municipality, utility company, or other company supplying home heating oil, propane, natural gas, electricity, or water to a building has *issued a final notice or has posted the building proposing to disconnect or discontinued the service to the building because an owner who has contracted for the service has failed to pay for it or because an owner is required by law or contract to pay for the service and fails to do so*, a tenant or group of tenants may pay to have the service *continued or reconnected* as provided under this section. Before paying for the service, the tenant or group of tenants shall give oral or written notice to the owner of the tenant's intention to pay after 48 hours, or a shorter period that is reasonable under the circumstances, if the owner has not already paid for the service. In the case of oral notification, written notice shall be mailed or delivered to the owner within 24 hours after oral notice is given.

(a) In the case of natural gas, electricity, or water, if the owner has not yet paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may pay the outstanding bill for the most recent billing period, if the utility company or municipality will restore the service for at least one billing period.

(b) In the case of home heating oil or propane, if the owner has not yet paid the bill by the time of the tenant's intended payment, or if the service remains discontinued, the tenant or tenants may order and pay for one month's supply of the proper grade and quality of oil or propane.

After submitting receipts for the payment to the owner, a tenant may deduct the amount of the tenant's payment from the rental payment next paid to the owner. Any amount paid to the municipality, utility company, or other company by a tenant under this subdivision is considered payment of rent to the owner for purposes of section 504.02.

Sec. 5. Minnesota Statutes 1990, section 504.20, subdivision 3, is amended to read:

Subd. 3. Every landlord shall, within three weeks after termination of the tenancy *or within five days of the date when the tenant leaves the building or dwelling due to the legal condemnation of the building or dwelling in*

which the tenant lives for reasons not due to willful, malicious, or irresponsible conduct of the tenant, and after receipt of the tenant's mailing address or delivery instructions, return the deposit to the tenant, with interest thereon as above provided, or furnish to the tenant a written statement showing the specific reason for the withholding of the deposit or any portion thereof. It shall be sufficient compliance with the time requirement of this subdivision if the deposit or written statement required by this subdivision is placed in the United States mail as first class mail, postage prepaid, in an envelope with a proper return address, correctly addressed according to the mailing address or delivery instructions furnished by the tenant, within the time required by this subdivision. The landlord may withhold from the deposit only amounts reasonably necessary:

(a) To remedy tenant defaults in the payment of rent or of other funds due to the landlord pursuant to an agreement; or

(b) To restore the premises to their condition at the commencement of the tenancy, ordinary wear and tear excepted.

In any action concerning the deposit, the burden of proving, by a fair preponderance of the evidence, the reason for withholding all or any portion of the deposit shall be on the landlord.

Sec. 6. Minnesota Statutes 1990, section 504.20, subdivision 4, is amended to read:

Subd. 4. Any landlord who fails to provide a written statement within three weeks of termination of the tenancy *or within five days of the date when the tenant leaves the building or dwelling due to the legal condemnation of the building or dwelling in which the tenant lives for reasons not due to willful, malicious, or irresponsible conduct of the tenant, and after receipt of the tenant's mailing address or delivery instructions, as required in subdivision 3, shall be liable to the tenant for damages in an amount equal to the portion of the deposit withheld by the landlord and interest thereon as provided in subdivision 2, as a penalty, in addition to the portion of the deposit wrongfully withheld by the landlord and interest thereon.*

Sec. 7. Minnesota Statutes 1990, section 504.27, is amended to read:

504.27 [REMEDIES ARE ADDITIONAL.]

The remedies provided in sections 504.24 to 504.26 are in addition to and shall not limit other rights or remedies available to landlords and tenants. Any provision, whether oral or written, of any lease or other agreement, whereby any provision of sections 504.24 to 504.27 is waived by a tenant is contrary to public policy and void. The provisions of sections 504.24 to 504.27 shall apply only to tenants as that term is defined in section 566.18, subdivision 2, and buildings as that term is defined in section 566.18, subdivision 7. *The provisions of sections 504.24, 504.25, 504.255, and 504.26 apply to occupants and owners of residential real property which is the subject of a mortgage foreclosure or contract for deed cancellation and as to which the period for redemption or reinstatement of the contract has expired.*

ARTICLE 2

UNLAWFUL DETAINER

Section 1. Minnesota Statutes 1990, section 566.03, subdivision 1, is amended to read:

Subdivision 1. *The person entitled to the premises may recover possession in the manner provided in this section when:*

(1) any person holds over lands or tenements after a sale thereof on an execution or judgment, or on foreclosure of a mortgage, and expiration of the time for redemption, or after termination of contract to convey the same, provided that if the person holding such lands or tenements after the sale, ~~foreclosure~~ *expiration of the time for redemption, or termination is a tenant, the person has received:*

(i) ~~at least one month's written notice of the termination of tenancy as a result of~~ *to vacate no sooner than one month after the sale, foreclosure expiration of the time for redemption, or termination; or when*

(ii) *at least one month's written notice to vacate no later than the date of the sale, expiration of the time for redemption, or termination which notice shall also state that the sender will hold the tenant harmless from any damages caused to the tenant if no sale occurs, the mortgage is redeemed, or the contract is reinstated;*

(2) any person holds over lands or tenements after termination of the time for which they are demised or let to that person or to the persons under whom that person holds possession, or contrary to the conditions or covenants of the lease or agreement under which that person holds, or after any rent becomes due according to the terms of such lease or agreement; ~~or when~~

(3) any tenant at will holds over after the determination of ~~any such~~ *the* estate by notice to quit; ~~in all such cases the person entitled to the premises may recover possession thereof in the manner hereinafter provided.~~

Sec. 2. Minnesota Statutes 1990, section 566.17, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] (a) "Dwelling," for purposes of this section, means all or that lesser part of the premises which is occupied by the defendant as a residence and includes a manufactured home as defined in section 327C.01, subdivision 4. "Manufactured home lot" or "lot," for purposes of this section, means an area within a manufactured home park, designed or used for the accommodation of a manufactured home. "Premises," for purposes of this section, means the building in which the defendant resides and any other building connected to it or which is one of two or more adjacent buildings used by the plaintiff for rental residential purposes. Premises includes a manufactured home park as defined in section 327C.01, subdivision 5. "Personal property" or "property," for purposes of this section, means the household goods and furnishings, clothing, personal items, tools, and motor and recreational vehicles used or stored in or near a dwelling.

(b) The officer holding the writ of restitution shall execute the same by making a demand upon defendant if found in the county or any adult member of the defendant's family holding possession of the ~~premises~~ *dwelling or manufactured home lot*, or other person in charge thereof, for the possession of the same, and that the defendant leave, taking family and all personal property and manufactured home from ~~such premises~~ *the dwelling or lot* within 24 hours after such demand. If defendant fails to comply with the demand, then the officer shall bring, if necessary, the force of the county and whatever assistance may be necessary, at the cost of the complainant,

remove the said defendant, family and all personal property and *manufactured home* from ~~said premises~~ *the dwelling or lot* detained, immediately and place the plaintiff in the possession thereof. In case *the* defendant cannot be found in the county, and there is no person in charge of the ~~premises~~ *dwelling or lot* detained, so that no demand can be made upon the defendant, then the officer shall enter into the possession of the ~~premises~~ *dwelling or lot*, breaking in if necessary, and the property and *manufactured home* of the defendant shall be removed and stored at a place designated by the plaintiff as provided under subdivision 2.

Sec. 3. Minnesota Statutes 1990, section 566.17, subdivision 2, is amended to read:

Subd. 2. [REMOVAL AND STORAGE OF PROPERTY.] (a) In cases where the defendant's personal property or *manufactured home* is to be stored in a place other than the premises, the officer shall remove all property and the *manufactured home* of the defendant at the expense of the plaintiff.

The plaintiff shall have a lien upon all of the ~~goods upon the premises~~ *defendant's property in the dwelling and the manufactured home* for the reasonable costs and expenses incurred for removing ~~the personal property~~ and for the ~~proper~~, properly caring for, and storing the same, and the costs of transportation of the same to some suitable place of storage, in case defendant shall fail or refuse to make immediate payment for all the expenses of ~~such the~~ removal from the ~~premises~~ *dwelling or lot* and plaintiff shall have the right to enforce such lien by detaining the same until paid, and, in case of nonpayment for 60 days after the execution of the writ, shall have the right to enforce the lien and foreclose the same by public sale as provided for in case of sales under sections 514.18 to 514.22.

(b) In cases where the defendant's property or *manufactured home* is to be stored on the premises, the officer shall enter the ~~premises~~ *dwelling or lot*, breaking in if necessary, and the plaintiff may remove the defendant's personal property or *manufactured home*. *The plaintiff shall have no lien on property other than a manufactured home stored on the premises. In the case of a manufactured home, the plaintiff shall have a lien for rent and other related expenses incurred in the storage and care of the manufactured home for the period of time prior to sale pursuant to sections 514.18 to 514.22.* The provisions of section 504.24 apply to property removed under this paragraph. The plaintiff must prepare an inventory and mail a copy of the inventory to the defendant's last known address or, if the defendant has provided a different address, to the address provided by the defendant. The inventory must be prepared, signed, and dated in the presence of the peace officer. The inventory must include the following:

(1) a listing of the items of personal property and a description of the condition of the property;

(2) the date, the signature of the plaintiff or the plaintiff's agent, and the name and telephone number of a person authorized to release the personal property; and

(3) the name and badge number of the peace officer.

The peace officer shall retain a copy of the inventory. The plaintiff is responsible for the proper removal, storage, and care of the defendant's personal property and is liable for damages for loss of or injury to the defendant's personal property caused by the plaintiff's failure to exercise care in regard to it as a reasonably careful person would exercise under like

circumstances.

(c) The plaintiff shall notify the defendant of the date and approximate time the officer is scheduled to remove the defendant, family, and the defendant's personal property from the ~~premises dwelling or lot~~. The notice must be sent by first-class mail. In addition, the plaintiff must make a good faith effort to notify the defendant by telephone. The notice must be mailed as soon as the information regarding the date and approximate time the officer is scheduled to enforce the writ is known to the plaintiff, except that the scheduling of the peace officer to enforce the writ need not be delayed because of the notice requirement. The notice must inform the defendant that the defendant and the defendant's property will be removed from the ~~premises dwelling or lot~~ if the defendant has not vacated the ~~premises dwelling or lot~~ by the time specified in the notice.

Sec. 4. Minnesota Statutes 1990, section 566.17, is amended by adding a subdivision to read:

Subd. 2a. In the second and fourth judicial districts, the housing calendar consolidation project shall retain jurisdiction in matters relating to removal of property or a manufactured home under this section. If the plaintiff refuses to return the property or manufactured home after proper demand is made as provided in section 504.24, the court shall enter an order requiring the plaintiff to return the property or manufactured home to the defendant and awarding reasonable expenses including attorney fees to the defendant.

Sec. 5. Minnesota Statutes 1990, section 566.175, subdivision 6, is amended to read:

Subd. 6. ~~The provisions of~~ This section ~~shall apply only~~ applies to:

(1) tenants as ~~that term~~ is defined in section 566.18, subdivision 2, and including occupants and owners of residential real property which is the subject of a mortgage foreclosure or contract for deed cancellation and as to which the period for redemption or reinstatement of the contract has expired;

(2) buildings as that term is defined in section 566.18, subdivision 7; and

(3) landlords as the term "owner" is defined in section 566.18, subdivision 3, but also including mortgagees and contract for deed vendors.

Sec. 6. Minnesota Statutes 1990, section 566.18, subdivision 9, is amended to read:

Subd. 9. [NEIGHBORHOOD ORGANIZATION.] "Neighborhood organization" means a nonprofit corporation incorporated under chapter 317A that satisfies clauses (1) and (2).

The corporation shall:

(1) designate in its articles of incorporation or bylaws a specific geographic community to which its activities are limited; and

(2) be formed for the purposes of promoting community safety, crime prevention, and housing quality in a nondiscriminatory manner.

For purposes of this chapter, an action taken by a neighborhood organization with the written permission of a tenant means, with respect to a building with multiple dwelling units, an action taken by the neighborhood organization with the written permission of the tenants of a majority of the

occupied units.

Sec. 7. Minnesota Statutes 1990, section 566.29, subdivision 2, is amended to read:

Subd. 2. Such person *or neighborhood organization* shall post bond to the extent of the rents expected by the court to be necessary to be collected to correct the violation or violations. Administrators appointed from the governmental agencies shall not be required to give bond.

Sec. 8. Minnesota Statutes 1990, section 566.29, subdivision 4, is amended to read:

Subd. 4. [POWERS.] The administrator is authorized to:

(a) Collect rents from tenants and commercial tenants, evict tenants and commercial tenants for nonpayment of rent or other cause, enter into leases for vacant dwelling units, rent vacant commercial units with the consent of the owner and exercise all other powers necessary and appropriate to carry out the purposes of Laws 1973, chapter 611;

(b) Contract for the reasonable cost of materials, labor and services necessary to remedy the violation or violations found by the court to exist and for the rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and make disbursements for payment therefor from funds available for the purpose;

(c) Provide any services to the tenants which the owner is obligated to provide but refuses or fails to provide, and pay for them from funds available for the purpose;

(d) Petition the court, after notice to the parties, for an order allowing the administrator to encumber the ~~premise~~ *premises* to secure funds to the extent necessary to cover the cost of materials, labor, and services, including reasonable fees for the administrator's services, necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and to pay for them from funds derived from the encumbrance; and

(e) Petition the court, after notice to the parties, for an order allowing the administrator to receive funds made available for this purpose by the *federal or state governing body or the municipality* to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and pay for them from funds derived from ~~the municipal sources~~ *this source*. The municipality shall recover disbursements by special assessment on the real estate affected, bearing interest at the rate determined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b), with the assessment, interest and any penalties to be collected the same as special assessments made for other purposes under state statute or municipal charter.

Sec. 9. [609.606] [UNLAWFUL OUSTER OR EXCLUSION.]

A landlord, agent of the landlord, or person acting under the landlord's direction or control who unlawfully and intentionally removes or excludes a tenant from lands or tenements or intentionally interrupts or causes the

interruption of electrical, heat, gas, or water services to the tenant with intent to unlawfully remove or exclude the tenant from lands or tenements is guilty of a misdemeanor.

ARTICLE 3

STATE HOUSING PROGRAMS

Section 1. Minnesota Statutes 1990, section 47.58, is amended by adding a subdivision to read:

Subd. 8. [COUNSELING; REQUIREMENT; PENALTY.] Any lender or any mortgage banking company or any other mortgage lender not related to the mortgagor must keep a certificate on file documenting that the borrower, prior to entering into the reverse mortgage loan, received counseling as defined in this subdivision from an organization that meets the requirements of section 462A.28, subdivision 1, and is a housing counseling agency approved by the United States Department of Housing and Urban Development. The certificate must be signed by the mortgagor and the counselor and include the date of the counseling, the name, address, and telephone number of both the mortgagor and the organization providing counseling. Lenders must provide to the mortgagor a copy of the certificate of counseling upon request. A failure by a lender to provide certification results in a loss of any future interest due on the loan. For the purposes of this subdivision, "counseling" means the following services are provided to the borrower:

(1) a review of the advantages and disadvantages of reverse mortgage programs;

(2) an explanation of how the reverse mortgage affects the borrower's estate and public benefits;

(3) an explanation of the lending process;

(4) a discussion of the borrower's supplemental income needs; and

(5) an opportunity to ask questions of the counselor.

Sec. 2. [268.44] [EMERGENCY MORTGAGE AND RENTAL ASSISTANCE PILOT PROJECT.]

Subdivision 1. [ADMINISTRATION.] The commissioner of jobs and training shall administer an emergency mortgage and rental assistance pilot project for individuals who are in danger of losing their housing as a result of having insufficient income to allow payment of their rental or mortgage costs. "Eligible project participants" are individuals ineligible for emergency assistance or general assistance for housing whose income does not exceed 80 percent of the area median income at the time of application to the project. No individual or family may receive more than six months of rental or mortgage assistance or \$2,000, whichever is less. The commissioner of jobs and training may establish eligibility priorities for emergency rental or mortgage assistance among the categories of persons needing assistance, including persons subject to eviction for nonpayment of rent or foreclosure for nonpayment of mortgage installments or property taxes, when nonpayment is attributable to illness, unemployment, underemployment, or any other failure of resources beyond the person's control.

Subd. 2. [LOCAL RESPONSIBILITIES.] The commissioner of jobs and training must disburse funds to local agencies responsible for the distribution of emergency assistance. The local agencies may distribute funds to eligible

project participants and may determine the amount of assistance on a case-by-case basis. Local agencies must provide program participants with case management services, referral services relating to housing, and other resources and programs that may be available to them.

Subd. 3. [MORTGAGE ASSISTANCE.] Eligible homeowners at risk of losing their housing as a result of a short-term disruption or decrease in income may receive monthly mortgage or mortgage arrears assistance interest-free loans. To qualify for assistance, a homeowner must be at least two months delinquent on home mortgage payments. The local distributing agency must determine repayment schedules on a case-by-case basis. If the homeowner sells the house within one year of receiving assistance, net proceeds from the sale must be applied to the mortgage assistance loan.

Subd. 4. [RENTAL ASSISTANCE.] Eligible applicants who are in danger of losing their housing may receive monthly rental or rental arrears assistance payments. Monthly rental assistance payments may not exceed the fair market value of the rental housing unit. Persons may be required to repay the rental assistance based on their financial ability to pay, as determined by the local distributing agency.

Sec. 3. Minnesota Statutes 1990, section 462A.03, subdivision 10, is amended to read:

Subd. 10. "Persons and families of low and moderate income" means persons and families, irrespective of race, creed, national origin ~~or~~, sex, *or status with respect to guardianship or conservatorship*, determined by the agency to require such assistance as is made available by sections 462A.01 to 462A.24 on account of personal or family income not sufficient to afford adequate housing. In making such determination the agency shall take into account the following: (a) The amount of the total income of such persons and families available for housing needs, (b) the size of the family, (c) the cost and condition of housing facilities available, (d) the eligibility of such persons and families to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing sanitary, decent and safe housing. In the case of federally subsidized mortgages with respect to which income limits have been established by any agency of the federal government having jurisdiction thereover for the purpose of defining eligibility of low and moderate income families, the limits so established shall govern under the provision of sections 462A.01 to 462A.24. In all other cases income limits for the purpose of defining low or moderate income persons shall be established by the agency by emergency or permanent rules.

Sec. 4. Minnesota Statutes 1990, section 462A.03, subdivision 13, is amended to read:

Subd. 13. "Eligible mortgagor" means a nonprofit or cooperative housing corporation, *the department of human services for the purpose of developing community-based programs as defined in sections 252.50 and 253.28*, limited profit entity or a builder as defined by the agency in its rules, which sponsors or constructs residential housing as defined in subdivision 7, or a natural person of low or moderate income, except that the return to a limited dividend entity shall not exceed ten percent of the capital contribution of the investors or such lesser percentage as the agency shall establish in its rules; provided that residual receipts funds of a limited dividend entity may be used for agency-approved, housing-related investments owned by the limited dividend entity without regard to the limitation on returns.

Owners of existing residential housing occupied by renters shall be eligible for rehabilitation loans, only if, as a condition to the issuance of the loan, the owner agrees to conditions established by the agency in its rules relating to rental or other matters that will insure that the housing will be occupied by persons and families of low or moderate income. The agency shall require by rules that the owner give preference to those persons of low or moderate income who occupied the residential housing at the time of application for the loan.

Sec. 5. Minnesota Statutes 1990, section 462A.05, is amended by adding a subdivision to read:

Subd. 14d. [ACCESSIBILITY LOAN PROGRAM.] Rehabilitation loans authorized under subdivision 14 may be made to eligible persons and families whose income does not exceed the maximum income limits authorized under section 143(f) of the Internal Revenue Code of 1986, as amended through December 31, 1990. Notwithstanding section 462A.05, subdivision 14, loans may be made under this subdivision which cause the amount of total indebtedness secured by the property to exceed the market value of the property, as determined by the agency.

A person or family is eligible to receive an accessibility loan under the following conditions:

(1) the borrower or a member of the borrower's family requires a level of care provided in a hospital, skilled nursing facility, or intermediate care facility for persons with mental retardation or related conditions;

(2) home care is appropriate; and

(3) the improvement will enable the borrower or a member of the borrower's family to reside in the housing.

Sec. 6. Minnesota Statutes 1990, section 462A.222, subdivision 3, is amended to read:

Subd. 3. [ALLOCATION PROCEDURE.] (a) Projects will be awarded tax credits in three competitive rounds on an annual basis. The date for applications for each round must be determined by the agency. No allocating agency may award tax credits prior to the application dates established by the agency.

(b) Each allocating agency must meet the requirements of section 42(m) of the Internal Revenue Code of 1986, as amended through December 31, 1989, for the allocation of tax credits and the selection of projects.

(c) For applications submitted for the first round, an allocating agency may allocate tax credits only to the following types of projects:

(1) single-room occupancy projects which are affordable by households whose income does not exceed 30 percent of the median income;

(2) family housing projects in which at least 75 percent of the units contain two or more bedrooms and at least one-third of the 75 percent contain three or more bedrooms;

(3) projects in which ~~at least 50 percent~~ *a percentage* of the units are ~~for mentally ill, mentally retarded, drug dependent, developmentally disabled, or physically handicapped~~ *set aside and rented to persons:*

(i) with a serious and persistent mental illness as defined in section 245.462, subdivision 20, paragraph (c);

(ii) with a developmental disability as defined in United States Code, title 42, section 6001, paragraph (7), as amended through December 31, 1990;

(iii) with a brain injury as defined in section 256B.093, subdivision 4, paragraph (a);

(iv) who have been assessed as drug dependent persons as defined in section 254A.02, subdivision 5, and are receiving or will receive care and treatment services provided by an approved treatment program as defined in section 254A.02, subdivision 2; or

(v) with physical disabilities if at least 50 percent of the units are accessible as provided under Minnesota Rules, chapter 1340;

(4) projects which preserve existing subsidized housing which is subject to prepayment if the use of tax credits is necessary to prevent conversion to market rate use; or

(5) projects financed by the Farmers Home Administration which meet statewide distribution goals.

(d) Before the date for applications for the second round, the allocating agencies other than the agency shall return all uncommitted and unallocated tax credits to the pool from which they were allocated, along with copies of any allocation or commitment. In the second round, the agency shall allocate the remaining credits from the regional pools to projects from the respective regions.

(e) In the third round, all unallocated tax credits must be transferred to a unified pool for allocation by the agency on a statewide basis.

(f) Unused portions of the state ceiling for low-income housing tax credits reserved to cities and counties for allocation may be returned at any time to the agency for allocation.

Sec. 7. [APPROPRIATION; DEPARTMENT OF JOBS AND TRAINING.]

\$ is appropriated from the general fund to the commissioner of jobs and training for the emergency mortgage and rental assistance pilot project to be available for the biennium ending June 30, 1993.

Sec. 8. [APPROPRIATION; HOUSING TRUST FUND ACCOUNT.]

\$ is appropriated and transferred from the general fund to the housing trust fund account in the housing development fund for the purposes specified in Minnesota Statutes, section 462A.201.

ARTICLE 4

ASSIGNMENT OF RENTS AND RECEIVERSHIP

Section 1. Minnesota Statutes 1990, section 504.20, subdivision 4, is amended to read:

Subd. 4. Any landlord who fails to provide a written statement within three weeks of termination of the tenancy and receipt of the tenant's mailing address or delivery instructions, as required in subdivision 3, ~~shall be or fails to transfer or return a deposit as required under subdivision 5,~~ is liable to the tenant or the successor in interest for damages in an amount equal to the portion of the deposit withheld by the landlord and interest thereon as provided in subdivision 2, as a penalty, in addition to the portion of the deposit wrongfully withheld by the landlord and interest thereon.

Sec. 2. Minnesota Statutes 1990, section 504.20, subdivision 5, is amended to read:

Subd. 5. Upon termination of the landlord's interest in the premises, whether by sale, assignment, death, appointment of receiver or otherwise, the landlord or the landlord's agent shall, ~~within a reasonable time~~ *60 days of termination of the interest or when the successor in interest is required to return or otherwise account for the deposit to the tenant, whichever occurs first*, do one of the following acts, either of which shall relieve the landlord or agent of further liability with respect to such deposit:

(a) Transfer such deposit, or any remainder after any lawful deductions made under subdivision 3, with interest thereon as provided in subdivision 2, to the landlord's successor in interest and thereafter notify the tenant of such transfer and of the transferee's name and address; or

(b) Return such deposit, or any remainder after any lawful deductions made under subdivision 3, with interest thereon as provided in subdivision 2, to the tenant.

Sec. 3. Minnesota Statutes 1990, section 504.20, subdivision 7, is amended to read:

Subd. 7. The bad faith retention by a landlord of ~~the a~~ deposit, the interest thereon, or any portion thereof, in violation of this section shall subject the landlord to punitive damages not to exceed \$200 *for each deposit* in addition to the damages provided in subdivision 4. If the landlord has failed to comply with the provisions of subdivision 3 *or 5*, retention of ~~the a~~ deposit shall be presumed to be in bad faith unless the landlord returns the deposit within two weeks after the commencement of any action for the recovery of the deposit.

Sec. 4. Minnesota Statutes 1990, section 559.17, subdivision 2, is amended to read:

Subd. 2. A mortgagor may assign, as additional security for the debt secured by the mortgage, the rents and profits from the mortgaged real property, if the mortgage:

(1) Was executed, modified or amended subsequent to August 1, 1977;

(2) Secured an original principal amount of ~~\$500,000~~ *\$100,000* or more *or is a lien upon residential real estate containing more than four dwelling units*; and

(3) Is not a lien upon property which was entirely homesteaded ~~as~~, *residential real estate containing four or less dwelling units where at least one of the units is homesteaded*, or agricultural property. The assignment may be enforced as follows:

(a) If, by the terms of an assignment, a receiver is to be appointed upon the occurrence of some specified event, and a showing is made that the event has occurred, the court shall, without regard to waste, adequacy of the security, or solvency of the mortgagor, appoint a receiver who shall, with respect to the excess cash remaining after application as provided in section 576.01, subdivision 2, apply it as prescribed by the assignment. If the assignment so provides, the receiver shall apply the excess cash in the manner set out herein from the date of appointment through the entire redemption period from any foreclosure sale. Subject to the terms of the assignment, the receiver shall have the powers and duties as set forth in

section 576.01, subdivision 2-; *or*

(b) If no provision is made for the appointment of a receiver in the assignment *or if by the terms of the assignment a receiver may be appointed*, the assignment shall be binding upon the assignor *unless or until a receiver is appointed* without regard to waste, adequacy of the security or solvency of the mortgagor, but only in the event of default in the terms and conditions of the mortgage, and only in the event the assignment requires the holder thereof to first apply the rents and profits received as provided in section 576.01, subdivision 2, in which case the same shall operate against and be binding upon the occupiers of the premises from the date of filing by the holder of the assignment in the office of the county recorder or the office of the registrar of titles for the county in which the property is located of a notice of default in the terms and conditions of the mortgage and service of a copy of the notice upon the occupiers of the premises. The holder of the assignment shall apply the rents and profits received in accordance with the terms of the assignment, and, if the assignment so provides, for the entire redemption period from any foreclosure sale. A holder of an assignment who enforces it in accordance with this clause shall not be deemed to be a mortgagee in possession with attendant liability.

Nothing contained herein shall prohibit the right to reinstate the mortgage debt granted pursuant to section 580.30, nor the right to redeem granted pursuant to sections 580.23 and 581.10, and any excess cash, as that term is used herein, collected by the receiver under clause (a), or any rents and profits taken by the holder of the assignment under clause (b), shall be credited to the amount required to be paid to effect a reinstatement or redemption.

Sec. 5. Minnesota Statutes 1990, section 576.01, subdivision 2, is amended to read:

Subd. 2. A receiver shall be appointed in the following case:

After the first publication of notice of sale for the foreclosure of a mortgage pursuant to chapter 580, or with the commencement of an action to foreclose a mortgage pursuant to chapter 581, and during the period of redemption, if the mortgage being foreclosed secured an original principal amount of ~~\$500,000~~ \$100,000 or more *or is a lien upon residential real estate containing more than four dwelling units* and was not a lien upon property which was entirely homesteaded, *residential real estate containing four or less dwelling units where at least one unit is homesteaded*, or agricultural property, the foreclosing mortgagee or the purchaser at foreclosure sale may at any time bring an action in the district court of the county in which the mortgaged premises or any part thereof is located for the appointment of a receiver; provided, however, if the foreclosure is by action under chapter 581, a separate action need not be filed. Pending trial of the action on the merits, the court may make a temporary appointment of a receiver following the procedures applicable to temporary injunctions under the rules of civil procedure. If the motion for temporary appointment of a receiver is denied, the trial of the action on the merits shall be held as early as practicable, but not to exceed 30 days after the motion for temporary appointment of a receiver is heard. The court shall appoint a receiver upon a showing that the mortgagor has breached a covenant contained in the mortgage relating to any of the following:

(1) Application of tenant security deposits as required by section 504.20;

(2) Payment when due of prior or current real estate taxes or special assessments with respect to the mortgaged premises, or the periodic escrow for the payment of the taxes or special assessments;

(3) Payment when due of premiums for insurance of the type required by the mortgage, or the periodic escrow for the payment of the premiums;

(4) Keeping of the covenants required of a lessor or licensor pursuant to section 504.18, subdivision 1.

The receiver shall be an experienced property manager. The court shall determine the amount of the bond to be posted by the receiver.

The receiver shall collect the rents, profits and all other income of any kind, manage the mortgaged premises so to prevent waste, execute leases within or beyond the period of the receivership if approved by the court, pay the expenses listed in clauses (1), (2), and (3) in the priority as numbered, pay all expenses for normal maintenance of the mortgaged premises and perform the terms of any assignment of rents which complies with section 559.17, subdivision 2. Reasonable fees to the receiver shall be paid prior thereto. The receiver shall file periodic accountings as the court determines are necessary and a final accounting at the time of discharge.

The purchaser at foreclosure sale shall have the right, at any time and without limitation as provided in section 582.03, to advance money to the receiver to pay any or all of the expenses which the receiver should otherwise pay if cash were available from the mortgaged premises. Sums so advanced, with interest, shall be a part of the sum required to be paid to redeem from the sale. The sums shall be proved by the affidavit of the purchaser, an agent or attorney, stating the expenses and describing the mortgaged premises. The affidavit must be filed for record with the county recorder or the registrar of titles, and a copy thereof shall be furnished to the sheriff and the receiver at least ten days before the expiration of the period of redemption.

Any sums collected which remain in the possession of the receiver at termination of the receivership shall, in the event the termination of the receivership is due to the reinstatement of the mortgage debt or redemption of the mortgaged premises by the mortgagor, be paid to the mortgagor; and in the event termination of the receivership occurs at the end of the period of redemption without redemption by the mortgagor or any other party entitled to redeem, interest accrued upon the sale price pursuant to section 580.23 or section 581.10 shall be paid to the purchaser at foreclosure sale. Any net sum remaining shall be paid to the mortgagor, except if the receiver was enforcing an assignment of rents which complies with section 559.17, subdivision 2, in which case any net sum remaining shall be paid pursuant to the terms of the assignment.

This subdivision shall apply to all mortgages executed on or after August 1, 1977, and to amendments or modifications of such mortgages, and to amendments or modifications made on or after August 1, 1977, to mortgages executed before August 1, 1977, if the amendment or modification is duly recorded and is for the principal purpose of curing a default.

ARTICLE 5

HOUSING AND REDEVELOPMENT AUTHORITIES

Section 1, Minnesota Statutes 1990, section 469.011, subdivision 4, is amended to read:

Subd. 4. [EXPENSES; COMPENSATION.] Each commissioner may receive necessary expenses, including traveling expenses, incurred in the performance of duties. Each commissioner may be paid \$35 \$55 for attending each regular and special meeting of the authority. ~~The aggregate of all payments to each commissioner for any one year shall not exceed \$2,500.~~ Commissioners who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization. Commissioners who are full-time state employees or full-time employees of the political subdivisions of the state may not receive the daily payment, but they may suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Commissioners who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Commissioners who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.

Sec. 2. Minnesota Statutes 1990, section 469.012, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE OF POWERS.] An authority shall be a public body corporate and politic and shall have all the powers necessary or convenient to carry out the purposes of sections 469.001 to 469.047, except that the power to levy and collect taxes or special assessments is limited to the power provided in sections 469.027 to 469.033. Its powers include the following powers in addition to others granted in sections 469.001 to 469.047:

(1) to sue and be sued; to have a seal, which shall be judicially noticed, and to alter it; to have perpetual succession; and to make, amend, and repeal rules consistent with sections 469.001 to 469.047;

(2) to employ an executive director, technical experts, and officers, agents, and employees, permanent and temporary, that it requires, and determine their qualifications, duties, and compensation; for legal services it requires, to call upon the chief law officer of the city or to employ its own counsel and legal staff; so far as practicable, to use the services of local public bodies in its area of operation, provided that those local public bodies, if requested, shall make the services available;

(3) to delegate to one or more of its agents or employees the powers or duties it deems proper;

(4) within its area of operation, to undertake, prepare, carry out, and operate projects and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part thereof;

(5) subject to the provisions of section 469.026, to give, sell, transfer, convey, or otherwise dispose of real or personal property or any interest therein and to execute leases, deeds, conveyances, negotiable instruments, purchase agreements, and other contracts or instruments, and take action that is necessary or convenient to carry out the purposes of these sections;

(6) within its area of operation, to acquire real or personal property or any interest therein by gifts, grant, purchase, exchange, lease, transfer, bequest, devise, or otherwise, and by the exercise of the power of eminent domain, in the manner provided by chapter 117, to acquire real property

which it may deem necessary for its purposes, after the adoption by it of a resolution declaring that the acquisition of the real property is necessary to eliminate one or more of the conditions found to exist in the resolution adopted pursuant to section 469.003 or to provide decent, safe, and sanitary housing for persons of low and moderate income, or is necessary to carry out a redevelopment project. Real property needed or convenient for a project may be acquired by the authority for the project by condemnation pursuant to this section. This includes any property devoted to a public use, whether or not held in trust, notwithstanding that the property may have been previously acquired by condemnation or is owned by a public utility corporation, because the public use in conformity with the provisions of sections 469.001 to 469.047 shall be deemed a superior public use. Property devoted to a public use may be so acquired only if the governing body of the municipality has approved its acquisition by the authority. An award of compensation shall not be increased by reason of any increase in the value of the real property caused by the assembly, clearance or reconstruction, or proposed assembly, clearance or reconstruction for the purposes of sections 469.001 to 469.047 of the real property in an area:

(7) within its area of operation, and without the adoption of an urban renewal plan, to acquire, by all means as set forth in clause (6) but without the adoption of a resolution provided for in clause (6), real property, and to demolish, remove, rehabilitate, or reconstruct the buildings and improvements or construct new buildings and improvements thereon, or to so provide through other means as set forth in Laws 1974, chapter 228, or to grade, fill, and construct foundations or otherwise prepare the site for improvements. The authority may dispose of the property pursuant to section 469.029, provided that the provisions of section 469.029 requiring conformance to an urban renewal plan shall not apply. The authority may finance these activities by means of the redevelopment project fund or by means of tax increments or tax increment bonds or by the methods of financing provided for in section 469.033 or by means of contributions from the municipality provided for in section 469.041, clause (9), or by any combination of those means. Real property with buildings or improvements thereon shall only be acquired under this clause when the buildings or improvements are substandard. The exercise of the power of eminent domain under this clause shall be limited to real property which contains, *or has contained within the three years immediately preceding the exercise of the power of eminent domain and is currently vacant*, buildings and improvements which are vacated and substandard. For the purpose of this clause, substandard buildings or improvements mean hazardous buildings as defined in section 463.15, subdivision 3, or buildings or improvements that are dilapidated or obsolescent, faultily designed, lack adequate ventilation, light, or sanitary facilities, or any combination of these or other factors that are detrimental to the safety or health of the community;

(8) within its area of operation, to determine the level of income constituting low or moderate family income. The authority may establish various income levels for various family sizes. In making its determination, the authority may consider income levels that may be established by the Department of Housing and Urban Development or a similar or successor federal agency for the purpose of federal loan guarantees or subsidies for persons of low or moderate income. The authority may use that determination as a basis for the maximum amount of income for admissions to housing development projects or housing projects owned or operated by it:

(9) to provide in federally assisted projects any relocation payments and assistance necessary to comply with the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and any amendments or supplements thereto;

(10) to make an agreement with the governing body or bodies creating the authority which provides exemption from all real and personal property taxes levied or imposed by the state, city, county, or other political subdivisions, for which the authority shall make payments in lieu of taxes to the state, city, county, or other political subdivisions as provided in section 469.040. The governing body shall agree on behalf of all the applicable governing bodies affected that local cooperation as required by the federal government shall be provided by the local governing body or bodies in whose jurisdiction the project is to be located, at no cost or at no greater cost than the same public services and facilities furnished to other residents;

(11) to cooperate with or act as agent for the federal government, the state or any state public body, or any agency or instrumentality of the foregoing, in carrying out any of the provisions of sections 469.001 to 469.047 or of any other related federal, state, or local legislation; and upon the consent of the governing body of the city to purchase, lease, manage, or otherwise take over any housing project already owned and operated by the federal government;

(12) to make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements, and plans for the enforcement of laws, codes, and regulations relating to the use of land and the use and occupancy of buildings and improvements, and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements. The authority may develop, test, and report methods and techniques, and carry out demonstrations and other activities for the prevention and elimination of slums and blight;

(13) to borrow money or other property and accept contributions, grants, gifts, services, or other assistance from the federal government, the state government, state public bodies, or from any other public or private sources;

(14) to include in any contract for financial assistance with the federal government any conditions that the federal government may attach to its financial aid of a project, not inconsistent with purposes of sections 469.001 to 469.047, including obligating itself (which obligation shall be specifically enforceable and not constitute a mortgage, notwithstanding any other laws) to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default with respect to the covenants or conditions to which the authority is subject; to provide in the contract that, in case of such conveyance, the federal government may complete, operate, manage, lease, convey, or otherwise deal with the project until the defaults are cured if the federal government agrees in the contract to reconvey to the authority the project as then constituted when the defaults have been cured;

(15) to issue bonds for any of its corporate purposes and to secure the bonds by mortgages upon property held or to be held by it or by pledge of its revenues, including grants or contributions;

(16) to invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control or in the

manner and subject to the conditions provided in section 475.66 for the deposit and investment of debt service funds;

(17) within its area of operation, to determine where blight exists or where there is unsafe, unsanitary, or overcrowded housing;

(18) to carry out studies of the housing and redevelopment needs within its area of operation and of the meeting of those needs. This includes study of data on population and family groups and their distribution according to income groups, the amount and quality of available housing and its distribution according to rentals and sales prices, employment, wages, desirable patterns for land use and community growth, and other factors affecting the local housing and redevelopment needs and the meeting of those needs; to make the results of those studies and analyses available to the public and to building, housing, and supply industries;

(19) if a local public body does not have a planning agency or the planning agency has not produced a comprehensive or general community development plan, to make or cause to be made a plan to be used as a guide in the more detailed planning of housing and redevelopment areas;

(20) to lease or rent any dwellings, accommodations, lands, buildings, structures, or facilities included in any project and, subject to the limitations contained in sections 469.001 to 469.047 with respect to the rental of dwellings in housing projects, to establish and revise the rents or charges therefor;

(21) to own, hold, and improve real or personal property and to sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest therein;

(22) to insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards;

(23) to procure or agree to the procurement of government insurance or guarantees of the payment of any bonds or parts thereof issued by an authority and to pay premiums on the insurance;

(24) to make expenditures necessary to carry out the purposes of sections 469.001 to 469.047;

(25) to enter into an agreement or agreements with any state public body to provide informational service and relocation assistance to families, individuals, business concerns, and nonprofit organizations displaced or to be displaced by the activities of any state public body;

(26) to compile and maintain a catalog of all vacant, open and undeveloped land, or land which contains substandard buildings and improvements as that term is defined in clause (7), that is owned or controlled by the authority or by the governing body within its area of operation and to compile and maintain a catalog of all authority owned real property that is in excess of the foreseeable needs of the authority, in order to determine and recommend if the real property compiled in either catalog is appropriate for disposal pursuant to the provisions of section 469.029, subdivisions 9 and 10;

(27) to recommend to the city concerning the enforcement of the applicable health, housing, building, fire prevention, and housing maintenance code requirements as they relate to residential dwelling structures that are being rehabilitated by low- or moderate-income persons pursuant to section 469.029, subdivision 9, for the period of time necessary to complete the

rehabilitation, as determined by the authority;

(28) to recommend to the city the initiation of municipal powers, against certain real properties, relating to repair, closing, condemnation, or demolition of unsafe, unsanitary, hazardous, and unfit buildings, as provided in section 469.041, clause (5);

(29) to sell, at private or public sale, at the price or prices determined by the authority, any note, mortgage, lease, sublease, lease purchase, or other instrument or obligation evidencing or securing a loan made for the purpose of economic development, job creation, redevelopment, or community revitalization by a public agency to a business, for-profit or nonprofit organization, or an individual;

(30) within its area of operation, to acquire and sell real property that is benefited by federal housing assistance payments, other rental subsidies, interest reduction payments, or interest reduction contracts for the purpose of preserving the affordability of low- and moderate-income multifamily housing; ~~and~~

(31) to apply for, enter into contracts with the federal government, administer, and carry out a section 8 program. Authorization by the governing body creating the authority to administer the program at the authority's initial application is sufficient to authorize operation of the program in its area of operation for which it was created without additional local governing body approval. Approval by the governing body or bodies creating the authority constitutes approval of a housing program for purposes of any special or general law requiring local approval of section 8 programs undertaken by city, county, or multicounty authorities; ~~and~~

(32) to secure a mortgage or loan for a rental housing project by obtaining the appointment of receivers or assignments of rents and profits under sections 559.17 and 576.01, except that the limitation relating to the minimum amounts of the original principal balances of mortgages specified in sections 559.17, subdivision 2, clause (2); and 576.01, subdivision 2, does not apply.

Sec. 3. Minnesota Statutes 1990, section 469.015, subdivision 3, is amended to read:

Subd. 3. [PERFORMANCE BONDS.] Performance bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of sections 574.26 to 574.31 except for contracts entered into by an authority for an expenditure of less than ~~\$15,000~~ \$25,000.

Sec. 4. Minnesota Statutes 1990, section 469.015, subdivision 4, is amended to read:

Subd. 4. [EXCEPTIONS.] (a) An authority need not require competitive bidding in the following circumstances:

(1) in the case of a contract for the acquisition of a low-rent housing project:

(i) for which financial assistance is provided by the federal government;

(ii) which does not require any direct loan or grant of money from the municipality as a condition of the federal financial assistance; and

(iii) for which the contract provides for the construction of the project upon land not owned by the authority at the time of the contract, or owned

by the authority for redevelopment purposes, and provides for the conveyance or lease to the authority of the project or improvements upon completion of construction:

(2) with respect to a structured parking facility:

(i) constructed in conjunction with, and directly above or below, a development; and

(ii) financed with the proceeds of tax increment or parking ramp revenue bonds; and

(3) in the case of a housing development project if:

(i) the project is financed with the proceeds of bonds issued under section 469.034;

(ii) the project is located on land that is not owned by the authority at the time the contract is entered into, or is owned by the authority only for development purposes, and provides for conveyance or lease to the authority of the project or improvements upon completion of construction; and

(iii) the authority finds and determines that elimination of the public bidding requirements is necessary in order for the housing development project to be economical and feasible.

(b) An authority need not require a performance bond ~~in the case of~~ for the following projects:

(1) a contract described in paragraph (a), clause (1);

(2) a construction change order for a housing project in which 30 percent of the construction has been completed;

(3) a construction contract for a single-family housing project in which the authority acts as the general construction contractor; or

(4) a services or materials contract for a housing project.

For purposes of this paragraph, "services or materials contract" does not include construction contracts.

Sec. 5. Minnesota Statutes 1990, section 469.015, is amended by adding a subdivision to read:

Subd. 5. [SECURITY IN LIEU OF BOND.] The authority may accept a certified check or cashier's check in the same amount as required for a bond in lieu of a performance bond for contracts entered into by an authority for an expenditure of less than \$25,000. The check must be held by the authority for 90 days after the contract has been completed. If no suit is brought within the 90 days, the authority must return the amount of the check to the person making it. If a suit is brought within the 90-day period, the authority must disburse the amount of the check pursuant to the order of the court.

ARTICLE 6

LOCAL HOUSING AND ECONOMIC DEVELOPMENT PROGRAMS

Section 1. Minnesota Statutes 1990, section 462C.03, subdivision 10, is amended to read:

Subd. 10. Notwithstanding any provision of this chapter, not more than 20 percent of the aggregate dollar amount of *tax-exempt* bond proceeds and

any other funds appropriated by any city within any calendar year to make or purchase loans providing single family housing or dwelling units for sale within multifamily housing developments described in section 462C.05, subdivision 3, shall be appropriated to provide single family housing for persons or families, including renters of the single family housing, whose gross income exceeds the limit in section 462C.03, subdivision 2. If 20 percent of the total amount of funds so appropriated by the city in any calendar year is expended for housing not within the limit, no additional funds may be expended pursuant to any other similar appropriation until the remaining 80 percent is expended for housing within the limit. *Notwithstanding subdivision 2, the city may use taxable bond proceeds for the rehabilitation of single family housing for persons and families with adjusted gross incomes of up to 175 percent of the median family income as estimated by the United States Department of Housing and Urban Development for the nonmetropolitan county or standard metropolitan statistical area, as the case may be.*

Sec. 2. Laws 1974, chapter 285, section 4, as amended by Laws 1989, chapter 328, article 4, section 6, is amended to read:

Sec. 6. Laws 1974, chapter 285, section 4, is amended to read:

Sec. 4. [ISSUANCE OF BONDS.] To finance the programs authorized in sections 2, 2a, and 3 of this act, the governing body of the city may by resolution authorize, issue, and sell general obligation bonds of the city ~~in accordance with the provisions of Minnesota Statutes, Chapter 475 without submission of the question to the electors of the city, notwithstanding any provision of the city charter or local ordinance. Minnesota Statutes, chapter 475, applies to the issuance of the bonds.~~ The total amount of all bonds outstanding for the programs shall not exceed \$25,000,000. The amount of all bonds issued shall be ~~included in~~ excluded from the net indebtedness of the city for the purpose of any charter or statutory debt limitation.

Sec. 3. Laws 1988, chapter 594, section 6, is amended to read:

Sec. 6. [SMALL BUSINESS LOANS.]

The city council or the agency may make or guarantee working capital loans in an aggregate principal amount not exceeding ~~\$450,000~~ \$2,000,000 outstanding at any time, subject to such terms and conditions as established by ordinance by the city, to expanding small businesses which are located in the city for the purpose of increasing the tax base and providing employment opportunities within the city. As used in this subdivision, the term "small business" has the meaning given it in Minnesota Statutes, section 645.445, subdivision 2. ~~This section expires June 30, 1991.~~

Sec. 4. [ST. PAUL ECONOMIC DEVELOPMENT PROGRAM.]

Subdivision 1. [AUTHORIZATION.] The city of St. Paul and the housing and redevelopment authority of the city of St. Paul may implement a citywide economic development program. The program may:

(1) provide working capital financing for any for-profit or nonprofit enterprise, except from the proceeds of bonds or other obligations which may be issued only to provide the capital costs of a project;

(2) acquire an equity interest in a for-profit business entity through investment in a partnership or corporation;

(3) apply funds of the city or housing and redevelopment authority within

or without the boundaries of a presently existing or future redevelopment project area, housing development project, housing project, municipal development district, economic development district, development district, mined underground space development, industrial development district, or tax increment district, except that tax increments shall only be applied in accordance with Minnesota Statutes, sections 469.174 to 469.179;

(4) exercise the powers of an economic development authority under Minnesota Statutes, sections 469.090 to 469.108, and the powers granted to a city by Minnesota Statutes, sections 469.090 to 469.108, or sections 469.048 to 469.068, or other law, provided that: (i) only the city shall have the power under Minnesota Statutes, section 469.084, subdivision 11, to approve the issuance of revenue bonds by the port authority; and (ii) the housing and redevelopment authority shall not exercise the other powers of the city under sections 469.090 to 469.108 or sections 469.048 to 469.068 until and unless the city, by resolution, delegates the exercise of all or some of those powers to the housing and redevelopment authority; and

(5) apply funds as permitted by clauses (1) to (4) for the financing of a public or private parking facility, child care facility, or a project as defined by Minnesota Statutes, section 469.153, subdivision 2.

Subd. 2. [SUPPLEMENTAL POWERS.] The powers authorized under this section are in addition and supplemental to any other provisions of general or special law or charter.

Sec. 5. [EFFECTIVE DATE.]

Section 3 is effective on the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Minneapolis. Section 4 is effective on the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of St. Paul.

ARTICLE 7

TAXES

Section 1. Minnesota Statutes 1990, section 273.124, subdivision 1, is amended to read:

Subdivision 1. [GENERAL RULE.] Residential real estate that is occupied and used for the purposes of a homestead by its owner, who must be a Minnesota resident, is a residential homestead.

Agricultural land, as defined in section 273.13, subdivision 23, that is occupied and used as a homestead by its owner, who must be a Minnesota resident, is an agricultural homestead.

Dates for establishment of a homestead and homestead treatment provided to particular types of property are as provided in this section.

The assessor shall require proof, by affidavit or otherwise, of the facts upon which classification as a homestead may be determined.

For purposes of this section, homestead property shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily

for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

In the case of property owned by a married couple in joint tenancy or tenancy in common, the assessor must not deny homestead treatment in whole or in part if only one of the spouses is occupying the property and the other spouse is absent due to divorce or separation, or is a resident of a nursing home or a boarding care facility.

If property is owned in joint tenancy or tenancy in common by parents and children who occupy the property for purposes of a homestead, the assessor must not deny homestead treatment in whole or in part because a parent or a child ceases to occupy the property. For purposes of this paragraph, "parents" and "children" include relationships by marriage.

If an individual is purchasing property with the intent of claiming it as a homestead, and is required by the terms of the financing agreement to have ~~one or both parents~~ a relative shown on the deed as ~~coowners~~ a coowner, the assessor shall allow a full homestead classification and ~~extend full homestead credit. This provision only applies to first time purchasers, whether married or single, or to a person who had previously been married and is purchasing as a single individual for the first time.~~ For purposes of this paragraph, "relative" means a parent, stepparent, child, stepchild, grandparent, sibling, uncle, or aunt. The relationship may be by blood or marriage. The application for homestead benefits must be on a form prescribed by the commissioner and must contain the data necessary for the assessor to determine if full homestead benefits are warranted.

Sec. 2. Minnesota Statutes 1990, section 273.124, subdivision 11, is amended to read:

Subd. 11. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified a property as both homestead and nonhomestead, the greater of the value attributable to the portion of the property classified as class 1 or class 2a or the value of the first tier of net class rates provided under section 273.13, subdivision 22, or 23, paragraph (a), is entitled to assessment as a homestead under section 273.13, subdivision 22 or 23. The limitation in this subdivision does not apply to buildings containing fewer than ~~four~~ five residential units or to a single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead.

If the assessor has classified a property as both homestead and nonhomestead, the homestead credit provided in section 273.13, subdivisions 22 and 23, and the reductions in tax provided under sections 273.135 and 273.1391 apply to the value of both the homestead and the nonhomestead portions of the property.

Sec. 3. Minnesota Statutes 1990, section 273.13, subdivision 25, is amended to read:

Subd. 25. [CLASS 4.] (a) Class 4a is residential real estate containing four or more units and used or held for use by the owner or by the tenants or lessees of the owner as a residence for rental periods of 30 days or more. Class 4a also includes hospitals licensed under sections 144.50 to 144.56, other than hospitals exempt under section 272.02, and contiguous property

used for hospital purposes, without regard to whether the property has been platted or subdivided. Class 4a property has a class rate of 3.6 percent of market value.

(b) Class 4b includes:

(1) residential real estate containing less than four units, other than seasonal residential, and recreational;

(2) manufactured homes not classified under any other provision;

(3) a dwelling, garage, and surrounding one acre of property on a non-homestead farm classified under subdivision 23, paragraph (b).

Class 4b property has a class rate of 3.0 percent of market value.

(c) Class 4c property includes:

~~(1) a structure that is situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or rules promulgated by the agency pursuant thereto and financed by a reet federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof. This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original term of the loan;~~

(i) situated on real property that is used for housing for the elderly or for low- and moderate-income families as defined in Title II, as amended through December 31, 1990, of the National Housing Act and financed by a direct federal loan or federally insured loan made pursuant to Title II of the act; or

(ii) situated on real property that is used for housing the elderly or for low- and moderate-income families as defined by the Minnesota housing finance agency law of 1971, as amended, or rules promulgated by the agency pursuant thereto and financed by a loan made by the Minnesota housing finance agency pursuant to the provisions of the act.

This clause applies only to property of a nonprofit or limited dividend entity. Property is classified as class 4c under this clause for 15 years from the date of the completion of the original construction or substantial rehabilitation, or from the original term of the loan;

(2) a structure that is:

(i) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as defined in section 8 of the United States Housing Act of 1937, as amended; and

(ii) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel. Property is classified as class 4c under this clause for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter; and

(3) a qualified low-income building that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended

through December 31, 1988; or (ii) meets the requirements of that section. Classification pursuant to this clause is limited to a term of 15 years.

For all properties described in clauses (1), *item (i); and (2); and (3)* and in paragraph (d), the market value determined by the assessor must be based on the normal approach to value using normal unrestricted rents. *For all properties described in clauses (1), item (ii); and (3), the market value determined by the assessor must be based on the actual restricted rents.* The land on which these structures are situated has the class rate given in paragraph (b) if the structure contains fewer than four units, and the class rate given in paragraph (a) if the structure contains four or more units.

(4) a parcel of land, not to exceed one acre, and its improvements or a parcel of unimproved land, not to exceed one acre, if it is owned by a neighborhood real estate trust and at least 60 percent of the dwelling units, if any, on all land owned by the trust are leased to or occupied by lower income families or individuals. This clause does not apply to any portion of the land or improvements used for nonresidential purposes. For purposes of this clause, a lower income family is a family with an income that does not exceed 65 percent of the median family income for the area, and a lower income individual is an individual whose income does not exceed 65 percent of the median individual income for the area, as determined by the United States Secretary of Housing and Urban Development. For purposes of this clause, "neighborhood real estate trust" means an entity which is certified by the governing body of the municipality in which it is located to have the following characteristics: (a) it is a nonprofit corporation organized under chapter 317A; (b) it has as its principal purpose providing housing for lower income families in a specific geographic community designated in its articles or bylaws; (c) it limits membership with voting rights to residents of the designated community; and (d) it has a board of directors consisting of at least seven directors, 60 percent of whom are members with voting rights and, to the extent feasible, 25 percent of whom are elected by resident members of buildings owned by the trust; and

(5) except as provided in subdivision 22, paragraph (c), real property devoted to temporary and seasonal residential occupancy for recreation purposes, including real property devoted to temporary and seasonal residential occupancy for recreation purposes and not devoted to commercial purposes for more than 225 days in the year preceding the year of assessment. For purposes of this clause, property is devoted to a commercial purpose on a specific day if any portion of the property is used, or available for use for residential occupancy, and a fee is charged for residential occupancy. Class 4c also includes commercial use real property used exclusively for recreational purposes in conjunction with class 4c property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 225 days in the year preceding the year of assessment and is located within two miles of the class 4c property with which it is used. Class 4c property classified in this clause also includes the remainder of class 1c resorts;

(6) real property up to a maximum of one acre of land owned by a nonprofit community service oriented organization; provided that the property is not used for a revenue-producing activity for more than six days in the calendar year preceding the year of assessment and the property is not used for residential purposes on either a temporary or permanent basis. For

purposes of this clause, a "nonprofit community service oriented organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, fraternal, civic, or educational purposes, and which is exempt from federal income taxation pursuant to section 501(c)(3), (10), or (19) of the Internal Revenue Code of 1986, as amended through December 31, 1988. For purposes of this clause, "revenue-producing activities" shall include but not be limited to property or that portion of the property that is used as an on-sale intoxicating liquor or nonintoxicating malt liquor establishment licensed under chapter 340A, a restaurant open to the public, bowling alley, a retail store, gambling conducted by organizations licensed under chapter 349, an insurance business, or office or other space leased or rented to a lessee who conducts a for-profit enterprise on the premises. Any portion of the property which is used for revenue-producing activities for more than six days in the calendar year preceding the year of assessment shall be assessed as class 3a. The use of the property for social events open exclusively to members and their guests for periods of less than 24 hours, when an admission is not charged nor any revenues are received by the organization shall not be considered a revenue-producing activity;

(7) post-secondary student housing of not more than one acre of land that is owned by a nonprofit corporation organized under chapter 317A and is used exclusively by a student cooperative, sorority, or fraternity for on-campus housing or housing located within two miles of the border of a college campus; and

(8) manufactured home parks as defined in section 327.14, subdivision 3.

Class 4c property has a class rate of 2.3 percent of market value, except that manufactured home park property under clause (8) has a class rate of 3 percent of market value for taxes payable in 1991 and 2.3 percent of market value for taxes payable in 1992, and thereafter.

(d) Class 4d property includes any structure:

(i) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the Farmers Home Administration;

(ii) located in a municipality of less than 10,000 population; and

(iii) financed by a direct loan or insured loan from the Farmers Home Administration. Property is classified under this clause for 15 years from the date of the completion of the original construction or for the original term of the loan.

The class rates in paragraph (c), clauses (1), (2), and (3) and this clause apply to the properties described in them, only in proportion to occupancy of the structure by elderly or handicapped persons or low and moderate income families as defined in the applicable laws unless construction of the structure had been commenced prior to January 1, 1984; or the project had been approved by the governing body of the municipality in which it is located prior to June 30, 1983; or financing of the project had been approved by a federal or state agency prior to June 30, 1983. Classification under this clause is only available to property of a nonprofit or limited dividend entity.

Class 4d property has a class rate of 1.7 percent of market value for taxes

payable in 1990, and two percent of market value for taxes payable thereafter.

(c) Residential rental property that would otherwise be assessed as class 4 property under paragraph (a); paragraph (b), clauses (1) and (2); paragraph (c), clause (1), (2), (3), or (4), is assessed at the class rate applicable to it under Minnesota Statutes 1988, section 273.13, if it is found to be a substandard building under section 273.1316. Residential rental property that would otherwise be assessed as class 4 property under paragraph (d) is assessed at 2.3 percent of market value if it is found to be a substandard building under section 273.1316.

Sec. 4. Minnesota Statutes 1990, section 273.1399, subdivision 1, is amended to read:

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

(a) "Qualifying captured tax capacity" means the following amounts:

(1) the captured tax capacity of an economic development or soils condition tax increment financing district for which certification was requested after April 30, 1990; and

(2) the captured tax capacity of a tax increment financing district, other than a *housing district* or an economic development or soils condition district, for which certification was requested after April 30, 1990, multiplied by the following percentage based on the number of years that have elapsed since the district was first certified (measured from January 2 immediately preceding certification of the original tax capacity). In no case may the final amounts be less than zero or greater than the total captured tax capacity of the district.

| Number of years | Renewal and Renovation Districts | All other Districts |
|--------------------|--|------------------------|
| 0 to 5 | 0 | 0 |
| 6 | 12.5 | 6.25 |
| 7 | 25 | 12.5 |
| 8 | 37.5 | 18.75 |
| 9 | 50 | 25 |
| 10 | 62.5 | 31.25 |
| 11 | 75 | 37.5 |
| 12 | 87.5 | 43.75 |
| 13 | 100 | 50 |
| 14 | 100 | 56.25 |
| 15 | 100 | 62.5 |
| 16 | 100 | 68.75 |
| 17 | 100 | 75 |
| 18 | 100 | 81.25 |
| 19 | 100 | 87.5 |
| 20 | 100 | 93.75 |
| 21 or more | 100 | 100 |

In the case of a hazardous substance subdistrict, the number of years must be measured from the date of certification of the subdistrict for purposes of the additional captured tax capacity resulting from the reduction in the subdistrict's or site's original tax capacity.

(b) The terms defined in section 469.174 have the meanings given in that section.

Sec. 5. Minnesota Statutes 1990, section 469.176, subdivision 4f, is amended to read:

Subd. 4f. [INTEREST REDUCTION.] Revenues derived from tax increment may be used to finance the costs of an interest reduction program operated pursuant to section 469.012, subdivisions 7 to 10, or pursuant to other law granting interest reduction authority and power by reference to those subdivisions only under the following conditions: (1) tax increments may not be collected for a program for a period in excess of ~~42~~ 15 years after the date of the first interest rate reduction payment for the program, and (2) tax increments may not be used for an interest reduction program, if the proceeds of bonds issued pursuant to section 469.178 after December 31, 1985, have been or will be used to provide financial assistance to the specific project which would receive the benefit of the interest reduction program; ~~and (3) tax increments may not be used to finance an interest reduction program for owner-occupied single-family dwellings.~~

Sec. 6. [EFFECTIVE DATE.]

Sections 1 to 3 are effective for property taxes payable in 1992 and thereafter. Section 4 is effective for school year 1991-1992 and for homestead and agricultural credit aid and local government aids for taxes payable in 1991. Section 4 is effective for districts certified after April 30, 1990. Section 5 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to housing and economic development; modifying procedures relating to rent escrow actions; modifying procedures relating to the tenant's loss of essential services; modifying provisions relating to tenant remedy actions, retaliatory eviction proceedings, and receivership proceedings; modifying provisions relating to Minnesota housing finance agency low- and moderate-income housing programs; providing for an emergency mortgage and rental assistance pilot project; requiring counseling for reverse mortgage loans; modifying certain receivership, assignment of rents and profits, and landlord and tenant provisions; modifying provisions relating to housing and redevelopment authorities; providing for the issuance of general obligation bonds for housing by the cities of Minneapolis and St. Paul; authorizing the city of Minneapolis to make small business loans; authorizing certain economic development activities within the city of St. Paul; modifying the property tax classification of certain residential real estate; excluding housing districts from the calculation of local government aid reductions; modifying the interest rate reduction program; appropriating money; amending Minnesota Statutes 1990, sections 47.58, by adding a subdivision; 273.124, subdivisions 1 and 11; 273.13, subdivision 25; 273.1399, subdivision 1; 462A.03, subdivisions 10 and 13; 462A.05, by adding a subdivision; 462A.222, subdivision 3; 462C.03, subdivision 10; 469.011, subdivision 4; 469.012, subdivision 1; 469.015, subdivisions 3, 4, and by adding a subdivision; 469.176, subdivision 4f; 481.02, subdivision 3; 504.02; 504.18, subdivision 1; 504.185, subdivision 2; 504.20, subdivisions 3, 4, 5, and 7; 504.27; 559.17, subdivision 2; 566.03, subdivision 1; 566.17, subdivisions 1, 2, and by adding a subdivision; 566.175, subdivision 6; 566.18, subdivision 9; 566.29, subdivisions 2 and 4; and 576.01, subdivision 2; Laws 1974, chapter 285, section 4, as amended; Laws 1988, chapter 594, section 6; proposing coding for new

law in Minnesota Statutes, chapters 268 and 609.”

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

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 779: A bill for an act relating to counties; removing certain restrictions on county morgues; amending Minnesota Statutes 1990, sections 390.06 and 390.07.

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

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 973: A bill for an act relating to Ramsey county; providing for additional civil service certification of underrepresented groups; amending Minnesota Statutes 1990, section 383A.291, subdivision 2.

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

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 943: A bill for an act relating to Ramsey county; changing Ramsey county special laws to make them consistent with the county home rule charter; amending Minnesota Statutes 1990, sections 383A.06, subdivision 2; 383A.16, subdivision 4; 383A.20, subdivision 10; 383A.32, subdivision 1; and 383A.50, subdivision 4; repealing Minnesota Statutes 1990, sections 383A.04; 383A.06, subdivision 3; 383A.07, subdivisions 6, 15, and 20; 383A.16, subdivision 5; 383A.20, subdivisions 1, 6 to 9, and 11; 383A.23, subdivision 1; 383A.24; 383A.25; 383A.45; 383A.46; 383A.48; 383A.49; and 383A.50, subdivisions 1 and 3.

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

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 984: A bill for an act relating to the city of Rochester; permitting the imposition of certain taxes within the city; permitting the issuance of general obligation bonds for fire station, city hall, and public library facilities.

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.

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 705: A bill for an act relating to local government; permitting certain local options for unfunded costs mandated by the state; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Page 2, line 28, after "a" insert "*cumulative unfunded*"

Page 2, line 29, after "to" insert "*all*"

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

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 860: A bill for an act relating to the city of Minneapolis; providing that certain special service districts may provide parking facilities; amending Laws 1988, chapter 719, article 16, section 1, subdivision 3.

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.

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 859: A bill for an act relating to local improvements; providing authority for review of assessments for improvements; defining improvements; validating certain actions of the city of Minneapolis; amending Minnesota Statutes 1990, section 430.102, subdivisions 3 and 4.

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

Page 3, delete section 3

Page 3, line 18, delete everything after the period

Page 3, delete lines 19 and 20

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "validating certain actions of the city"

Page 1, line 5, delete "of Minneapolis;"

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

Mrs. Adkins from the Committee on Local Government, to which was referred

S.F. No. 1074: A bill for an act relating to the city of Mankato; authorizing the city to annex uncontiguous territory to the city.

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

Page 1, line 10, after the period, insert "*Property abutting the airport shall not be deemed contiguous to the city of Mankato for the purposes of further annexation proceedings under Minnesota Statutes, chapter 414, without the consent of the city, town, and all the affected property owners.*"

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

adopted.

SECOND READING OF SENATE BILLS

S.F. Nos. 793, 687, 754, 328, 925, 241, 339, 473, 885, 707, 833, 785, 497, 779, 973, 943, 859 and 1074 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 331, 57, 132, 326, 472, 697 and 238 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Solon moved that the name of Mr. Hottinger be added as a co-author to S.F. No. 89. The motion prevailed.

Ms. Berglin moved that the name of Mr. Renneke be added as a co-author to S.F. No. 376. The motion prevailed.

Mr. Hottinger moved that his name be stricken as a co-author to S.F. No. 610. The motion prevailed.

Mr. Hottinger moved that the name of Ms. Johnston be added as a co-author to S.F. No. 610. The motion prevailed.

Mr. Morse moved that the name of Mr. Belanger be added as a co-author to S.F. No. 798. The motion prevailed.

Mr. Dicklich moved that the name of Mr. Frederickson, D.R. be added as a co-author to S.F. No. 962. The motion prevailed.

Ms. Johnson, J.B. moved that the name of Mr. Laidig be added as a co-author to S.F. No. 966. The motion prevailed.

Ms. Reichgott moved that the name of Ms. Berglin be added as a co-author to S.F. No. 1067. The motion prevailed.

Mr. Riveness moved that the name of Mr. Mondale be added as a co-author to S.F. No. 1068. The motion prevailed.

Mr. Finn moved that the name of Mr. Sams be added as a co-author to S.F. No. 1096. The motion prevailed.

Mr. Vickerman moved that the name of Mr. Sams be added as a co-author to S.F. No. 1127. The motion prevailed.

Mr. Solon moved that the name of Mr. Sams be added as a co-author to S.F. No. 1138. The motion prevailed.

Mr. Stumpf moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1146. The motion prevailed.

Mr. Luther moved that the name of Mr. Benson, D.D. be added as a co-author to S.F. No. 1169. The motion prevailed.

Ms. Berglin moved that S.F. No. 120 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Finance. The motion prevailed.

Ms. Berglin moved that S.F. No. 829 be withdrawn from the Committee on Judiciary and re-referred to the Committee on Finance. The motion prevailed.

Mr. Stumpf moved that S.F. No. 1113 be withdrawn from the Committee on Finance and re-referred to the Committee on Taxes and Tax Laws. The motion prevailed.

Mr. Bertram moved that S.F. No. 664 be withdrawn from the Committee on Health and Human Services, given a second reading, and placed on General Orders. The motion prevailed.

Messrs. Johnson, D.E.; Benson, D.D. and Moe, R.D. introduced—

Senate Resolution No. 44: A Senate resolution commending Tom Taylor on his act of bravery and for receiving the Boy Scouts of America Heroism Award.

Referred to the Committee on Rules and Administration.

Mr. Johnson, D.E. introduced—

Senate Resolution No. 45: A Senate resolution congratulating the New London-Spicer Girls Basketball Team for winning Second Place in the 1991 State Class A Girls Basketball Tournament.

Referred to the Committee on Rules and Administration.

Mr. Vickerman introduced—

Senate Resolution No. 46: A Senate resolution congratulating the Westbrook-Walnut Grove Chargers for winning Second Place in the 1991 State High School Class A Boys Basketball Tournament.

Referred to the Committee on Rules and Administration.

Mr. Vickerman introduced—

Senate Resolution No. 47: A Senate resolution congratulating Stephanie Kjorness of Westbrook-Walnut Grove High School for receiving the Region 2 Triple "A" Achiever award.

Referred to the Committee on Rules and Administration.

Mr. Chmielewski moved that the name of Mr. Finn be added as a co-author to S.F. No. 379. The motion prevailed.

Mr. Hottinger moved that the name of Mr. Laidig be added as a co-author to S.F. No. 1025. The motion prevailed.

Mr. Sams moved that S.F. No. 1174 be withdrawn from the Committee on Environment and Natural Resources and re-referred to the Committee on Agriculture and Rural Development. The motion prevailed.

Without objection, the Senate reverted to the Order of Business of Second Reading of Senate Bills.

SECOND READING OF SENATE BILLS

S.F. No. 664 was read the second time.

CALENDAR

H.F. No. 646: A bill for an act relating to state government; purchases; amending the definition of "manufactured in the United States"; amending

Minnesota Statutes 1990, section 16B.101, subdivision 1.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------------|---------------|------------|-----------|
| Adkins | Day | Johnson, J.B. | Merriam | Reichgott |
| Beckman | DeCramer | Johnston | Metzen | Renneke |
| Belanger | Finn | Kelly | Moe, R.D. | Riveness |
| Benson, D.D. | Flynn | Knaak | Mondale | Sams |
| Benson, J.E. | Frank | Kroening | Morse | Samuelson |
| Berg | Frederickson, D.J. | Laidig | Neuville | Solon |
| Berglin | Frederickson, D.R. | Langseth | Novak | Spear |
| Bernhagen | Gustafson | Larson | Olson | Storm |
| Bertram | Halberg | Lessard | Pariseau | Stumpf |
| Brataas | Hottinger | Luther | Piper | Traub |
| Cohen | Hughes | Marty | Pogemiller | Vickerman |
| Dahl | Johnson, D.E. | McGowan | Price | Waldorf |
| Davis | Johnson, D.J. | Mehrken | Ranum | |

So the bill passed and its title was agreed to.

S.F. No. 539: A bill for an act relating to commerce; restraint of trade; providing an evidentiary presumption in resale price maintenance cases; proposing coding for new law in Minnesota Statutes, chapter 325D.

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 59 and nays 5, as follows:

Those who voted in the affirmative were:

| | | | | |
|--------------|--------------------|---------------|------------|-----------|
| Adkins | Davis | Johnson, D.J. | Mehrken | Ranum |
| Beckman | DeCramer | Johnson, J.B. | Merriam | Reichgott |
| Belanger | Finn | Johnston | Metzen | Renneke |
| Benson, D.D. | Flynn | Kelly | Moe, R.D. | Riveness |
| Benson, J.E. | Frank | Kroening | Mondale | Solon |
| Berg | Frederickson, D.J. | Laidig | Morse | Spear |
| Berglin | Frederickson, D.R. | Langseth | Novak | Storm |
| Bernhagen | Gustafson | Larson | Olson | Stumpf |
| Bertram | Halberg | Lessard | Pariseau | Traub |
| Brataas | Hottinger | Luther | Piper | Vickerman |
| Cohen | Hughes | Marty | Pogemiller | Waldorf |
| Dahl | Johnson, D.E. | McGowan | Price | |

Those who voted in the negative were:

| | | | | |
|-----|-------|----------|------|-----------|
| Day | Knaak | Neuville | Sams | Samuelson |
|-----|-------|----------|------|-----------|

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

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

S.F. Nos. 391, 734, 774, 254, 713, 729 and H.F. No. 131, which the committee recommends to pass.

H.F. No. 661, which the committee recommends to pass, subject to the

following motion:

Mr. Lessard moved that the amendment made to H.F. No. 661 by the Committee on Rules and Administration in the report adopted April 2, 1991, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Finn, Marty and Luther introduced—

S.F. No. 1180: A bill for an act relating to utilities; authorizing public utilities commission to levy fines, impose costs, and issue cease and desist orders against public utility or telephone company for fraud, false promise, misrepresentation, misleading statement, or deceptive practice related to providing or discontinuing services; amending Minnesota Statutes 1990, section 216A.05, by adding a subdivision.

Referred to the Committee on Energy and Public Utilities.

Messrs. Riveness; Morse; Pogemiller; Moe, R.D. and Luther introduced—

S.F. No. 1181: A bill for an act relating to state government; abolishing the state planning agency; transferring certain of its powers and duties; amending Minnesota Statutes 1990, sections 3.885, subdivisions 3 and 6; 15A.081, subdivision 1; 17.49, subdivision 1; 62D.122; 62J.02, subdivisions 2 and 3; 103B.311, subdivision 7; 103B.315, subdivision 5; 103F.761, subdivision 1; 103H.101, subdivision 4; 103H.175, subdivisions 1 and 2; 115A.072, subdivision 1; 116C.03, subdivisions 2, 4, and 5; 116C.712, subdivisions 3 and 5; 124C.03, subdivisions 2, 3, 8, 9, 10, 12, 14, 15, and 16; 126A.02, subdivisions 1 and 2; 126A.03; 144.70, subdivision 2; 144A.071, subdivision 5; 145.926, subdivisions 1, 4, 5, 7, and 8; 145A.02, subdivision 16; 145A.09, subdivision 6; 214.141; 256H.25, subdivision 1; 268.361, subdivision 3; 275.14; 275.51, subdivision 6; 275.54, subdivision 3; 299A.30, subdivision 2; 299A.31, subdivision 1; 299A.40, subdivision 4; 368.01, subdivision 1a; 373.40, subdivision 1; 402.045; 462.384, subdivision 7; 462.396, subdivision 2; 466A.05, subdivision 1; 469.203, subdivision 4; 469.207, subdivisions 1 and 2; 473.156, subdivision 1; 477A.011, subdivisions 3 and 3a; 477A.014, subdivision 4; 504.34, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapters 4 and 16B; repealing Minnesota Statutes 1990, sections 40A.02, subdivision 2; 40A.08; 116K.01 to 116K.14; 144.861; and 144.874.

Referred to the Committee on Governmental Operations.

Messrs. Merriam, Renneke, Storm and Waldorf introduced—

S.F. No. 1182: A bill for an act relating to state buildings; requiring the commissioner of finance to prepare a debt capacity forecast covering the next six fiscal years and all types of debt instruments; requiring capital facilities notes; requiring the commissioner of administration to review

capital budget requests for state buildings; requiring a report; amending Minnesota Statutes 1990, section 16A.11, subdivisions 1 and 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 16A and 16B.

Referred to the Committee on Governmental Operations.

Mr. Benson, D.D. introduced—

S.F. No. 1183: A bill for an act relating to human services; long-term care; allowing for cost-effective alternatives for metro transportation support grants; establishing limits for certain long-term care costs; providing for the establishment of certain rates for long-term care and for community residential treatment centers; amending Minnesota Statutes 1990, sections 252.46, subdivisions 6 and 14; 252.478, subdivisions 1 and 3; 256B.19, subdivision 1, and by adding a subdivision; 256B.431, subdivision 3i, and by adding subdivisions; 256B.50, subdivision 1d; and 256B.501, subdivision 8, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 256B.

Referred to the Committee on Health and Human Services.

Messrs. Morse, Riveness, Finn, Knaak and Ms. Johnson, J.B. introduced—

S.F. No. 1184: A bill for an act relating to the environment; conforming permit fee requirements to the federal Clean Air Act; amending Minnesota Statutes 1990, section 116.07, subdivision 4d.

Referred to the Committee on Environment and Natural Resources.

Mr. Knaak, Mrs. Adkins, Messrs. Lessard, Chmielewski and Laidig introduced—

S.F. No. 1185: A bill for an act relating to marriage dissolution; regulating child support, maintenance, and property settlements; providing for mediation; amending Minnesota Statutes 1990, sections 518.175, subdivision 3, and by adding subdivisions; 518.18; 518.55, by adding a subdivision; 518.551, subdivisions 5 and 6; 518.57, by adding a subdivision; 518.619, by adding a subdivision; 518.64, by adding a subdivision; repealing Minnesota Statutes 1990, section 518.552, subdivision 3.

Referred to the Committee on Health and Human Services.

Mr. Lessard introduced—

S.F. No. 1186: A bill for an act relating to taxation; adjusting the computation of the tax rate applied to certain transmission and distribution lines; amending Minnesota Statutes 1990, section 273.42, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Riveness, Ms. Flynn, Messrs. McGowan, DeCramer and Vickerman introduced—

S.F. No. 1187: A bill for an act relating to motor vehicles; authorizing registrar of motor vehicles to suspend vehicle registration for failure to transfer title to and registration for a vehicle within ten days of vehicle transfer; amending Minnesota Statutes 1990, sections 168.101, subdivision

2; and 168.15; proposing coding for new law in Minnesota Statutes, chapter 168.

Referred to the Committee on Transportation.

Messrs. Knaak, Kelly, McGowan, Merriam and Ms. Ranum introduced—

S.F. No. 1188: A bill for an act relating to corrections; requiring the court to impose local correctional fees on offenders committed to local correctional agencies; authorizing local correctional agencies to establish a fee schedule for local correctional services to defray costs of correctional services; proposing coding for new law in Minnesota Statutes, chapters 244 and 609.

Referred to the Committee on Judiciary.

Mr. Knaak, Ms. Piper, Mr. Price, Mrs. Pariseau and Ms. Olson introduced—

S.F. No. 1189: A bill for an act relating to crimes; authorizing the juvenile court to find a child in need of protection or services if the child resides in a home where controlled substances are present; making it a crime for a parent to endanger a child's person or health by using, selling, or manufacturing controlled substances in the child's presence; prescribing penalties; amending Minnesota Statutes 1990, sections 260.015, subdivision 2a; and 609.378, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Morse, Hughes, Waldorf, Ms. Piper and Mrs. Brataas introduced—

S.F. No. 1190: A bill for an act relating to local government; permitting police and fire civil service commissions to expand certified lists in certain circumstances; amending Minnesota Statutes 1990, sections 419.06; and 420.07.

Referred to the Committee on Governmental Operations.

Mses. Ranum, Reichgott, Messrs. Knaak, Cohen and Pogemiller introduced—

S.F. No. 1191: A bill for an act relating to domestic abuse; creating a domestic abuse data system; requiring the collection of data relating to domestic assaults and orders for protection; appropriating money; amending Minnesota Statutes 1990, sections 299C.09; 299C.10; 299C.11; and 299C.12; proposing coding for new law in Minnesota Statutes, chapter 299C.

Referred to the Committee on Judiciary.

Messrs. Merriam and Lessard introduced—

S.F. No. 1192: A bill for an act relating to game and fish; requiring stamps of fishing tournament entrants; dedicating revenue; amending Minnesota Statutes 1990, sections 97A.075, by adding a subdivision; and 97A.475, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97C.

Referred to the Committee on Environment and Natural Resources.

Messrs. Merriam and Lessard introduced—

S.F. No. 1193: A bill for an act relating to natural resources; exotic species management; establishing an interagency committee on exotic species management; requiring a plan; providing for emergency rulemaking; amending Minnesota Statutes 1990, section 86B.415, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 84.

Referred to the Committee on Environment and Natural Resources.

Messrs. Davis, Renneke, Morse and Merriam introduced—

S.F. No. 1194: A bill for an act relating to agriculture; regulating genetically engineered plants, pesticides, fertilizers, soil amendments, and plant amendments; imposing a penalty; amending Minnesota Statutes 1990, sections 18B.01, by adding subdivisions; 18C.005, by adding subdivisions; 18C.421; 18C.425, subdivision 6, and by adding a subdivision; 18D.01, subdivisions 1 and 9; 18D.301, subdivisions 1 and 2; 18D.325, subdivisions 1 and 2; 18D.331, subdivisions 1, 2, and 3; proposing coding for new law in Minnesota Statutes, chapters 18B and 18C; proposing coding for new law as Minnesota Statutes, chapter 18F.

Referred to the Committee on Agriculture and Rural Development.

Mr. Novak introduced—

S.F. No. 1195: A bill for an act relating to Ramsey county; removing the levy limit on library levies.

Referred to the Committee on Local Government.

Mr. DeCramer introduced—

S.F. No. 1196: A bill for an act relating to animal health; abolishing mandatory anaplasmosis testing; repealing Minnesota Statutes 1990, section 35.251.

Referred to the Committee on Agriculture and Rural Development.

Ms. Johnson, J.B. introduced—

S.F. No. 1197: A bill for an act relating to education; authorizing a fund transfer by the Chisago Lakes school district.

Referred to the Committee on Education.

Mr. Metzen, Ms. Reichgott, Mr. Hottinger, Ms. Pappas and Mr. Solon introduced—

S.F. No. 1198: A bill for an act relating to insurance; accident and health; requiring coverage for mental or nervous disorders treatment provided by licensed mental health professionals; amending Minnesota Statutes 1990, section 62A.152, subdivisions 2 and 3.

Referred to the Committee on Commerce.

Mr. Langseth introduced—

S.F. No. 1199: A bill for an act relating to taxation; restoring a payment of certain homestead and agricultural credit aid to the Buffalo-Red River watershed district; appropriating money.

Referred to the Committee on Taxes and Tax Laws.

Mr. Knaak introduced—

S.F. No. 1200: A bill for an act relating to marriage dissolution; regulating child custody; providing for shared care of children; regulating support and other obligations of marriage after dissolution; amending Minnesota Statutes 1990, sections 144.244; 518.003, subdivision 3; 518.005, subdivision 2; 518.03; 518.10; 518.131, subdivisions 1, 2, 3, 6, and 7; 518.155; 518.156; 518.165, subdivisions 1 and 2; 518.166; 518.167, subdivisions 1 and 2; 518.168; 518.17, subdivisions 1, 3, and by adding a subdivision; 518.171, subdivision 6; 518.175; 518.176; 518.177; 518.179, subdivision 1; 518.18; 518.185; 518.552, subdivisions 1 and 2; 518.612; 518.619, subdivisions 1, 3, and 4; 518.63; and 631.52; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1990, section 518.17, subdivisions 2 and 6.

Referred to the Committee on Health and Human Services.

Ms. Pappas introduced—

S.F. No. 1201: A bill for an act relating to state government; clarifying employee interchange program; amending Minnesota Statutes 1990, section 15.53, subdivision 2.

Referred to the Committee on Governmental Operations.

Ms. Pappas introduced—

S.F. No. 1202: A bill for an act relating to civil actions; providing special procedures when a cause of action is alleged to arise from any act involving the exercise of constitutional rights of free speech; proposing coding for new law in Minnesota Statutes, chapter 540.

Referred to the Committee on Judiciary.

Mr. Hottinger introduced—

S.F. No. 1203: A bill for an act relating to human services; changing the effective date for separate billing by certified registered nurse anesthetists; appropriating money; amending Minnesota Statutes 1990, section 256.969, subdivision 6a.

Referred to the Committee on Health and Human Services.

Ms. Berglin introduced—

S.F. No. 1204: A bill for an act relating to economic development; providing a preference for certain areas for grants-in-aid for recreational betterment; amending Minnesota Statutes 1990, section 116J.406, by adding a subdivision.

Referred to the Committee on Economic Development and Housing.

Mr. Kelly, Ms. Johnson, J.B.; Messrs. Luther and McGowan introduced—

S.F. No. 1205: A bill for an act relating to state employees; providing payment of the difference between state and military salaries for certain state employees called to active duty in the United States armed forces; appropriating money.

Referred to the Committee on Veterans and General Legislation.

Ms. Ranum, Messrs. Marty, Spear and McGowan introduced—

S.F. No. 1206: A bill for an act relating to crimes; creating the gross misdemeanor offense of assaulting a public employee who is engaged in mandated duties; amending Minnesota Statutes 1990, section 609.2231, by adding a subdivision.

Referred to the Committee on Judiciary.

Mrs. Adkins and Mr. Larson introduced—

S.F. No. 1207: A bill for an act relating to education; providing for pilot programs for alcohol and drug prevention and for transition programming for special education students; appropriating money.

Referred to the Committee on Education.

Messrs. Luther, Cohen, Belanger, Ms. Reichgott and Mr. Finn introduced—

S.F. No. 1208: A bill for an act relating to arbitration; providing for interest on arbitration awards; allowing an arbitrator or the court to modify an award based on an error of law; amending Minnesota Statutes 1990, sections 549.09; 572.15; 572.16; and 572.20, subdivision 1.

Referred to the Committee on Judiciary.

Messrs. Lessard, Berg, Ms. Olson, Mrs. Pariseau and Mr. Dahl introduced—

S.F. No. 1209: A bill for an act relating to solid waste; regulating packaging and toxic materials in packaging; defining packaging; preempting local regulations relating to packaging; establishing a packaging advisory council; requiring reduction of the use of toxic materials in packaging; requiring various reports and research; authorizing rulemaking; providing penalties; amending Minnesota Statutes 1990, sections 115A.02; 115A.03, by adding a subdivision; 115A.12, subdivision 1, and by adding a subdivision; 115A.557, by adding a subdivision; and 400.08, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Mr. Vickerman introduced—

S.F. No. 1210: A bill for an act relating to state parks; regulating the use of metal detectors in state parks; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Environment and Natural Resources.

Messrs. Samuelson; Metzen; Benson, D.D. and Solon introduced—

S.F. No. 1211: A bill for an act relating to human services; Minnesota comprehensive health association; clarifying the calculation of contributing members' share of expenses; excluding medical assistance and general assistance medical care payments from the calculation; amending Minnesota Statutes 1990, section 62E.11, subdivision 5.

Referred to the Committee on Commerce.

Mr. Waldorf introduced—

S.F. No. 1212: A bill for an act relating to retirement; authorizing investment related postretirement adjustments for eligible members of the St. Paul police and firefighters relief associations; amending Minnesota Statutes 1990, sections 69.031, subdivision 5; 69.77, subdivision 2b; 356.216; and 423A.01, subdivision 2; and Laws 1989, chapter 319, article 19, sections 6 and 7, subdivisions 1, and 4, as amended.

Referred to the Committee on Governmental Operations.

Mr. Metzen introduced—

S.F. No. 1213: A bill for an act relating to Dakota county; permitting the combination of the offices of treasurer and auditor; permitting appointment of the county recorder; authorizing the reorganization of county offices; proposing coding for new law in Minnesota Statutes, chapter 383D.

Referred to the Committee on Local Government.

Messrs. Beckman; Frederickson, D.J.; Davis; Vickerman and Frederickson, D.R. introduced—

S.F. No. 1214: A bill for an act relating to workers' compensation; regulating coverage for family farm employees; amending Minnesota Statutes 1990, section 176.011, subdivision 11a.

Referred to the Committee on Employment.

Messrs. Beckman; Riveness; Kroening; Frederickson, D.J. and Dahl introduced—

S.F. No. 1215: A bill for an act relating to education; establishing a task force on programs for education and employment transitions; appropriating money.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 1216: A bill for an act relating to state lands; transferring state land by private sale to the town board of the town of Lake in Roseau county.

Referred to the Committee on Environment and Natural Resources.

Messrs. Samuelson, Frank and Novak introduced—

S.F. No. 1217: A bill for an act relating to taxation; providing that certain income earned for service in the armed forces is exempt from taxation; amending Minnesota Statutes 1990, section 290.01, subdivision 19b.

Referred to the Committee on Taxes and Tax Laws.

Mr. Metzen introduced—

S.F. No. 1218: A bill for an act relating to higher education; creating a prepaid tuition program for post-secondary institutions; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Messrs. Larson; Moe, R.D.; Merriam; Morse and Laidig introduced—

S.F. No. 1219: A bill for an act relating to state parks; creating an adopt-a-park program under commissioner of natural resources; proposing coding for new law in Minnesota Statutes, chapter 85.

Referred to the Committee on Environment and Natural Resources.

Mr. Chmielewski introduced—

S.F. No. 1220: A bill for an act relating to education; eliminating the requirement under cooperation and combination that districts be contiguous; amending Minnesota Statutes 1990, section 122.241, subdivision 3.

Referred to the Committee on Education.

Ms. Johnson, J.B.; Messrs. Dicklich, Marty, Ms. Piper and Mr. Finn introduced—

S.F. No. 1221: A bill for an act relating to utilities; providing for incentive plans for energy conservation improvements; requiring showing when applying for certificate to construct a large energy facility that demand for electricity cannot be met more cost effectively through energy conservation or load-management measures; amending Minnesota Statutes 1990, sections 216B.16, subdivision 6b, and by adding a subdivision; and 216B.243, subdivision 3.

Referred to the Committee on Energy and Public Utilities.

Ms. Johnson, J.B.; Messrs. Marty, Finn and Ms. Piper introduced—

S.F. No. 1222: A bill for an act relating to commercial buildings; providing for a program to encourage energy-efficient commercial buildings; proposing coding for new law in Minnesota Statutes, chapter 16B.

Referred to the Committee on Governmental Operations.

Ms. Johnson, J.B. and Mr. Marty introduced—

S.F. No. 1223: A bill for an act relating to energy; requiring public utilities commission to establish categories for efficient and inefficient applications and end uses of electric power; requiring reports of these uses by electric utilities; amending Minnesota Statutes 1990, section 216B.241, by adding a subdivision.

Referred to the Committee on Energy and Public Utilities.

Mr. Waldorf introduced—

S.F. No. 1224: A bill for an act relating to retirement; state unclassified employees retirement program; permitting plan participants who move to unclassified positions not covered by the plan to elect to participate in the plan; amending Minnesota Statutes 1990, section 352D.02, by adding a subdivision.

Referred to the Committee on Governmental Operations.

Ms. Pappas, Messrs. Dicklich, Chmielewski, Pogemiller and DeCramer introduced—

S.F. No. 1225: A bill for an act relating to libraries; modifying regional library basic support grants; appropriating money; amending Minnesota Statutes 1990, section 134.35.

Referred to the Committee on Education.

Mr. Spear introduced—

S.F. No. 1226: A bill for an act relating to intoxicating liquor; providing for sale of intoxicating liquor at a sports arena in Minneapolis; amending Minnesota Statutes 1990, section 340A.404, subdivision 2, and by adding a subdivision.

Referred to the Committee on Commerce.

Mr. Kroening introduced—

S.F. No. 1227: A bill for an act relating to crimes; regulating the display of firearms ammunition for sale to the public; providing criminal penalties; amending Minnesota Statutes 1990, section 609.66, subdivision 1.

Referred to the Committee on Judiciary.

Mr. Morse, Mrs. Adkins, Messrs. Solon and Gustafson introduced—

S.F. No. 1228: A bill for an act relating to occupations and professions; providing certain exceptions for the licensing of maintenance electricians; amending Minnesota Statutes 1990, section 326.242, by adding a subdivision.

Referred to the Committee on Commerce.

Messrs. Luther, Cohen and Spear introduced—

S.F. No. 1229: A bill for an act relating to courts; providing for the adoption of rules governing the right of access to court records; providing for rules prohibiting certain activities that restrict attorneys from representing claimants; proposing coding for new law in Minnesota Statutes, chapters 480 and 481.

Referred to the Committee on Judiciary.

Messrs. Stumpf, Renneke and Bertram introduced—

S.F. No. 1230: A bill for an act relating to retirement; volunteer firefighters; qualifying service; computation and proration of service pensions; amending Minnesota Statutes 1990, sections 424A.001, subdivision 4; and

424A.02, subdivisions 1, 3, 6, and 7.

Referred to the Committee on Governmental Operations.

Messrs. Sams, Samuelson and Finn introduced—

S.F. No. 1231: A bill for an act relating to human services; authorizing the commissioner of human services to waive the requirement that emergency mental health services be provided by a provider other than the provider of fire and public safety emergency services; establishing conditions for a waiver; amending Minnesota Statutes 1990, sections 245.469, subdivision 2; and 245.4879, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Knaak, Ms. Olson, Mrs. Pariseau, Messrs. Price and Laidig introduced—

S.F. No. 1232: A bill for an act relating to taxation; property; exempting certain wetlands; amending Minnesota Statutes 1990, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws. Mr. Lessard questioned the reference thereon and, under Rule 35, the bill was referred to the Committee on Rules and Administration.

Mr. Knaak introduced—

S.F. No. 1233: A bill for an act relating to taxation; providing a property tax exemption for certain property leased by a municipality; amending Minnesota Statutes 1990, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mrs. Pariseau, Mr. Storm, Ms. Berglin, Mrs. Adkins and Mr. Day introduced—

S.F. No. 1234: A bill for an act relating to traffic regulations; authorizing one-day handicapped certificates for use by vehicles transporting nursing home residents; amending Minnesota Statutes 1990, section 169.345, subdivision 3.

Referred to the Committee on Transportation.

Ms. Flynn, Messrs. Pogemiller and McGowan introduced—

S.F. No. 1235: A bill for an act relating to crimes; missing children; repealing restrictions on felony prosecutions for taking, detaining, or failing to return a child; repealing Minnesota Statutes 1990, section 609.26, subdivision 5.

Referred to the Committee on Judiciary.

Messrs. Benson, D.D.; Day and Mrs. Brataas introduced—

S.F. No. 1236: A bill for an act relating to appropriations; appropriating money for a day reporting center pilot program in certain counties; requiring a report to the legislature.

Referred to the Committee on Judiciary.

Mr. Riveness introduced—

S.F. No. 1237: A bill for an act relating to highways; authorizing state payment to construct remote frontage roads; amending Minnesota Statutes 1990, section 161.38, subdivision 3.

Referred to the Committee on Transportation.

Mr. Riveness introduced—

S.F. No. 1238: A bill for an act relating to the city of Richfield; authorizing the city to advance money to the commissioner of transportation to expedite construction of a frontage road within the city; authorizing an agreement between the commissioner and the city; authorizing the city to issue bonds and requiring the commissioner to pay interest on the bonds up to a certain amount.

Referred to the Committee on Transportation.

Messrs. Pogemiller and Dicklich introduced—

S.F. No. 1239: A bill for an act relating to education; establishing a grant program to demonstrate effective mechanisms for coordinating and enhancing social services and education for children experiencing or likely to experience mental health problems; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124C.

Referred to the Committee on Education.

Messrs. Waldorf; Johnson, D.E.; Dicklich and Mrs. Brataas introduced—

S.F. No. 1240: A bill for an act relating to education; providing for student financial aid and the financing of post-secondary education; amending Minnesota Statutes 1990, sections 135A.03, subdivisions 1 and 4; and 136A.121, subdivisions 6 and 10.

Referred to the Committee on Education.

Mr. Benson, D.D. introduced—

S.F. No. 1241: A bill for an act relating to human services; developmental disabilities; designating the use of funds; clarifying the definition of related conditions; clarifying requirements for case management; establishing requirements for services and programs; requiring admission review teams for admissions to intermediate care facilities for persons with mental retardation or related conditions; amending Minnesota Statutes 1990, sections 246.18, subdivision 4, and by adding a subdivision; 252.27, subdivision 1a; 252.275; 252.28, subdivisions 1, 3, and by adding a subdivision; 252.32; and 256B.092; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1990, section 252.275, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Benson, D.D. introduced—

S.F. No. 1242: A bill for an act relating to human services; clarifying division of costs for state and counties for certain benefits and services; providing for a county share in emergency general assistance, emergency

assistance, and negotiated rate payments; amending reporting requirements for the federal food stamp program; clarifying requirements for child care services; amending Minnesota Statutes 1990, sections 256.01, subdivision 11, and by adding a subdivision; 256.025, subdivisions 1, 3, and 4; 256.82, subdivision 1; 256.871, subdivision 6; 256.935, subdivision 1; 256D.03, subdivisions 2 and 2a; 256D.05, subdivisions 1, 2, and 6; 256D.051, subdivisions 1, 1a, 3a, 6, and 8; 256D.052, subdivision 3; 256D.07; 256D.10; 256D.101, subdivisions 1 and 3; 256D.36, subdivision 1; 256H.02; 256H.03; 256H.05; 256H.22, subdivision 2, and by adding a subdivision; and 393.07, subdivisions 10 and 10a; proposing coding for new law in Minnesota Statutes, chapters 256 and 256H; repealing Minnesota Statutes 1990, sections 256D.051, subdivisions 1b, 3c, and 16; 256D.052, subdivision 4; 256D.09, subdivision 4; and 256D.101, subdivision 2.

Referred to the Committee on Health and Human Services.

Mr. Cohen introduced—

S.F. No. 1243: A bill for an act relating to commerce; modifying the regulation of interest rate advertising; amending Minnesota Statutes 1990, section 45.025, subdivisions 1 and 2; repealing Minnesota Statutes 1990, section 45.025, subdivision 7.

Referred to the Committee on Commerce.

Mr. Cohen introduced—

S.F. No. 1244: A bill for an act relating to commerce; real estate brokers; clarifying exceptions to licensing requirements; amending Minnesota Statutes 1990, section 82.18.

Referred to the Committee on Commerce.

Messrs. Spear; Moe, R.D.; Pogemiller; Ms. Pappas and Mr. Belanger introduced—

S.F. No. 1245: A bill for an act relating to charitable organizations; changing distribution requirements for charitable organizations; amending Minnesota Statutes 1990, section 309.501, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Morse introduced—

S.F. No. 1246: A bill for an act relating to waste; clarifying the requirement that low-level radioactive waste be managed at licensed facilities; exempting certain operations from this requirement; amending Minnesota Statutes 1990, section 116C.852.

Referred to the Committee on Environment and Natural Resources.

Mr. Dahl introduced—

S.F. No. 1247: A bill for an act relating to waste; prohibiting placement of rechargeable batteries and appliances in mixed municipal waste; imposing requirements on retailers and manufacturers of these products; requiring pilot programs for collection and proper management of used rechargeable batteries and appliances; amending Minnesota Statutes 1990, section

325E.125, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 115A.

Referred to the Committee on Environment and Natural Resources.

Messrs. Chmielewski; Moe, R.D.; Waldorf; Solon and Mondale introduced—

S.F. No. 1248: A bill for an act relating to workers' compensation; regulating benefits and insurance; establishing a permanent commission on workers' compensation; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 79.252, by adding a subdivision; 176.011, subdivisions 3, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 9, and 11; 176.111, subdivision 18; 176.135, subdivisions 1, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.645, subdivisions 1 and 2; 176.83, subdivisions 5, 6, and by adding a subdivision; 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 175 and 176; repealing Minnesota Statutes 1990, sections 175.007; and 176.136, subdivision 5.

Referred to the Committee on Employment.

Messrs. Chmielewski and Moe, R.D. introduced—

S.F. No. 1249: A bill for an act relating to employment; increasing civil penalties for occupational safety and health violations; providing penalties; amending Minnesota Statutes 1990, section 182.666.

Referred to the Committee on Employment.

Mr. Storm introduced—

S.F. No. 1250: A bill for an act relating to human services; medical assistance and general assistance medical care; clarifying payment rates for hospitals; clarifying coverage of services and eligibility requirements; clarifying the role of independent actuaries; amending Minnesota Statutes 1990, sections 256.045, subdivision 10; 256.936, by adding a subdivision; 256.9365, subdivisions 1 and 3; 256.9685, subdivision 1; 256.9686, subdivisions 1 and 6; 256.969, subdivisions 1, 2, 2c, 3a, 6a, and by adding a subdivision; 256.9695, subdivisions 1 and 5; 256B.031, subdivision 4; 256B.055, subdivisions 10 and 12; 256B.057, subdivisions 1, 2, 3, 4, and by adding a subdivision; 256B.0575; 256B.0625, subdivisions 4, 9, 12, 13, 17, 24, 25, 28, 30, and by adding subdivisions; 256B.063; 256B.08, by adding a subdivision; 256B.19, by adding a subdivision; 256B.25, subdivision 3; and 256D.03, subdivisions 3 and 4.

Referred to the Committee on Health and Human Services.

Messrs. Dahl and Lessard introduced—

S.F. No. 1251: A bill for an act relating to motor vehicles; clarifying that engines may be replaced under certain conditions; amending Minnesota Statutes 1990, sections 116.63, subdivision 3; and 325E.0951, subdivision 3.

Referred to the Committee on Environment and Natural Resources.

Without objection, the Senate reverted to the Order of Business of Motions

and Resolutions.

MOTIONS AND RESOLUTIONS

Mr. Cohen moved that S.F. No. 1123 be withdrawn from the Committee on Transportation and re-referred to the Committee on Metropolitan Affairs. The motion prevailed.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, April 8, 1991. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate