

## FORTY-THIRD DAY

St. Paul, Minnesota, Tuesday, April 30, 1991

The Senate met at 8:30 a.m. and was called to order by the President.

### CALL OF THE SENATE

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

Prayer was offered by Senator Donald A. Storm.

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

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

The President declared a quorum present.

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

### 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. 286, 368, 550 and 732.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 29, 1991

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

S.F. No. 729: A bill for an act relating to game and fish; qualifications for obtaining a license to take wild animals by firearms; proposing coding for new law in Minnesota Statutes, chapter 97B.

Senate File No. 729 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned April 29, 1991

### CONCURRENCE AND REPASSAGE

Mr. Merriam moved that the Senate concur in the amendments by the House to S.F. No. 729 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 729 was read the third time, as amended by the House, and placed on its repassage.

The question was taken on the repassage of the bill, as amended.

The roll was called, and there were yeas 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Johnson, D.E.	Marty	Pappas
Beckman	Davis	Johnson, D.J.	McGowan	Pariseau
Belanger	Day	Johnson, J.B.	Mehrkens	Price
Benson, D.D.	DeCramer	Johnston	Merriam	Ranum
Benson, J.E.	Dicklich	Kelly	Metzen	Renneke
Bernhagen	Finn	Knaak	Moe, R.D.	Sams
Bertram	Flynn	Langseth	Mondale	Samuelson
Brataas	Frank	Larson	Morse	Storm
Chmielewski	Frederickson, D.J.	Lessard	Neuville	Traub
Cohen	Hottinger	Luther	Olson	Vickerman

So the bill, as amended, was repassed and its title was agreed to.

### MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 654, 1542, 525, 1039, 1151, 1249, 882, 1066, 1371, 1475, 143, 228, 1310, 693, 1025 and 1286.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted April 29, 1991

### FIRST READING OF HOUSE BILLS

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

H.F. No. 654: A bill for an act relating to human services; requiring training of child care providers to include training in cultural sensitivity; amending Minnesota Statutes 1990, section 245A.14, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 990, now on General Orders.

H.F. No. 1542: 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; proposing coding for new law in Minnesota Statutes, chapter 116.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1251, now on General Orders.

H.F. No. 525: A bill for an act relating to insurance; regulating claim denial; requiring chemical dependency claim reviewers to meet certain qualifications; requiring insurers to file an annual report on evaluations with the commissioner of commerce; amending Minnesota Statutes 1990, section 72A.201, subdivision 8.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1099, now on General Orders.

H.F. No. 1039: A bill for an act relating to public employees; regulating insurance benefits; amending Minnesota Statutes 1990, sections 43A.04, by adding a subdivision; 43A.13, by adding a subdivision; and 43A.316, subdivision 8.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 798, now on General Orders.

H.F. No. 1151: A bill for an act relating to the city of Saint Paul; exempting certain port authority activities from competitive bidding; amending Minnesota Statutes 1990, section 469.084, by adding a subdivision.

Mr. Moe, R.D. moved that H.F. No. 1151 be laid on the table. The motion prevailed.

H.F. No. 1249: A bill for an act relating to the city of St. Paul; providing certain economic development authority.

Referred to the Committee on Economic Development and Housing.

H.F. No. 882: A bill for an act relating to traffic regulations; increasing criminal and civil penalties for littering; amending Minnesota Statutes 1990, sections 169.42, subdivision 5; and 169.421, subdivision 4.

Referred to the Committee on Finance.

H.F. No. 1066: A bill for an act relating to health; modifying the definition of and requirements related to review organizations; amending Minnesota Statutes 1990, sections 145.61, subdivisions 4a, 5, and by adding a subdivision; 145.63, subdivision 1; and 145.64.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1451.

H.F. No. 1371: A bill for an act relating to agriculture; extending the right of first refusal on foreclosed farm land to ten years; amending Minnesota Statutes 1990, section 500.24, subdivision 6.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 177, now on General Orders.

H.F. No. 1475: A bill for an act relating to education; requiring post-secondary governing boards to report on cultural diversity.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1425, now on General Orders.

H.F. No. 143: A bill for an act relating to appropriations; removing certain directions, limits, and provisos on the use of money for certain projects; amending Laws 1990, chapter 610, article 1, section 9, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 105.

H.F. No. 228: A bill for an act relating to natural resources; establishing an educational program on best management practices; proposing coding for new law in Minnesota Statutes, chapter 103F.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1310: 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 Rules and Administration for comparison with S.F. No. 1206, now on General Orders.

H.F. No. 693: A bill for an act relating to data practices; providing for classifications of government data; amending Minnesota Statutes 1990, sections 13.01, by adding a subdivision; 13.03, by adding a subdivision; 13.40; 13.43, subdivision 2 and by adding a subdivision; 13.55; 13.82, subdivisions 4 and 10; 13.83, subdivisions 4, 8, and by adding a subdivision; 13.84, by adding a subdivision; 144.335, by adding a subdivision; 169.09, subdivision 13; 260.161, subdivision 3; 383B.225, subdivision 6; 390.11, subdivision 7; 390.32, subdivision 6; 403.07, subdivision 4; 595.024, subdivision 3; and 626.556, subdivision 11c, and by adding a subdivision; proposing coding for new law in chapter 13.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 802, now on General Orders.

H.F. No. 1025: A bill for an act relating to retirement; eliminating the additional employer contribution to the teachers retirement association on behalf of employees participating in the individual retirement account plan; providing for prospective revocation of certain retirement plan transfers; amending Minnesota Statutes 1990, section 354B.04, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 900, now on General Orders.

H.F. No. 1286: A bill for an act relating to the secretary of state; changing certain fees, deadlines, and procedures; providing for supplemental filing and information services; providing for removal of documents from the public record; clarifying certain language; amending Minnesota Statutes 1990, sections 5.03; 5.16, subdivision 5; 302A.821, subdivisions 3, 4, and 5; 303.07, subdivision 2; 303.08; 303.13, subdivision 1; 303.17, subdivision 1; 308A.131, subdivision 1; 308A.801, subdivision 6; 317A.821, subdivision 2; 317A.823; 317A.827, subdivision 1; and 331A.02, subdivision 1; Laws 1989, chapter 236, section 12; proposing coding for new law in Minnesota Statutes, chapter 5.

Referred to the Committee on Finance.

**REPORTS OF COMMITTEES**

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 728, 1142, 546 and H.F. No. 181. The motion prevailed.

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

S.F. No. 728: A bill for an act relating to education; establishing the Minnesota training institute to ensure quality services to persons with developmental disabilities; requiring the institute to ensure appropriate training programs and materials; establishing a board to govern the training institute; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 252.

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

Delete everything after the enacting clause and insert:

“Section 1. [EDUCATION MATERIALS FOR DIRECT CARE STAFF]

*Subdivision 1. [FINDINGS.] In order to provide quality services to persons with developmental disabilities, the legislature finds it necessary to ensure that all persons who provide the services receive appropriate education. The education must promote the dignity of persons being served and contain outcome-based criteria.*

*Subd. 2. [EDUCATION MATERIALS.] The state board of technical colleges shall develop education materials for individuals and families who provide services to persons with developmental disabilities. To assist in the development of appropriate education materials, the chancellor of the technical college system shall appoint a 15-member task force. Six members of the task force shall represent consumers, parents, and advocacy organizations. Five members of the task force shall represent state employee unions, organizations, and individuals who provide direct services to persons with developmental disabilities. Four members of the task force shall represent post-secondary education and concerned citizens of the state.*

*Subd. 3. [COORDINATION WITH STATE AGENCIES.] The technical college system shall coordinate the development of education materials with the departments of human services, health, education, and jobs and training. Each of these state agencies shall designate staff to support the development of education materials.*

*Subd. 4. [REPORT.] The task force shall report to the state board, other appropriate state agencies, and the legislature on changes needed in pre-service and continuing education programs for persons who provide services to people with developmental disabilities.*

Sec. 2. [APPROPRIATION.]

*\$ . . . . . is appropriated from the general fund to the state board of technical colleges for the purposes of section 1.”*

Delete the title and insert:

“A bill for an act relating to education; requiring the state board of technical colleges to develop education materials for people who provide services to people with developmental disabilities; creating an advisory task force; requiring a report; appropriating money.”

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

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

S.F. No. 227: A bill for an act relating to marriage dissolution; clarifying procedure for modification of certain custody orders; providing for additional child support payments; providing an alternative form of satisfaction of child support obligation; imposing a fiduciary duty and providing for compensation in cases of breach of that duty; clarifying certain mediation procedures; providing for attorneys' fees in certain cases; clarifying language concerning certain motions; imposing penalties; amending Minnesota Statutes 1990, sections 518.18; 518.551, subdivision 5; 518.57, by adding a subdivision; 518.58, subdivision 1, and by adding a subdivision; 518.619, subdivision 6; and 518.64, subdivision 2.

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

Page 8, delete line 17

Page 8, line 18, delete "life,"

Page 9, lines 22 to 25, delete the new language

Page 11, after line 1, insert:

*"(f) Section 518.14 shall govern the award of attorney fees for motions brought under this subdivision.*

Sec. 8. Minnesota Statutes 1990, section 518.641, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] An order for maintenance or child support shall provide for a biennial adjustment in the amount to be paid based on a change in the cost of living. An order that provides for a cost-of-living adjustment shall specify the cost-of-living index to be applied *and the date on which the cost-of-living adjustment becomes effective.* The court may use the consumer price index for all urban consumers, Minneapolis-St. Paul (CPI-U), the consumer price index for wage earners and clerical, Minneapolis-St. Paul (CPI-W), or another cost-of-living index published by the department of labor which it specifically finds is more appropriate. ~~The court may specify that the housing component be excluded from the cost-of-living adjustment.~~ Cost-of-living increases under this section shall be compounded. The court may also increase the amount by more than the cost-of-living adjustment by agreement of the parties or by making further findings. The adjustment becomes effective on the first of May of the year in which it is made, *for cases in which payment is made to the public authority. For cases in which payment is not made to the public authority, application for an adjustment may be made in any month, but no application for an adjustment may be made sooner than two years after the date of the dissolution decree.* A court may waive the requirement of the cost-of-living clause if it expressly finds that the obligor's occupation or income, or both, does not provide for cost-of-living adjustment or that the order for maintenance or child support has a provision such as a step increase that has the effect of a cost-of-living clause. The court may waive a cost-of-living adjustment in a maintenance order if the parties so agree in writing. The commissioner of human services may promulgate rules for child support

adjustments under this section in accordance with the rulemaking provisions of chapter 14.

Sec. 9. Minnesota Statutes 1990, section 518.641, subdivision 2, is amended to read:

Subd. 2. [CONDITIONS.] No adjustment under this section may be made unless the order provides for it and until the following conditions are met:

(a) the obligee or public authority serves notice of its application for adjustment by mail on the obligor at the obligor's last known address at least 20 days before the effective date of the adjustment;

(b) the notice to the obligor ~~shall inform~~ *informs* the obligor ~~that on of the date on which~~ the adjustment in payments ~~shall will~~ become effective ~~on the first of May~~; and

(c) after receipt of notice and before the effective day of the adjustment, the obligor fails to request a hearing on the issue of whether the adjustment should take effect, and ex parte, to stay imposition of the adjustment pending outcome of the hearing.

Sec. 10. Minnesota Statutes 1990, section 549.09, subdivision 1, is amended to read:

Subdivision 1. [WHEN OWED; RATE.] (a) When the judgment is for the recovery of money, including a judgment for the recovery of taxes, interest from the time of the verdict or report until judgment is finally entered shall be computed by the court administrator as provided in clause (c) and added to the judgment.

(b) Except as otherwise provided by contract or allowed by law, preverdict or prereport interest on pecuniary damages shall be computed as provided in clause (c) from the time of the commencement of the action, or the time of a written settlement demand, whichever occurs first, except as provided herein. The action must be commenced within 60 days of a written settlement demand for interest to begin to accrue from the time of the demand. If either party serves a written offer of settlement, the other party may serve a written acceptance or a written counteroffer within 60 days. After that time interest on the judgment shall be calculated by the judge in the following manner. The prevailing party shall receive interest on any judgment from the time the action was commenced or a written settlement demand was made, or as to special damages from the time when special damages were incurred, if later, until the time of verdict or report only if the amount of its offer is closer to the judgment than the amount of the opposing party's offer. If the amount of the losing party's offer was closer to the judgment than the prevailing party's offer, the prevailing party shall receive interest only on the amount of the settlement offer or the judgment, whichever is less, and only from the time the action was commenced or a written settlement demand was made, or as to special damages from when the special damages were incurred, if later, until the time the settlement offer was made. Subsequent offers and counteroffers supersede the legal effect of earlier offers and counteroffers. For the purposes of clause (3), the amount of settlement offer must be allocated between past and future damages in the same proportion as determined by the trier of fact. Except as otherwise provided by contract or allowed by law, preverdict or prereport interest shall not be awarded on the following:

(1) judgments, awards, or benefits in workers' compensation cases, but

not including third-party actions;

~~(2) judgments, decrees, or orders in dissolution, annulment, or legal separation actions;~~

~~(3)~~ judgments for future damages;

~~(4)~~ (3) punitive damages, fines, or other damages that are noncompensatory in nature;

~~(5)~~ (4) judgments not in excess of the amount specified in section 487.30; and

~~(6)~~ (5) that portion of any verdict or report which is founded upon interest, or costs, disbursements, attorney fees, or other similar items added by the court.

(c) The interest shall be computed as simple interest per annum. The rate of interest shall be based on the secondary market yield of one year United States treasury bills, calculated on a bank discount basis as provided in this section.

On or before the 20th day of December of each year the state court administrator shall determine the rate from the secondary market yield on one year United States treasury bills for the most recent calendar month, reported on a monthly basis in the latest statistical release of the board of governors of the federal reserve system. This yield, rounded to the nearest one percent, shall be the annual interest rate during the succeeding calendar year. The state court administrator shall communicate the interest rates to the court administrators and sheriffs for use in computing the interest on verdicts.

When a judgment creditor, or the judgment creditor's attorney or agent, has received a payment after entry of judgment, whether the payment is made voluntarily by or on behalf of the judgment debtor, or is collected by legal process other than execution levy where a proper return has been filed with the court administrator, the judgment creditor, or the judgment creditor's attorney, before applying to the court administrator for an execution shall file with the court administrator an affidavit of partial satisfaction. The affidavit must state the dates and amounts of payments made upon the judgment after the most recent affidavit of partial satisfaction filed, if any; the part of each payment that is applied to taxable disbursements and to accrued interest and to the unpaid principal balance of the judgment; and the accrued, but the unpaid interest owing, if any, after application of each payment."

Amend the title as follows:

Page 1, line 10, after the second semicolon, insert "modifying provisions dealing with cost-of-living adjustments; providing for interest on family law orders;"

Page 1, line 14, delete "and"

Page 1, line 15, before the period, insert "; 518.641, subdivisions 1 and 2; and 549.09, subdivision 1"

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



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

S.F. No. 628: A bill for an act relating to juveniles; requiring a study of the juvenile certification process.

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

Delete everything after the enacting clause and insert:

"Section 1. [JUVENILE CERTIFICATION STUDY GROUP.]

*Subdivision 1. [CREATION.] (a) A juvenile certification study group is created and consists of 14 members.*

*(b) The state supreme court shall appoint eight members from among recommendations submitted by the following:*

- (1) the Minnesota judges association;*
- (2) the county attorneys association;*
- (3) the state public defenders association;*
- (4) the district public defenders;*
- (5) the association of chiefs of police;*
- (6) the county sheriffs association;*
- (7) the police and peace officer association; and*
- (8) Minnesotans for improved juvenile justice.*

*(c) The state supreme court shall appoint five members from correctional systems, at least two of whom must be from outside the metropolitan area; and at least two of whom must be employed in juvenile corrections.*

*(d) The state supreme court shall also appoint a member who is a psychologist with experience performing evaluations of juveniles during certification proceedings.*

*Subd. 2. [MEETINGS.] The state court administrator shall serve as a nonvoting member and the chair of the study group and shall convene meetings of the group at least monthly, beginning in June 1991.*

*Subd. 3. [STAFFING.] The study group will receive staff support from existing staff at the state planning agency.*

*Subd. 4. [GOALS OF STUDY.] (a) The study group shall compile statistics for the past ten years to show:*

- (1) the characteristics of juveniles who have been certified to adult court;*
- (2) the disposition of cases in which a juvenile was certified; and*
- (3) the disposition of cases in which a juvenile matter remained in juvenile court despite a petition for certification.*

*(b) The study group shall evaluate the juvenile certification process and its effectiveness in:*

- (1) distinguishing juveniles who are amenable to rehabilitation in the juvenile correctional system from those who are not;*
- (2) protecting public safety;*
- (3) providing consequences that are appropriate to the severity of the*

offense;

(4) *reducing recidivism; and*

(5) *meeting other correctional goals.*

*Subd. 5. [REPORT TO LEGISLATURE.] The study group shall report the results of the study to the judiciary committees in the senate and house of representatives by January 15, 1992, and make any appropriate legislative recommendations in its report.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment."*

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 re-referred

S.F. No. 945: A bill for an act relating to agriculture; providing for development of aquaculture; imposing a two percent excise tax on sales of aquaculture production equipment; amending Minnesota Statutes 1990, sections 17.49; 97A.025; 297A.01, by adding a subdivision; 297A.02, subdivision 2; and 500.24, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1990, section 17.492.

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

Page 1, line 23, after "or" insert "*where an aquatic farmer*"

Page 5, line 13, after the period, insert "*Repair or replacement parts for aquaculture production equipment shall not be included in the definition of aquaculture production equipment.*"

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

S.F. No. 282: A bill for an act relating to taxation; excise and sales taxes; establishing an alternative method for determining the annual permit fee for vehicles propelled in part by compressed natural gas or propane; amending Minnesota Statutes 1990, section 296.026, subdivisions 1, 2, and by adding subdivisions.

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

Page 1, line 26, strike "6,000" and insert "6,001"

Page 2, line 34, delete "6,000" and insert "6,001"

Page 2, line 35, delete ".009" and insert ".9"

Page 3, line 1, delete ".01 cents" and insert "one cent"

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. 506: A bill for an act relating to lawful gambling; lotteries; expanding requirements relating to compulsive gambling; regulating manufacturers and distributors of gambling devices; changing certain requirements relating to record keeping, reports, audits, and expenditures of gambling profits by licensed gambling organizations; modifying certain licensing, training, and operating requirements for licensed gambling organizations; changing the rate of the tax on pull-tabs and tipboards; authorizing the director of the lottery to enter into joint lotteries outside the United States; expanding certain provisions relating to lottery retailers; designating certain data on lottery prize winners as private; prohibiting lottery advertising that exploits a religious holiday; clarifying the prohibition on video games of chance; imposing surcharges on lawful gambling premises permit fees; appropriating money; amending Minnesota Statutes 1990, sections 240.13, subdivision 2; 245.98, by adding a subdivision; 299L.01, subdivision 1; 349.12, subdivision 25, and by adding subdivisions; 349.15; 349.151, subdivision 4; 349.154, subdivision 2; 349.16, subdivisions 2 and 3; 349.163, subdivision 3; 349.165, subdivisions 1 and 3; 349.167, subdivisions 1, 2, and 4; 349.17, subdivisions 1 and 5; 349.172; 349.18, subdivision 1; 349.19, subdivisions 2, 5, 9, and by adding subdivisions; 349.212, subdivision 4; 349A.02, subdivision 3; 349A.06, subdivisions 3, 5, and 11; 349A.08, by adding a subdivision; 349A.09, subdivision 2; 609.115, by adding a subdivision; 609.75, subdivision 4, and by adding a subdivision; 609.755; 609.76, subdivision 1; 609.761, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299L; repealing Minnesota Statutes 1990, sections 349.154, subdivision 3; 349.212, subdivision 6; 349A.02, subdivision 5; and 349A.03, subdivision 3.

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

Page 2, line 19, delete "35" and insert "33"

Page 2, after line 26, insert:

"Sec. 3. Minnesota Statutes 1990, section 290.05, subdivision 3, is amended to read:

Subd. 3. (a) An organization exempt from taxation under subdivision 2 shall, nevertheless, be subject to tax under this chapter to the extent provided in the following provisions of the Internal Revenue Code:

- (i) section 527 (dealing with political organizations);
- (ii) section 528 (dealing with certain homeowners associations); and
- (iii) sections 511 to 515 (dealing with unrelated business income); but

notwithstanding this subdivision, shall be considered an organization exempt from income tax for the purposes of any law which refers to organizations exempt from income taxes.

(b) The tax shall be imposed on the taxable income of political organizations or homeowner associations or the unrelated business taxable income, as defined in section 512 of the Internal Revenue Code, of organizations defined in section 511 of the Internal Revenue Code, *provided that the full*

*amount of charitable contributions made by the organization shall be deductible from the organization's unrelated business taxable income for purposes of this subdivision, and provided that the tax is not imposed on advertising revenues from a newspaper published by an organization described in section 501(c)(4) of the Internal Revenue Code.*

The tax shall be at the corporate rates. The tax shall only be imposed on income and deductions assignable to this state under sections 290.17 to 290.20. To the extent deducted in computing federal taxable income, the deductions contained in section 290.21 shall not be allowed in computing Minnesota taxable net income."

Page 7, line 4, after the first comma, insert "and"

Page 7, line 5, strike everything after "4"

Page 7, line 6, strike everything before the semicolon

Page 7, line 9, after "exceed" insert ":

(i)" and reinstate the stricken language

Page 7, line 10, reinstate the stricken language

Page 7, line 11, reinstate the stricken "used for" and after the stricken "gambling" insert "bingo; or

(ii)" and after "year" insert "for premises used for other forms of lawful gambling"

Page 9, lines 17 and 18, reinstate the stricken language

Page 11, line 35, strike everything after "(b)"

Page 11, strike line 36

Page 12, lines 1 to 8, strike the old language and delete the new language

Page 12, line 9, strike "(c)"

Pages 12 and 13, delete section 11

Pages 13 and 14, delete section 13

Page 22, lines 8 and 10, delete "26" and insert "25"

Pages 22 and 23, delete section 28

Page 30, line 21, delete "3, 4, and 36 to 39" and insert "4, 7, and 34 to 37"

Page 31, line 14, delete "(3)" and insert "(4)"

Page 31, line 21, delete "35" and insert "33"

Page 32, delete line 6 and insert:

"Sections 7, 9 to 11, 15 to 19, 22, 24, 27, 30 to 32,"

Page 32, line 7, delete "45" and insert "43"

Page 32, delete lines 8 and 9 and insert:

"Section 3 is effective for taxable years beginning after December 31, 1990."

Page 32, line 10, delete "21, 22, 31, 35, and 43" and insert "20, 21, 29, 33, and 41"

Page 32, line 12, delete "14, and 15" and insert "13, and 14"

Page 32, line 14, delete "27" and insert "26"

Page 32, line 16, delete "3, 4, 36 to 39, and 41" and insert "4, 5, 34 to 37, and 39"

Page 32, line 18, delete "7, 24, and 26" and insert "8, 23, and 25"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon, insert "exempting lawful gambling profits from the tax on unrelated business income;"

Page 1, delete line 10

Page 1, line 11, delete "tipboards" and insert "changing requirements relating to posting of pull-tab winners"

Page 1, line 21, after "subdivision;" insert "290.05, subdivision 3;"

Page 1, line 24, delete "subdivisions 2 and" and insert "subdivision" and delete "349.163, subdivision 3;"

Page 1, line 28, delete "349.212, subdivision 4;"

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. 364: A bill for an act relating to taxation; sales and use taxes and special taxes; making technical and administrative corrections, clarifications, and changes; providing that certain charges for services may not be deducted from the sales price; granting certain enforcement powers to the commissioner of revenue; providing for the seizure and forfeiture of untaxed gasoline or special fuel in certain instances; amending Minnesota Statutes 1990, sections 43A.316, subdivision 9; 60A.19, subdivision 8; 69.54; 289A.11, subdivision 1; 289A.18, subdivision 4; 289A.20, subdivision 4; 296.01, subdivision 25; 296.026, subdivisions 1 and 7; 297.01, subdivision 7; 297.03, subdivision 6; 297.11, subdivision 1; 297.43, by adding a subdivision; 297A.01, subdivisions 3 and 8; 297A.21, subdivisions 1 and 4; 297A.211, subdivision 2; 297A.25, subdivision 10; 297A.255, subdivision 5; 297A.257, subdivisions 2 and 2a; 297C.03, subdivision 6; 297C.10, by adding a subdivision; 297D.01, subdivision 3; 297D.02; 297D.04; 297D.05; 297D.07; 297D.09, subdivisions 1 and 1a; 297D.11, subdivisions 1 and 2; 297D.12, subdivision 1; 297D.13, subdivisions 1 and 3; 297D.14; and Laws 1990, chapter 604, article 6, section 11; proposing coding for new law in Minnesota Statutes, chapters 296 and 325D; repealing Minnesota Statutes 1990, sections 296.028; 297A.257, subdivisions 1, 2b, and 3; and Laws 1986, chapter 399, article 1, section 5.

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

Page 3, lines 3 to 6, delete the new language

Page 3, line 7, after "prescribes" insert "*except that use taxes due on an annual use tax return as provided under section 289A.11, subdivision*

*1, are payable by April 15 following the close of the calendar year"*

Page 7, line 7, after "*facility*" insert "*or professional*"

Page 7, line 8, after "*facility*" insert "*or professional*"

Page 11, line 35, strike "(except as provided in"

Page 11, line 36, strike "section 297A.14)"

Pages 12 to 14, delete sections 11 and 12

Page 14, line 24, delete "*subdivisions*"

Page 14, line 25, delete "*1, 2b, and 3, are*" and insert "*is*"

Page 14, line 30, delete "*and 11 to 14*" and insert "*11, and 12*"

Page 14, line 31, after "*1991*" insert "*, provided that the provisions of section 297A.257, subdivision 2a, paragraph (b), will remain in effect only for the purpose of application to a facility used primarily for the repair and overhaul of jet aircraft engines*"

Renumber the sections of article 1 in sequence

Amend the title as follows:

Page 1, line 18, delete "297A.257, subdivisions 2"

Page 1, line 19, delete "and 2a;"

Page 1, line 27, delete ", subdivisions 1, 2b, and 3"

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

S.F. No. 363: A bill for an act relating to taxation; making technical corrections, clarifications, and administrative changes to income, franchise, and mining taxes; amending Minnesota Statutes 1990, sections 270A.03, subdivision 7; 289A.01; 289A.02, by adding a subdivision; 289A.08, by adding a subdivision; 289A.18, subdivisions 1 and 2; 289A.19, subdivision 2; 289A.20, subdivision 1, and by adding a subdivision; 289A.31, subdivision 1; 289A.35; 289A.38, subdivisions 10 and 12; 289A.50, subdivision 1; 289A.56, subdivision 2; 289A.60, subdivisions 4 and 12; 290.01, subdivisions 19a and 19d; 290.014, subdivisions 2, 3, 4, and 5; 290.05, subdivision 3; 290.06, subdivisions 2c, 21, 22, and 23; 290.067, subdivisions 1 and 2a; 290.068, subdivisions 1, 2, and 5; 290.0802, subdivision 1; 290.091, subdivision 2; 290.0921, subdivision 8; 290.0922, subdivision 1, and by adding a subdivision; 290.17, subdivisions 1, 2, and 5; 290.191, subdivisions 6 and 8; 290.92, subdivisions 4b, 4c, 12, and 26; 290.9727, subdivisions 1, 3, and by adding subdivisions; 290A.03, subdivisions 3 and 7; 290A.05; 290A.091; 298.01, subdivisions 3, 4, and by adding subdivisions; 298.015, subdivision 1; 298.16; 298.21; 298.27; Laws 1990, chapter 604, article 2, section 22; repealing Minnesota Statutes 1990, sections 290.068, subdivision 6; 290.069, subdivisions 2a, 4a, and 4b; 290.17, subdivision 7; 290.191, subdivision 7; 298.05 to 298.15; 298.19; and 298.20.

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

Page 2, after line 2, insert:

"Sec. 2. Minnesota Statutes 1990, section 270A.08, subdivision 2, is amended to read:

Subd. 2. (a) This written notice shall clearly and with specificity set forth the basis for the claim to the refund including the name of the benefit program involved if the debt arises from a public assistance grant and the dates on which the debt was incurred and, further, shall advise the debtor of the claimant agency's intention to request setoff of the refund against the debt.

(b) The notice will also advise the debtor that any debt incurred more than six years from the date of the notice to the commissioner under section 270A.07, *other than a debt related to child support*, must not be setoff against a refund, and will advise the debtor of the right to contest the validity of the claim at a hearing. The debtor must assert this right by written request to the claimant agency, which request the agency must receive within 45 days of the mailing date of the original notice or of the corrected notice, as required by subdivision 1. If the debtor has not received the notice, the 45 days shall not commence until the debtor has received actual notice. The debtor shall have the burden of showing no notice and shall be entitled to a hearing on the issue of notice as well as on the merits."

Page 4, line 16, delete "*credit*" and insert "*refund*"

Page 5, line 19, after the period, insert "*There is a rebuttable presumption that*"

Page 5, line 20, delete "*presumed to*"

Page 5, line 21, delete "*be*"

Page 5, delete lines 31 to 33

Page 11, lines 16, 20, 23, and 32, strike "*credit*" and insert "*refund*"

Page 12, lines 3, 25, and 28, strike "*credit*" and insert "*refund*"

Page 17, line 28, delete "*a partnership's*"

Page 17, line 29, after "*receipts*" insert "*of a partnership in which it is a partner*"

Page 29, line 34, delete everything before "*are*" and insert:

"*Section 2 is effective April 25, 1990. Sections 4, 8 to 10, 12 to 14, 17, and 18*"

Page 29, line 35, delete "*10*" and insert "*11*"

Page 30, line 1, delete "*14 and 15*" and insert "*15 and 16*"

Page 30, line 2, delete "*23 to 25*" and insert "*24 to 26*"

Page 30, line 4, before the period, insert "*, and with respect to applications for leasehold cooperative status filed with the county after December 31, 1990*"

Renumber the sections of article 1 in sequence

Page 48, after line 24, insert:

"(o) *A financial institution's interest in property described in section*

*290.015, subdivision 3, paragraph (b), is included in the receipts factor in the same manner as assets in the nature of securities or money market instruments are included in paragraph (n)."*

Page 50, after line 11, insert:

"Sec. 16. Minnesota Statutes 1990, section 290.191, subdivision 11, is amended to read:

Subd. 11. [FINANCIAL INSTITUTIONS; PROPERTY FACTOR.] (a) For financial institutions, the property factor includes, as well as tangible property, intangible property as set forth in this subdivision.

(b) Intangible personal property must be included at its tax basis for federal income tax purposes.

(c) Goodwill must not be included in the property factor.

(d) Coin and currency located in this state must be attributed to this state.

(e) Lease financing receivables must be attributed to this state if and to the extent that the property is located within this state.

(f) Assets in the nature of loans that are secured by real or tangible personal property must be attributed to this state if and to the extent that the security property is located within this state.

(g) Assets in the nature of consumer loans and installment obligations that are unsecured or secured by intangible property must be attributed to this state if the loan was made to a resident of this state.

(h) Assets in the nature of commercial loan and installment obligations that are unsecured by real or tangible personal property or secured by intangible property must be attributed to this state if the proceeds of the loan are to be applied in this state. If it cannot be determined where the funds are to be applied, the assets must be attributed to the state in which there is located the office of the borrower from which the application would be made in the regular course of business. If this cannot be determined, the transaction is disregarded in the apportionment formula.

(i) A participating financial institution's portion of participation and syndication loans must be attributed under paragraphs (e) to (h).

(j) Financial institution credit card and travel and entertainment credit card receivables must be attributed to the state to which the credit card charges and fees are regularly billed.

(k) Receivables arising from merchant discount income derived from financial institution credit card holder transactions with a merchant are attributed to the state in which the merchant is located. In the case of merchants located within and without the state, only receivables from merchant discounts attributable to sales made from locations within the state are attributed to this state. It is presumed, subject to rebuttal, that the location of a merchant is the address shown on the invoice submitted by the merchant to the taxpayer.

(l) Assets in the nature of securities and money market instruments are apportioned to this state based upon the ratio that total deposits from this state, its residents, its political subdivisions, agencies and instrumentalities bear to the total deposits from all states, their residents, their political subdivisions, agencies and instrumentalities. In the case of an unregulated financial institution, the assets are apportioned to this state based upon the



ratio that its gross business income earned from sources within this state bears to gross business income earned from sources within all states. For purposes of this subsection, deposits made by this state, its residents, its political subdivisions, agencies, and instrumentalities are attributed to this state, whether or not the deposits are accepted or maintained by the taxpayer at locations within this state.

(m) A financial institution's interest in any property described in section 290.015, subdivision 3, paragraph (b), ~~is not included in the numerator or the denominator of the property factor provided the financial institution's activities within this state with respect to any interest in such property are limited in the manner provided in section 290.015, subdivision 3, paragraph (b).~~ If a financial institution is subject to tax under this chapter, its interest in property described in section 290.015, subdivision 3, paragraph (b), is included in the property factor in the same manner as assets in the nature of securities or money market instruments are included under paragraph (1).

Sec. 17. Minnesota Statutes 1990, section 290.35, subdivision 3, is amended to read:

Subd. 3. [CREDIT.] An insurance company shall receive a credit against the tax *computed under section 290.06, subdivision 1*, equal to any taxes based on premiums paid by it that are attributable to the period for which the tax under this chapter is imposed by virtue of any law of this state, other than the surcharge on premiums imposed by sections 69.54 to 69.56."

Page 52, line 2, delete "7, 11 to 19, and 21" and insert "12 to 15, 18 to 21, and 23"

Page 52, line 3, delete everything after "1990" and insert "*, provided that the carryover for the credit provided under section 290.068, subdivision 6, remains in effect for taxable years beginning before January 1, 2003. Sections 7 and 11 are effective the day following final enactment. Section 17 is effective for taxable years beginning after December 31, 1989. Section 22 is*"

Renumber the sections of article 2 in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert "270A.08, subdivision 2;"

Page 1, line 19, delete "and 8" and insert "*, 8, and 11; 290.35, subdivision 3*"

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. 467: A bill for an act relating to education; providing for revenue for general education, transportation, special programs, community education, facilities, equipment, cooperation, libraries, state education agencies, Faribault academies, center for arts education, and other purposes; establishing a learning readiness program; altering the operations of regional

education organizations; providing for teacher rights in certain circumstances; imposing duties on certain state agencies; requiring a report; appropriating money; amending Minnesota Statutes 1990, sections 120.062, subdivisions 8a and 9; 120.08, subdivision 3; 120.17, subdivisions 7a, 11a, 12, and by adding a subdivision; 120.59; 120.60; 120.61; 120.62; 120.63; 120.64; 120.65; 120.66; 120.67; 121.14; 121.165; 121.49, subdivision 1; 121.608; 121.609, subdivisions 1, 2, and 3; 121.612, subdivision 9; 121.88, subdivision 10; 121.882, by adding a subdivision; 121.904, subdivisions 4a and 4e; 121.912, by adding a subdivision; 121.917, subdivision 3; 121.931, subdivisions 6a, 7, and 8; 121.932, subdivisions 2, 3, and 5; 121.933, subdivision 1; 121.934, subdivision 7; 121.935, subdivisions 1, 4, 6, and by adding subdivisions; 121.936, subdivisions 1, 2, and 4; 121.937, subdivision 1; 122.241, subdivisions 1 and 2; 122.242, subdivision 9; 122.243, subdivision 2; 122.247, by adding a subdivision; 122.41; 122.531, by adding a subdivision; 122.535, subdivision 6; 122.541, subdivision 7; 122.94, subdivision 6, and by adding a subdivision; 123.34, subdivision 10; 123.35, by adding subdivisions; 123.351, subdivision 8; 123.3514, subdivisions 4, 8, and by adding subdivisions; 123.40, by adding a subdivision; 123.58, by adding subdivisions; 123.706, subdivision 6; 123.707, subdivisions 1 and 2; 124.14, subdivision 7; 124.17, subdivisions 1, 1b, and by adding subdivisions; 124.223, subdivision 1; 124.225, subdivisions 1, 3a, 7a, 7b, 7d, 8a, 8k, 10, and by adding a subdivision; 124.26, subdivisions 1c and 2; 124.261; 124.2711; 124.2713, subdivisions 1, 3, 5, 6, and 9; 124.2721, subdivisions 1, 2, 3, 4, 5, and by adding a subdivision; 124.2725, subdivisions 4, 5, 6, 8, and 10; 124.273, subdivision 1b; 124.276, subdivision 4; 124.32, subdivisions 1b and 10; 124.431, subdivision 7, and by adding a subdivision; 124.493, by adding a subdivision; 124.573, subdivisions 2b and 3a; 124.574, subdivision 2b; 124.575, subdivisions 1, 2, 3, 4, and by adding a subdivision; 124.646, subdivision 1, and by adding a subdivision; 124.6472, subdivision 1; 124.83, subdivisions 3 and 4; 124.86; 124A.02, subdivisions 16 and 23; 124A.03, subdivision 2; 124A.04; 124A.22, subdivisions 2, 3, 4, 5, 8, and 9; 124A.23, subdivision 1; 124A.24; 124A.26, subdivision 1; 124B.03, subdivision 2; 124C.03, subdivision 16; 125.09, subdivision 4; 126.113, subdivisions 1 and 2; 126.22, subdivisions 2, 3, 4, and 8; 126.23; 126.266, subdivision 2; 126.51, subdivision 1a; 126.663, subdivisions 2 and 3; 126.665; 126.666, subdivisions 1 and 2; 126.70, subdivisions 1 and 2a; 128A.02, subdivision 4; 128B.03, subdivisions 4, 5, 7, and by adding a subdivision; 128B.04; 128B.05, subdivisions 2 and 3; 128B.06, subdivision 1; 128B.08; 128B.09; 128B.10, subdivisions 1 and 2; 128C.01, by adding a subdivision; 128C.12, subdivision 3; 128C.20; 129C.10, subdivisions 3, 3a, and 4a; 134.001, subdivisions 2 and 3; 134.31, subdivision 4; 134.35; 134.351, subdivision 7; 136D.22, by adding a subdivision; 136D.29; 136D.71; 136D.72, subdivision 1; 136D.76, subdivision 2; 136D.82, by adding a subdivision; 136D.90; 141.25, subdivision 8; 141.26, subdivision 5; 203B.085; 214.10, by adding a subdivision; 245A.03, subdivision 2; 268.08, subdivision 6; 272.02, subdivision 8; 273.1398, subdivision 6; 275.065, subdivisions 3, 5a, and 6; 275.125, subdivisions 5, 5b, 5c, 11d, and by adding a subdivision; 279.03, subdivision 1a; 281.17; 364.09; and 631.40; Laws 1989, chapter 329, articles 6, section 53, as amended, and 9, section 35; proposing coding for new law in Minnesota Statutes, chapters 120; 121; 122; 124; 124A; 124C; 125; 126; 127; 128B; 129C; 134; 136D; and 181A; repealing Minnesota Statutes, sections 3.865; 3.866; 120.104; 121.11; 121.15, subdivision 10; 121.932, subdivision 1; 121.933, subdivision 2; 121.935, subdivisions 3 and 5; 121.936, subdivision 5; 121.937, subdivision 2;

122.43, subdivision 1; 122.531, subdivision 5; 122.91, subdivision 7; 122.945, subdivision 4; 123.3514, subdivisions 6 and 6b; 123.701; 123.702; 123.704; 123.706, subdivision 3a; 123.707, subdivision 3; 123.73; 124.17, subdivision 1b; 124.225, subdivisions 3, 4b, 7c, 8b, 8i, and 8j; 124.252; 124.2713, subdivision 4; 124.2721, subdivision 3a; 124.331; 124.332; 124.333; 124.48, subdivision 2; 124.493, subdivision 2; 124.575, subdivision 3a; 124A.02, subdivision 19; 124A.04, subdivision 1; 124C.02; 124C.41, subdivision 7; 125.231; 128B.01; 128B.03, subdivisions 3 and 8; 128B.07; 128B.10, subdivisions 2 and 3; 128C.12, subdivision 2; 129C.10, subdivision 5; 135A.10, subdivision 2; 136A.044; 136D.27, subdivision 1; 136D.28; 136D.30; 136D.74, subdivisions 2 and 3; 136D.87, subdivision 1; 136D.89; 136D.91; and 275.125, subdivisions 8b, 8c, 8d, and 8e.

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

Page 19, line 34, delete everything after "if" and insert "*elementary teachers have at least the same number of minutes of pupil contact time each day as secondary teachers in the district*"

Page 19, line 35, delete everything before the period

Page 20, lines 4 and 8, before the period, insert "*for any of the purposes enumerated in section 23*"

Page 20, line 6, delete "300" and insert "*at least the same number of*"

Page 20, line 7, before the comma, insert "*as secondary teachers*"

Page 22, line 9, before "A" insert "*Subdivision 1. [1991 MORATORIUM.]*"

Page 22, after line 14, insert:

"*Subd. 2. [CERTAIN EXTENSIONS.] Notwithstanding subdivision 1, if the last year of authorization for a school board to levy according to Minnesota Statutes, section 124A.03, subdivision 2, is for taxes payable in 1991, a school board may levy for taxes payable in 1992 according to this subdivision. In order to levy under this subdivision, a school board must adopt a resolution, by a five-sixths majority of the entire membership of the school board for a six member school board or by a six-sevenths majority of the entire membership of the school board for a seven member school board, stating its intention to levy according to this subdivision and to conduct an election in 1992 according to section 10. If the total authorization of a school board to levy according to Minnesota Statutes, section 124A.03, subdivision 2, terminates for taxes payable in 1991, the board may levy under this subdivision for taxes payable in 1992 an amount up to the total authority according to section 124A.03, subdivision 2, for taxes payable in 1991. If any part of a school board's total authorization to levy according to section 124A.03, subdivision 2, terminates for taxes payable in 1991, the board may levy under this subdivision for taxes payable in 1992 an amount up to the part that terminates for taxes payable in 1991 plus an amount that does not exceed the amount authorized under section 124A.03, subdivision 2, and that does not terminate for taxes payable in 1992, but the combination of the levies may not exceed the total authority for taxes payable in 1991. A school board that has conducted an election under section 124A.03, subdivision 2, for taxes payable beginning in 1992 may not levy according to this subdivision.*

*The amount of the deficit may be levied by the school board unless a*

*petition signed by more than 15 percent of the registered voters of the school district is filed with the school board within 30 days of adopting a resolution to levy for the first year under this section. The percentage shall be determined according to the number of registered voters in the school district on the day before the petition is filed with the school board. The petition must call for a referendum on the question of whether the district may levy to eliminate the deficit. Upon receipt of a petition, the school board shall conduct a referendum on the date set by the school board. The approval of 50 percent plus one of those voting on the question is required to pass a referendum. A petition may be submitted and a referendum may be conducted only for the first year the school board proposes to levy under this section."*

Page 24, line 14, delete everything after the period

Page 24, delete lines 15 to 18

Page 24, line 19, delete the new language

Page 44, line 30, delete "*subdivisions 1*" and insert "*subdivision 3*"

Page 44, line 31, delete "*and 2*"

Page 63, line 12, after "*Statutes*" insert "*1990*"

Page 70, line 3, strike "*K-12 system*" and insert "*school board, if the extended day program is not operated by the school board*" and strike "*other*"

Page 70, after line 21, insert:

"Sec. 3. Minnesota Statutes 1990, section 123.706, subdivision 3, is amended to read:

Subd. 3. [PROGRAM AVAILABLE.] ~~Beginning in fiscal year 1994,~~ A school district shall make a screening program available to children who are three years old and older but who have not entered kindergarten. No child may be required to be screened. A district shall follow up on referrals to determine whether a child needs or has obtained additional services. To the extent possible, a district shall cooperate with public and private organizations in the community to deliver, finance, and provide volunteer and in-kind services."

Renumber the sections of article 4 in sequence

Page 89, delete lines 23 to 25 and insert:

*"If a district's expenditure request for fiscal year 1993 is reduced under the state board criteria, the approved expenditure must not be reduced below the revenue amount the district received for fiscal year 1992."*

Page 97, line 6, delete "*1991*" and insert "*1990*"

Page 97, line 7, delete "*1992*" and insert "*1991*"

Page 105, line 15, strike "*it*" and delete the new language

Page 105, line 16, delete the new language and strike the old language

Page 105, line 17, strike the old language and delete "*offered*"

Page 105, strike line 18

Page 105, line 19, strike everything before the period and insert "*the school district certified a levy for secondary vocational cooperative revenue in 1990 for taxes payable in 1991*"

Page 119, delete lines 7 to 16 and insert:

*"At the time independent school district No. 653, Olivia, combines with another district under Minnesota Statutes, sections 122.241 to 122.248, the school board of the combined district may levy on the taxable property of the former Olivia school district. The amount that may be levied may not exceed the deficit in the net unappropriated operating funds of the Olivia school district determined as of June 30 of the fiscal year preceding the effective date of combination. The amount of the levy may be certified over a period not to exceed five years."*

Page 119, line 17, after "amount" insert "of the deficit"

Page 119, line 20, after "levy" insert "for the first year"

Page 119, line 25, delete "for the project" and insert "to eliminate the deficit" and after the period, insert "Upon receipt of a petition, the school board shall conduct a referendum on the date set by the school board."

Page 119, line 26, after the period, insert "A petition may be submitted and a referendum may be conducted only for the first year the school board proposes to levy under this section."

Page 123, lines 9 and 30, delete "state board" and insert "commissioner"

Page 135, line 4, before the period, insert ", and other programs such as peer tutoring and helping with homework"

Page 208, line 11, delete "275.14" and insert "477A.011, subdivision 3"

Amend the title as follows:

Page 1, line 35, delete "subdivision" and insert "subdivisions 3 and"

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

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

S.F. No. 256: A bill for an act relating to waste management; making changes to state and local government responsibility and authority for waste management; placing emphasis on waste reduction and recycling; adjusting waste facility siting processes; amending Minnesota Statutes 1990, sections 3.887, subdivision 5; 16B.122, subdivision 2; 16B.61, subdivision 3a; 115A.02; 115A.03, subdivision 17a; 115A.06, subdivision 2; 115A.14, subdivision 4; 115A.15, subdivisions 7 and 9; 115A.151; 115A.411, subdivision 1; 115A.46, subdivision 1, and by adding a subdivision; 115A.49; 115A.53; 115A.551, subdivisions 1 and 4; 115A.552, subdivisions 1, 2, and by adding a subdivision; 115A.554; 115A.557, subdivision 4; 115A.64, subdivision 2; 115A.67; 115A.83; 115A.84, subdivision 2; 115A.86, subdivision 5, and by adding a subdivision; 115A.882; 115A.9162, subdivision 2; 115A.919; 115A.923, subdivisions 1 and 1a; 115A.931; 115A.94, subdivision 4; 115A.9561; 115A.96, subdivision 6; 115B.04, subdivision 4; 115B.22, subdivision 8; 116.07, subdivision 4j; 325E.042, subdivision 2; 325E.115, subdivision 1; 325E.1151, subdivision 3; 400.08, subdivision 1; 473.803, subdivisions 2 and 3; 473.811, subdivisions 1, 3, and 5; 473.823, subdivision 5; 473.845, subdivision 4; 473.848, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota

Statutes, chapters 115A; 325E; and 473; repealing Minnesota Statutes 1990, sections 325E.045; and 473.844, subdivision 3; Laws 1989, chapter 325, section 72, 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 3.195, subdivision 1, is amended to read:

Subdivision 1. [DISTRIBUTION OF REPORTS.] (a) A report to the legislature required of a department or agency shall be made, unless otherwise specifically required by law, by filing one copy with the secretary of the senate, one copy with the chief clerk of the house of representatives, and ~~ten~~ six copies with the legislative reference library. The same distribution procedure shall be followed for other reports and publications unless otherwise requested by a legislator or the legislative reference library.

(b) *A report or publication produced by a public entity may not be sent to both the home address and the office address of a representative or senator unless mailing to both addresses is requested by the representative or senator.*

(c) *Reports, publications, periodicals, and summaries under this subdivision must be printed in a manner consistent with section 16B.122.*

Sec. 2. Minnesota Statutes 1990, section 3.887, subdivision 5, is amended to read:

Subd. 5. [POWERS AND DUTIES.] (a) The legislative water commission shall review water policy reports and recommendations of the environmental quality board, the biennial report of the board of water and soil resources, and other water-related reports as may be required by law or the legislature.

(b) *The commission shall oversee the activities of the pollution control agency under sections 116.16 to 116.181 relating to water pollution control.*

~~(b)~~(c) The commission may conduct public hearings and otherwise secure data and comments.

~~(e)~~(d) The commission shall make recommendations as it deems proper to assist the legislature in formulating legislation.

~~(d)~~(e) Data or information compiled by the legislative water commission or its subcommittees shall be made available to the legislative commission on Minnesota resources and standing and interim committees of the legislature on request of the chair of the respective commission or committee.

Sec. 3. Minnesota Statutes 1990, section 16B.122, is amended to read:

16B.122 [PURCHASE AND USE OF PAPER STOCK; PRINTING.]

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Office paper" means notepads, loose-leaf fillers, tablets, and other paper commonly used in offices.

(b) "Postconsumer material" means a finished material that would normally be discarded as a solid waste, having completed its life cycle as a consumer item.

(c) "Practicable" means capable of being used, consistent with performance, in accordance with applicable specifications, and availability within a reasonable time.

~~(e)~~ (d) "Printing paper" means paper designed for printing, other than newsprint, such as offset and publication paper.

~~(d)~~ (e) "Public ~~agency~~ entity" means the state, an office, agency, or institution of the state, *the metropolitan council, a metropolitan agency, the metropolitan mosquito control district, the legislature, the courts, a county, a statutory or home rule charter city, a town, a school district, another special taxing district, an individual or organization that receives public funding, or any contractor acting pursuant to a contract with a public agency entity.*

~~(e)~~ (f) "Vegetable oil-based ink" means printing ink where at least 50 percent of the oil content is primarily composed of soy or other vegetable oil.

(g) "Uncoated" means not coated with plastic, clay, or other material used to create a glossy finish.

Subd. 2. [~~PURCHASE REQUIRED PURCHASES; PRINTING.~~] (a) *When-  
ever practicable, a public ~~agency~~ entity shall:*

*(1) purchase uncoated office paper and printing paper ~~whenever practicable~~;*

*(2) purchase recycled content paper with at least ten percent postconsumer material by weight;*

*(3) purchase paper which has not been dyed with colors, excluding pastel colors;*

*(4) purchase recycled content paper that is manufactured using little or no chlorine bleach or chlorine derivatives;*

*(5) use no more than two colored inks, standard or processed, except in formats where they are necessary to convey meaning;*

*(6) use reusable binding materials or staples and bind documents by methods that do not use glue;*

*(7) use vegetable oil-based inks; and*

*(8) produce reports, publications, and periodicals that are readily recyclable within the state resources recovery program.*

*(b) Paragraph (a), clause (1), does not apply to coated paper that is made with at least 50 percent fiber that has been recycled after use by a consumer.*

*(c) A public entity shall print documents on both sides of the paper where commonly accepted publishing practices allow.*

Sec. 4. Minnesota Statutes 1990, section 16B.61, subdivision 3a, is amended to read:

Subd. 3a. [RECYCLING SPACE.] The code must require suitable space for the separation, collection, and temporary storage of recyclable materials within or adjacent to new or significantly remodeled structures that contain 1,000 square feet or more. Residential structures with ~~less fewer than 42~~ four dwelling units are exempt from this subdivision.

Sec. 5. Minnesota Statutes 1990, section 115A.02, is amended to read:

## 115A.02 [LEGISLATIVE DECLARATION OF POLICY; PURPOSES.]

(a) It is the goal of this chapter to improve waste management in the state to serve the following purposes:

- (1) Reduction in waste generated;
  - (2) Separation and recovery of materials and energy from waste;
  - (3) Reduction in indiscriminate dependence on disposal of waste;
  - (4) Coordination of solid waste management among political subdivisions;
- and

(5) Orderly and deliberate development and financial security of waste facilities including disposal facilities.

(b) The waste management goal of the state is to foster an integrated waste management system in a manner appropriate to the characteristics of the waste stream. The following waste management practices are in order of preference:

- (1) waste reduction and reuse;
- (2) waste recycling ~~and yard waste composting~~;
- (3) *composting of yard waste and food waste*;
- (4) resource recovery through mixed municipal solid waste composting or incineration; and
- (4) (5) land disposal.

Sec. 6. Minnesota Statutes 1990, section 115A.03, subdivision 17a, is amended to read:

Subd. 17a. [MAJOR APPLIANCES.] "Major appliances" means clothes washers and dryers, dishwashers, hot water heaters, *residential furnaces*, garbage disposals, trash compactors, conventional *and microwave* ovens, ranges and stoves, air conditioners, *dehumidifiers*, refrigerators, and freezers.

Sec. 7. Minnesota Statutes 1990, section 115A.06, subdivision 2, is amended to read:

Subd. 2. [RULES.] Unless otherwise provided, the ~~office~~ *director* shall promulgate rules in accordance with chapter ~~45 14~~ to govern its activities and implement ~~sections 115A.01 to 115A.72~~ *chapter 115A*.

Sec. 8. Minnesota Statutes 1990, section 115A.14, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The commission shall oversee the activities of the office ~~under this chapter, agency, and metropolitan council~~ relating to solid and hazardous waste management, ~~the activities of the agency under sections 116.16 to 116.181 relating to water pollution control, and the activities of the metropolitan council relating to metropolitan waste management under sections 473.801 to 473.848,~~ and direct such changes or additions in the work plan of the office ~~and, agency, and council relating to solid and hazardous waste management as the commission deems fit.~~

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

- (4) the environmental response, compensation, and compliance account



in the environmental fund under section 115B.20, subdivision 5;

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

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

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

Sec. 9. Minnesota Statutes 1990, section 115A.15, subdivision 7, is amended to read:

Subd. 7. [WASTE REDUCTION PROCUREMENT MODEL.] To reduce the amount of solid waste generated by the state and to provide a model for other public and private procurement systems, the commissioner, in cooperation with the director of the office of waste management, shall develop waste reduction procurement programs, including an expanded life cycle costing system for procurement of durable and repairable items by November 1, 1991. On implementation of the model procurement system, the commissioner, in cooperation with the director, shall develop and distribute informational materials for the purpose of promoting the procurement model to other public and private entities under section 115A.072, subdivision 4.

Sec. 10. Minnesota Statutes 1990, section 115A.15, subdivision 9, is amended to read:

Subd. 9. [RECYCLING GOAL.] By December 31, 1993, the commissioner shall recycle at least 40 percent by weight of the solid waste generated by state offices and other state operations located in the metropolitan area. ~~The commissioner must keep records of the recycling and composting operation and share them annually with the metropolitan council and counties to assist the council and the counties in their data collection efforts. By August 1 of each year the commissioner shall report to the office and the metropolitan council the recycling rates by county for state offices and other state operations in the metropolitan area for the previous fiscal year. The office shall incorporate these figures into the reports submitted by the counties under section 115A.557, subdivision 3, to determine each county's progress toward the goal in section 115A.551, subdivision 2.~~

*Each state agency in the metropolitan area shall work to meet the recycling goal individually. If the goal is not met by an agency, the commissioner shall notify that agency that the goal has not been met and the reasons the goal has not been met and shall provide information to the employees in the agency regarding recycling opportunities and expectations.*

Sec. 11. Minnesota Statutes 1990, section 115A.151, is amended to read:

115A.151 [STATE AND LOCAL FACILITIES.]

By January 1, 1991, a state agency or local unit of government or school district in the metropolitan area or by January 1, 1993, a state agency or local unit of government or school district outside of the metropolitan area shall:

(1) ensure that facilities under its control, from which mixed municipal

solid waste is collected, have containers for at least three of the following recyclable materials: *paper, glass, plastic, and metal*; and

(2) transfer all recyclable materials collected to a recycler.

Sec. 12. [115A.31] [LOCAL GOVERNMENT DECISIONS; TIME-LINES.]

*If a county applies for or requests approval of establishment of a solid waste facility within the boundaries of a local government unit, the local government unit shall approve or disapprove the application or request within 120 days following the delivery by the county to the local government unit of the application or request completed in accordance with the requirements of applicable local ordinances.*

*If the proposed facility is one for which an environmental impact statement or environmental assessment worksheet is required under section 116D.04, the local government unit shall approve or disapprove the application or request within 90 days after the final determination of adequacy of the environmental impact statement or environmental assessment worksheet.*

Sec. 13. Minnesota Statutes 1990, section 115A.411, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; PURPOSE.] ~~The office and director with assistance from the agency commissioner shall jointly prepare and adopt a report on solid waste management policy excluding the metropolitan area. The report must be adopted by November 15 of each even-numbered year beginning in 1988. The report must be submitted by the office and the agency jointly director to the legislative commission on waste management by November 15 of each even-numbered year and may include reports required under sections 115A.551, subdivision 4, and 115A.557, subdivision 4.~~

Sec. 14. Minnesota Statutes 1990, section 115A.46, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] (a) Plans shall address the state policies and purposes expressed in section 115A.02 *and may not be inconsistent with state law.*

(b) Plans for the location, establishment, operation, maintenance, and postclosure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116.

(c) Plans shall address:

(1) the resolution of conflicting, duplicative, or overlapping local management efforts; ~~Plans shall address;~~

(2) the establishment of joint powers management programs or waste management districts where appropriate; ~~Plans shall address; and~~

(3) other matters as the rules of the office may require consistent with the purposes of sections 115A.42 to 115A.46.

(d) Political subdivisions preparing plans under sections 115A.42 to 115A.46 shall consult with persons presently providing solid waste collection, processing, and disposal services.

(e) ~~Plans shall must be approved by submitted to the office director, or the metropolitan council pursuant to section 473.803, for approval. When~~

*a county board is ready to have a final plan approved, the county board shall submit a resolution requesting review and approval by the director or the metropolitan council. After receiving the resolution, the director or the metropolitan council shall notify the county within 45 days whether the plan as submitted is complete and, if not complete, the specific items that need to be submitted to make the plan complete. Within 90 days after a complete plan has been submitted, the director or the metropolitan council shall approve or disapprove the plan. If the plan is disapproved, reasons for the disapproval must be provided.*

*(f) After initial approval, each plan ~~shall~~ must be updated and submitted for approval every five years ~~and~~. The plan must be revised as necessary for further approval so that it is not inconsistent with state law.*

Sec. 15. Minnesota Statutes 1990, section 115A.46, is amended by adding a subdivision to read:

*Subd. 5. [JURISDICTION OF PLAN.] (a) After a county plan has been submitted for approval under subdivision 1, a political subdivision within the county may not enter into a binding agreement governing a solid waste management activity that is inconsistent with the county plan without the consent of the county.*

*(b) After a county plan has been approved under subdivision 1, the plan governs all solid waste management in the county and a political subdivision within the county may not develop or implement a solid waste management activity, other than an activity to reduce waste generation or reuse waste materials, that is inconsistent with the county plan that the county is actively implementing without the consent of the county.*

Sec. 16. Minnesota Statutes 1990, section 115A.49, is amended to read:

**115A.49 [ESTABLISHMENT; PURPOSES AND PRIORITIES.]**

There is established a program to encourage and assist cities, counties, solid waste management districts, and sanitary districts in the development and implementation of solid waste management projects and to transfer the knowledge and experience gained from such projects to other communities in the state. The program must be administered to encourage local communities to develop feasible and prudent alternatives to disposal, including waste reduction; waste separation by generators, collectors, and other persons; and waste processing. ~~The director shall administer the program must be administered by the office in accordance with the requirements of sections 115A.49 to 115A.54 and rules promulgated by the office pursuant to under chapter 14. In administering the program, the office director shall give priority to projects in the order of preference of the waste management practices listed in section 115A.02. The director shall give special consideration to areas where natural geologic and soil conditions are especially unsuitable for land disposal of solid waste; areas where the capacity of existing solid waste disposal facilities is determined by the office director to be less than five years; and projects serving more than one local government unit.~~

Sec. 17. Minnesota Statutes 1990, section 115A.53, is amended to read:

**115A.53 [WASTE REDUCTION AND SEPARATION PROJECTS.]**

~~The office director shall provide grants to develop and implement projects for waste reduction; waste separation by generators, collectors, and other persons; and collection systems for separated waste. Activities eligible for~~

assistance under this section include legal, financial, economic, educational, marketing, social, governmental, and administrative activities related to the development and implementation of the project. Preliminary planning and development, feasibility study, and conceptual design costs are eligible activities, but no more than 20 percent of program funds shall be used to fund those activities. Projects may include the management of household hazardous waste, as defined in section 115A.96. *The director shall give priority to innovative methods for waste separation for reuse and recycling.* ~~The rules of the office~~ *director shall prescribe by rule the level or levels of local funding required for grants under this section.*

Sec. 18. Minnesota Statutes 1990, section 115A.551, is amended by adding a subdivision to read:

*Subd. 2a. [SUPPLEMENTARY RECYCLING GOALS.] By July 31, 1996, each county will have as a goal to recycle the following amounts:*

*(1) for a county outside of the metropolitan area, 30 percent of the solid waste generated in the county;*

*(2) for a metropolitan county, 45 percent of the solid waste generated in the county.*

*Each county will develop and implement or require political subdivisions within the county to develop and implement programs, practices, or methods designed to meet its recycling goal. Nothing in this section or in any other law may be construed to prohibit a county from establishing a higher recycling goal. For the purposes of this subdivision "solid waste" includes all solid waste generated in a county and materials that are separated for recycling, but does not include yard waste.*

Sec. 19. Minnesota Statutes 1990, section 115A.551, subdivision 4, is amended to read:

*Subd. 4. [INTERIM MONITORING.] The office, for counties outside of the metropolitan area, and the metropolitan council, for counties within the metropolitan area, shall monitor the progress of each county toward meeting the recycling goal in subdivision 2 and shall report to the legislative commission on waste management on the progress of the counties by November 15 of each year. If the office or the council finds that a county is not progressing toward the goal in subdivision 2, it shall negotiate with the county to develop and implement solid waste management techniques designed to assist the county in meeting the goal, such as organized collection, curbside collection of source-separated materials, and volume-based pricing.*

*In even-numbered years the progress report may be included in the solid waste management policy report required under section 115A.411.*

Sec. 20. Minnesota Statutes 1990, section 115A.552, subdivision 1, is amended to read:

*Subdivision 1. [COUNTY REQUIREMENT.] Counties shall ensure that residents, including residents of single and multifamily dwellings, have an opportunity to recycle. At least one recycling center shall be available in each county. Opportunity to recycle means availability of recycling and curbside pickup or collection centers for recyclable materials at sites that are convenient for persons to use. Counties shall also provide for the recycling of problem materials and major appliances. Counties shall assess the operation of existing and proposed recycling centers and shall give due*

consideration to those centers in ensuring the opportunity to recycle.

Sec. 21. Minnesota Statutes 1990, section 115A.552, subdivision 2, is amended to read:

Subd. 2. [RECYCLING OPPORTUNITIES.] An opportunity to recycle must include:

(1) a local recycling center in the county and sites for collecting recyclable materials that are located in areas convenient for persons to use them;

(2) curbside pickup, centralized drop-off, or a local recycling center for at least four ~~kinds~~ *broad types* of recyclable materials in cities with a population of 5,000 or more persons; and

(3) monthly pickup of at least four *broad types* of recyclable materials in cities of the first and second class and cities with 5,000 or more population in the metropolitan area.

Sec. 22. Minnesota Statutes 1990, section 115A.552, is amended by adding a subdivision to read:

Subd. 4. [NONRESIDENTIAL RECYCLING.] *Each county shall encourage building owners and managers, business owners and managers, and collectors of commercial mixed municipal solid waste to provide appropriate recycling services and opportunities to generators of commercial, industrial, and institutional solid waste in the county. In recognizing appropriate recycling services and opportunities, a county must take into consideration existing technological development of solid waste systems in the county; the limits on markets for materials other than glass, paper, aluminum, and plastic; and the needs of generators in the county.*

Sec. 23. Minnesota Statutes 1990, section 115A.554, is amended to read:  
115A.554 [AUTHORITY OF SANITARY DISTRICTS.]

A sanitary district with the authority to regulate solid waste has the authority and duty of counties within the district's boundary for purposes of sections 115A.46, subdivision 4; 115A.48; 115A.551; 115A.552; 115A.553; 115A.919; 115A.93; 115A.96, subdivision 6; 115A.961; 115A.991; 375.18, subdivision 14; and 400.08, subdivision 5.

Sec. 24. Minnesota Statutes 1990, section 115A.557, subdivision 4, is amended to read:

Subd. 4. [REPORT.] By November 4 15 of each year, the office shall report on how the money was spent and the resulting statewide improvements in solid waste management to the house of representatives and senate appropriations and finance committees and the legislative commission on waste management. *In even-numbered years the report may be included in the solid waste management policy report required under section 115A.411.*

Sec. 25. Minnesota Statutes 1990, section 115A.64, subdivision 2, is amended to read:

Subd. 2. [PETITION CONTENTS.] (a) A petition requesting establishment or alteration of a waste district ~~shall~~ *must* contain the information the office director may require, including at least the following:

(a) (1) the name of the proposed district;

(b) (2) a description of the territory and political subdivisions within and the boundaries of the proposed district or alteration thereto, along with a

map showing the district or alteration;

(e) (3) resolutions of support for the district, as proposed to the office, from the governing body of each of the petitioning counties;

(d) (4) a statement of the reason, necessity, and purpose for the district, plus a general description of the solid waste management improvements and facilities contemplated for the district showing how its activities will accomplish the purpose of the district and the purposes for waste resource districts stated in sections 115A.62 to 115A.72;

(e) (5) articles of incorporation stating:

(i) the powers of the district consistent with sections 115A.62 to 115A.72, including a statement of powers proposed pursuant to sections 115A.70 and, 115A.71, and section 27; and

(ii) provisions for representation and election of the board of directors of the district.

(b) After the petition has been filed, no petitioner may withdraw from it except with the written consent of all other petitioners filed with the office for the district.

Sec. 26. Minnesota Statutes 1990, section 115A.67, is amended to read:  
115A.67 [ORGANIZATION OF DISTRICT.]

~~The governing body of each county wholly or partly within the district shall appoint two persons to serve on the first board of directors of the district, except that in the case of a district having territory within only two counties each county may appoint three persons. At least one person appointed by each county shall be an elected official of a local government unit having territory within the district. The first chair of the board of directors shall be appointed from outside the first board of directors by the director of the office of waste management. The first chair shall serve for a term of two years. Thereafter~~

*Subdivision 1. [BOARD.]* The chair shall be elected from outside the board of directors by majority vote of the board of directors. *The first chair shall serve for a term of two years.* Members of the board of directors shall be residents of the district.

*Subd. 2. [FIRST MEETING.]* The first meeting of the board of directors shall be held at the call of the chair, after notice, for the purpose of proposing the bylaws, electing officers and for any other business that comes before the meeting. The bylaws of the district, and amendments thereto, shall be adopted by a majority vote of the board of directors unless the certificate of incorporation requires a greater vote.

*Subd. 3. [BYLAWS.]* The bylaws shall state:

(a) the manner and time of calling regular meetings of the representatives and the board of directors, not less than once annually;

(b) the title, manner of selection, and term of office of officers of the district;

(c) the term of office of members of the board of directors, the manner of their removal, and the manner of filling vacancies on the board of directors;

(d) the powers and duties of the board of directors consistent with the

order and articles of incorporation establishing the district;

(e) the definition of a quorum for meetings of the board of directors, which shall be not less than a majority of the members;

(f) the compensation and reimbursement for expenses for members of the board of directors, which shall not exceed that provided for in section 15.0575, subdivision 3; and

(g) such other provisions for regulating the affairs of the district as the board of directors shall determine to be necessary.

Sec. 27. [115A.715] [SOLID WASTE AUTHORITY.]

*A district has all the authority of a county for solid waste management purposes that is given to counties under this chapter and chapters 400 and 473, except the authority to issue general obligation bonds or to levy property taxes. A district has the authority of a county to issue general obligation bonds and to levy property taxes only if and only to the extent that the governing body of each county that is a member of the district agrees to delegate the authority to the district. The delegation of the authority is irrevocable unless the governing body of each county that is a member of the district agrees to the revocation.*

Sec. 28. Minnesota Statutes 1990, section 115A.83, is amended to read:

115A.83 [EXEMPTION.]

The designation may not apply to or include:

(1) materials that are ~~separated~~ *separate* from solid waste and recovered for reuse in their original form or for use in manufacturing processes; ~~or~~

(2) materials that are processed at a resource recovery facility at the capacity in operation at the time that the designation plan is approved by the reviewing authority; *or*

(3) *materials that are separated at a permitted transfer station located within the boundaries of the designating authority for the purpose of recycling the materials if: (i) the transfer station was in operation on January 1, 1991; or (ii) the materials are not being separated for recycling at the designated facility.*

*For the purposes of this section, "manufacturing processes" does not include the treatment of waste after collection for the purpose of biological modification.*

Sec. 29. [115A.831] [DETERMINATION OF EXEMPTION.]

*The district or county may require a person claiming an exemption under section 115A.83, clause (1), for waste materials generated within the district or county to provide information describing the waste materials; the sources and quantities of the waste materials; the reuse or manufacturing processes and locations, including storage and intermediate processing, products produced, and purchasers of the products; and other information that the district or county may require. The information must be provided within 30 days of the date as of which the exemption is claimed. The district or county may deny the claimed exemption if it determines that, within a reasonable time after collection, the materials will not be recovered for reuse in their original form or for use in manufacturing processes. If the claimed exemption is denied, the designation applies if the materials are mixed municipal solid waste.*

Sec. 30. Minnesota Statutes 1990, section 115A.84, subdivision 2, is amended to read:

Subd. 2. [DESIGNATION; PLAN CONTENTS.] (a) The designation plan must evaluate:

(1) the benefits of the designation, including the public purposes achieved by the conservation and recovery of resources, the furtherance of local and any district or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02; and

(2) the estimated costs of the designation, including the direct capital, operating, and maintenance costs of the facility designated, the indirect costs, and the long-term effects of the designation.

(b) In particular the designation plan must evaluate:

(1) whether the designation will result in the recovery of resources or energy from materials which would otherwise be wasted;

(2) whether the designation will lessen the demand for and use of indiscriminate land disposal;

(3) whether the designation is necessary for the financial support of the facility;

(4) whether less restrictive methods for ensuring an adequate solid waste supply are available;

(5) other feasible and prudent waste management alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators; and

(6) whether the designation takes into account and promotes local, regional, and state waste management goals.

(c) When the plan proposes designation to disposal facilities, the designation plan must also evaluate:

(1) whether the disposal facility is part of an integrated waste management system involving a processing facility and the designation is necessary for the financial support of the processing facility;

(2) whether the designation will better serve to protect public health and safety;

(3) the impacts on other disposal facilities inside and outside the area;

(4) whether the designation is necessary to promote regional waste management programs and cooperation; and

(5) the extent to which the design and operation of the disposal facility protects the environment including whether it is permitted under current agency rules and whether any portion of the facility's site is listed under section 115B.17, subdivision 13.

(d) When the plan proposes designation to a disposal facility, mixed municipal solid waste that is subject to a contract between a hauler and a different facility that is in effect on the date notice is given under section 115A.85, subdivision 2, is not subject to the designation during the contract period or for one year after the date notice is given, whichever period is



*shorter.*

Sec. 31. Minnesota Statutes 1990, section 115A.84, is amended by adding a subdivision to read:

*Subd. 5. [EXCLUSION OF MATERIALS SEPARATED AT CERTAIN FACILITIES.] (a) A county or district shall exclude from the designation, subject to approval by the reviewing authority, materials that the county or district determines will be separated for recycling at a transfer station located outside of the area subject to designation if:*

*(1) the transfer station was in operation on January 1, 1991;*

*(2) the materials are collected as part of mixed municipal solid waste from waste generators and delivered to the transfer station by the same person that owns the transfer station;*

*(3) the residual materials left after separation of the recyclable materials are delivered to a facility designated by the county or district;*

*(4) the owner of the transfer station, as a waste collector, is in compliance with each designation ordinance that applies to that collector and has been in compliance for at least six months prior to filing for an exclusion;*

*(5) the materials separated at the transfer station are delivered to a recycler and are actually recycled; and*

*(6) the owner or operator of the transfer station agrees to report and actually reports to the county or district the quantities of materials, by categories to be specified by the county or district, that are recycled by the facility that otherwise would have been subject to designation.*

*(b) In order to qualify for the exclusion in this subdivision, the owner of a transfer station shall file with the county or district a written description of the transfer station, its operation, location, and waste supply sources, the quantity of waste delivered to the transfer station by the owner of the transfer station, the market for the materials separated for recycling, where the recyclable materials are delivered for recycling, and other information the county or district may reasonably require. Information received by the county or district is nonpublic data as defined in section 13.02, subdivision 9.*

*(c) A county or district that grants an exclusion under this subdivision may revoke the exclusion if any of the conditions of paragraph (a) are not being met.*

Sec. 32. Minnesota Statutes 1990, section 115A.86, subdivision 5, is amended to read:

*Subd. 5. [AMENDMENTS.] (a) Except for an amendment authorized under section 115A.86, subdivision 6, amendments to a designation ordinance must be submitted to the reviewing authority for approval. The reviewing authority shall approve the amendment if the amendment is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02. If the reviewing authority finds that the proposed amendment is a substantive change from the existing designation plan, the reviewing authority may require that the county or solid waste management district submit a revised designation plan to the reviewing authority for approval. After receiving approval for the designation plan amendment from the reviewing authority, the county or district shall follow the procedure outlined in section 115A.85 prior to submitting the amended designation ordinance*

to the reviewing authority for approval. If the reviewing authority does not act within 90 days after receiving the proposed amendment to the designation ordinance, the amendment is approved.

(b) *Except for an amendment authorized under section 115A.86, subdivision 6, prior to amending an ordinance to designate solid waste to a disposal facility, a county or district shall submit an amended designation plan to the reviewing authority for approval, and shall follow the procedures outlined in section 115A.85.*

Sec. 33. Minnesota Statutes 1990, section 115A.86, is amended by adding a subdivision to read:

*Subd. 6. [PENALTIES.] (a) A county may include in its designation ordinance civil and criminal penalties for violation of the ordinance. A civil penalty adopted by the county may not exceed a fine of \$10,000 per day of violation plus the cost of mitigating any damages caused by the violation and the attorney fees and court costs incurred by the county to enforce the ordinance.*

*(b) Subdivision 5 does not govern a designation ordinance amendment adopted under this subdivision.*

Sec. 34. Minnesota Statutes 1990, section 115A.882, is amended to read:

115A.882 [INSPECTION OF RECORDS; INSPECTION.]

*Subdivision 1. [DEFINITIONS.] For the purposes of this section:*

*(1) "origin" means a general geographical description that at a minimum names the local governmental unit within a county from which waste was collected; and*

*(2) "type" means a best estimate of the percentage of each truck load that consists of residential, commercial, industrial, construction, or any other general type of waste.*

*Subd. 2. [RECORDS; COLLECTORS; FACILITIES.] Each person who collects solid waste in a county in which a designation ordinance is in effect shall maintain records regarding the volume or weight, type, and origin of waste collected. Each day, a record of the origin, type, and weight of the waste collected that day and the identity of the waste facility at which that day's collected waste is deposited must be kept on the waste collection vehicle. If the waste is measured by volume at the waste facility at which it is deposited, the record may show the volume rather than the weight of the waste.*

*The owner or operator of a solid waste facility shall maintain records regarding the weight of the waste, or the volume of the waste if the waste is measured by volume; the general type or types of waste; the origin of the waste delivered to the facility; the date and time of delivery; and the name of the waste collector that delivered the waste to the facility.*

*Subd. 3. [INSPECTION.] A person authorized by a county in which a designation ordinance is effective may, upon presentation of identification and without a search warrant, inspect or copy records of an owner or operator of any waste facility in the state that contain information regarding the volume, type, origin, and weight of the waste received by the facility, and the date and time of weighing. A person who fails to open for inspection and copying the records referred to in this section is guilty of a misdemeanor, anywhere in the state:*

(1) upon presentation of identification and without a search warrant, inspect or copy the records required to be kept on a waste collection vehicle under subdivision 2 and inspect the waste on the vehicle at the time of deposit of the waste at a facility;

(2) upon presentation of identification and without a search warrant, inspect or copy the records of an owner or operator of a solid waste facility that are required to be maintained under subdivision 2;

(3) request, in writing, copies of records of a solid waste collector that indicate the type, origin, and weight or, if applicable, the volume of waste collected, the identity of the facility at which the waste was deposited, and the date of deposit at the facility; and

(4) upon presentation of identification and without a search warrant, inspect or copy the records described in clause (3) at the central record-keeping location of the waste collector only if the collector fails to provide copies of the records within 15 days of receipt of a written request for them.

Records or information received, inspected, or copied by a county under this section are classified as nonpublic data as defined in section 13.02, subdivision 9, and may be used by the county solely for enforcement of a designation ordinance. A waste collector or the owner or operator of a waste facility shall maintain business records needed to comply with this section for the same period of time that is required for tax purposes.

Sec. 35. Minnesota Statutes 1990, section 115A.9162, subdivision 2, is amended to read:

Subd. 2. [GRANTS.] The office may make grants to ~~counties~~ local government units for installation of storage tanks to collect used oil. To be eligible for a grant, a ~~county~~ an applicant must obtain approval from the commissioner of the agency for the type of tank to be used, the location and installation of the tank, and the proposed ongoing maintenance and monitoring of the collection site. A tank may be located on public or private property and must be made available to the public for used oil disposal. A grant for a single tank may not exceed \$2,500 and a ~~county~~ local government unit may not receive more than \$5,000 in grants for storage tanks.

Sec. 36. Minnesota Statutes 1990, section 115A.919, is amended to read:

115A.919 [COUNTY FEE AUTHORITY.]

Subdivision 1. [FEE.] (a) A county may impose a fee, by cubic yard of waste or its equivalent, on operators of facilities for the disposal of mixed municipal solid waste or construction debris located within the county. The revenue from the fees shall be credited to the county general fund and shall be used only for landfill abatement purposes, or costs of closure, postclosure care, and response actions or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities.

(b) Fees for construction debris facilities may not exceed 50 cents per cubic yard. Revenues from the fees must offset any financial assurances required by the county for a construction debris facility. The maximum revenue that may be collected for a construction debris facility must be determined by multiplying the total permitted capacity of the facility by 15 cents per cubic yard. Once the maximum revenue has been collected for a facility, the fee may no longer be imposed.

Subd. 2. [ADDITIONAL FEE.] A county may impose a fee, by cubic

*yard or the equivalent of waste collected outside the county, in addition to a fee imposed under subdivision 1, on operators of mixed municipal solid waste disposal facilities located within the county. The fee may not exceed \$2 per cubic yard or the equivalent. The fee does not apply to waste collected by persons licensed to operate solid waste collection services who comply with designation requirements and are referred to another county's solid waste disposal facility due to temporary closure of the designated processing or disposal facility. Revenue generated from the additional fee must be credited to the county general fund and may be used only for the purposes listed in subdivision 1.*

*Subd. 3. [EXEMPTIONS.] (a) Waste residue from recycling facilities at which recyclable materials are separated or processed for the purpose of recycling, or from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse shall be exempt from the any fee imposed by a county under this section if there is at least an 85 percent volume reduction in the solid waste processed. Before any fee is reduced, the verification procedures of section 473.843, subdivision 1, paragraph (c), must be followed and submitted to the appropriate county.*

*(b) A facility permitted for the disposal of construction debris is exempt from 25 percent of a fee imposed under subdivision 1 if the facility has implemented a recycling program approved by the county and 25 percent if the facility contains a liner and leachate collection system approved by the agency.*

Sec. 37. Minnesota Statutes 1990, section 115A.921, is amended to read:

**115A.921 [CITY OR TOWN FEE AUTHORITY.]**

*Subdivision 1. [MIXED MUNICIPAL SOLID WASTE.] A city or town may impose a fee, not to exceed \$1 per cubic yard of waste, or its equivalent, on operators of facilities for the disposal of mixed municipal solid waste located within the city or town. The revenue from the fees must be credited to the city or town general fund. Revenue produced by 25 cents of the fee must be used only for purposes of landfill abatement or for purposes of mitigating and compensating for the local risks, costs, and other adverse effects of facilities. Revenue produced by the balance of the fee may be used for any general fund purpose.*

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

*Subd. 2. [CONSTRUCTION DEBRIS.] (a) A city or town may impose a fee, not to exceed 50 cents per cubic yard of waste, or its equivalent, on operators of facilities for the disposal of construction debris located within the city or town. The revenue from the fees must be credited to the city or town general fund. Two-thirds of the revenue must be used only for purposes of landfill abatement or for purposes of mitigating and compensating for*

*the local risks, costs, and other adverse effects resulting from the facilities.*

*(b) A facility permitted for the disposal of construction debris is exempt from 25 percent of a fee imposed under this subdivision if the facility has implemented a recycling program that has been approved by the county and 25 percent if the facility contains a liner and leachate collection system approved by the agency.*

*(c) Two-thirds of the revenue from fees collected under this subdivision must offset any financial assurances required by the city or town for a construction debris facility.*

*(d) The maximum revenue that may be collected under this subdivision must be determined by multiplying the total permitted capacity of a facility by 15 cents per cubic yard. Once the maximum revenue has been collected for a facility, the fees in this subdivision may no longer be imposed.*

Sec. 38. Minnesota Statutes 1990, section 115A.923, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF FEE.] (a) The operator of a mixed municipal solid waste disposal facility outside of the metropolitan area shall ~~pay~~ charge a fee on solid waste accepted and disposed of at the facility as follows:

(1) a facility that weighs the waste that it accepts must ~~pay~~ charge a fee of \$2 per cubic yard based on equivalent cubic yards of waste accepted at the entrance of the facility;

(2) a facility that does not weigh the waste but that measures the volume of the waste that it accepts must ~~pay~~ charge a fee of \$2 per cubic yard of waste accepted at the entrance of the facility; and

(3) waste residue from recycling facilities at which recyclable materials are separated or processed for the purpose of recycling, or from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse is exempt from the fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed.

(b) To qualify for exemption under paragraph (a), clause (3), waste residue must be brought to a disposal facility separately. The commissioner of revenue, with the advice and assistance of the agency, shall prescribe procedures for determining the amount of waste residue qualifying for exemption.

Sec. 39. Minnesota Statutes 1990, section 115A.923, subdivision 1a, is amended to read:

Subd. 1a. [PAYMENT OF THE GREATER MINNESOTA LANDFILL CLEANUP FEE.] The operator of a disposal facility in greater Minnesota shall ~~pay~~ remit the ~~fee required~~ fees collected under subdivision 1 to the county or sanitary district where the facility is located, except that the operator of a facility that is owned by a statutory or home rule city shall ~~pay~~ remit the ~~fee~~ fees to the city that owns the facility. The county, city, or sanitary district may use the revenue from the ~~fee~~ fees only for the purposes specified in section 115A.919.

Sec. 40. Minnesota Statutes 1990, section 115A.93, subdivision 3, is amended to read:

Subd. 3. [LICENSE REQUIREMENTS.] (a) A licensing authority shall require to the extent possible that charges for collection of mixed municipal solid waste vary with the volume or weight of the waste collected.

(b) A licensing authority may impose requirements that are consistent with the county's solid waste policies as a condition of receiving and maintaining a license.

*(c) A licensing authority shall prohibit mixed municipal solid waste collectors from imposing a greater charge on residents who recycle than on residents who do not recycle.*

Sec. 41. Minnesota Statutes 1990, section 115A.93, is amended by adding a subdivision to read:

*Subd. 4. [DATE CERTAIN.] By January 1, 1993, each county shall ensure that each city or town within the county requires each mixed municipal solid waste collector that provides curbside collection service in the city or town to obtain a license under this section or the county shall directly require and issue the licenses. No person may collect mixed municipal solid waste after January 1, 1993, without a license.*

Sec. 42. Minnesota Statutes 1990, section 115A.931, is amended to read:

**115A.931 [LAND DISPOSAL OF YARD WASTE PROHIBITION.]**

(a) Except as authorized by the agency, in the metropolitan area after January 1, 1990, and outside the metropolitan area after January 1, 1992, a person may not ~~dispose of~~ place yard waste:

- (1) in mixed municipal solid waste;
- (2) in a disposal facility; or
- (3) in a resource recovery facility except for the purposes of composting or co-composting.

(b) Yard waste subject to this subdivision is garden wastes, leaves, lawn cuttings, weeds, and prunings.

Sec. 43. [115A.935] [SOLID WASTE GENERATED OUTSIDE OF MINNESOTA.]

*No person shall transport into or deposit in this state, for the purpose of processing or disposal, solid waste that was generated in another state, unless the waste:*

*(1) meets all the solid waste management regulations of the state in which it was generated; and*

*(2) contains none of the items specifically banned from mixed municipal solid waste in this state, including waste tires, used motor oil, waste lead acid batteries, yard waste, major appliances, and any other item specifically banned from the waste stream under this chapter.*

Sec. 44. Minnesota Statutes 1990, section 115A.94, subdivision 4, is amended to read:

Subd. 4. [CITIES AND TOWNS; NOTICE; PLANNING.] (a) At least 180 days before implementing an ordinance, franchise, license, contract or other means of organizing collection, a city or town, by resolution of the governing body, shall announce its intent to organize collection and invite the participation of interested persons, including persons licensed to operate

solid waste collection services, in planning and establishing the organized collection system.

(b) The resolution of intent must be adopted after a public hearing. The hearing must be held at least two weeks after public notice and mailed notice to persons known by the city or town to be operating solid waste collection services in the city or town. The failure to give mailed notice to persons or defect in the notice does not invalidate the proceedings, provided a bona fide effort to comply with notice requirements has been made.

(c) During a 90-day period following the resolution of intent, the city or town shall develop or supervise the development of plans or proposals for organized collection. During this 90-day planning period, the city or town shall invite and employ the assistance of persons licensed as of the date of the resolution of intent to operate solid waste collection services in the city or town. Failure of a licensed collector to participate in the 90-day planning period, when the city or town has made a bona fide effort to provide the person the opportunity to participate, does not invalidate the planning process.

(d) For 90 days after the date ending the planning period required under paragraph (c), the city or town shall discuss possible organized collection arrangements with all licensed collectors operating in the city or town who have expressed interest. If the city or town is unable to agree on an organized collection arrangement with a majority of the licensed collectors who have expressed interest, or upon expiration of the 90 days, the city or town may propose implementation of an alternate method of organizing collection as authorized in subdivision 3.

(e) The city or town shall make specific findings that:

(1) describe in detail the procedures it used to plan and to attempt implementation of organized collection through an arrangement with collectors who expressed interest; and

(2) evaluate the proposed organized collection method in light of at least the following standards: achieving the stated organized collection goals of the city or town; minimizing displacement of collectors; ensuring participation of all interested parties in the decision-making process; and maximizing efficiency in solid waste collection.

(f) Upon request, the city or town shall provide mailed notice of all proceedings on the organization of collection in the city or town.

*(g) If the city or town and all the persons licensed to operate mixed municipal solid waste collection services and doing business in the city or town agree on the plan, the city or town may implement the plan without regard to the 180-day period specified in paragraph (a).*

Sec. 45. [115A.941] [SOLID WASTE; REQUIRED COLLECTION.]

*(a) Except as provided in paragraph (b), each city and town with a population of 10,000 or more shall ensure that every residential household and business in the city or town has solid waste collection service. To comply with this section, a city or town may organize collection, provide collection, or require by ordinance that every household and business has a contract for collection services. An ordinance adopted under this section must provide for enforcement.*

*(b) A city or town with a population of 10,000 or more may exempt a*

*residential household or business in the city or town from the requirement to have solid waste collection service if the household or business ensures that an environmentally sound alternative is used.*

Sec. 46. Minnesota Statutes 1990, section 115A.9561, is amended to read:

115A.9561 [MAJOR APPLIANCES.]

*Subdivision 1. [PROHIBITIONS.] A person may not:*

- (1) place major appliances in mixed municipal solid waste; or*
- (2) dispose of major appliances in or on the land or in a solid waste processing or disposal facility after July 1, 1990. The agency may enforce this section pursuant to section 115.071.*

*Subd. 2. [RECYCLING REQUIRED.] Major appliances must be recycled or reused. Each county shall ensure that its residents have the opportunity to recycle used major appliances. For the purposes of this section, recycling includes:*

- (1) the removal of capacitors that may contain PCBs;*
- (2) the removal of ballasts that may contain PCBs;*
- (3) the removal of chlorofluorocarbon refrigerant gas; and*
- (4) the recycling or reuse of the metals.*

Sec. 47. Minnesota Statutes 1990, section 115A.96, subdivision 6, is amended to read:

Subd. 6. [HOUSEHOLD HAZARDOUS WASTE MANAGEMENT PLANS.] (a) Each county shall include in its solid waste management plan required in section 115A.46, or its solid waste master plan required in section 473.803, a household hazardous waste management plan. The plan must at least:

- (1) include a broad based public education component;*
- (2) include a strategy for reduction of household hazardous waste; and*
- (3) address separation of household hazardous waste from mixed municipal solid waste and the collection, storage, and disposal of that waste.*

*(b) Each county required to submit its plan to the office under section 115A.46 shall amend its plan to comply with this subdivision within one year after October 4, 1989.*

*(c) Each county in the state shall implement its household hazardous waste management plan by June 30, 1992.*

*(d) The office shall review the plans submitted under this subdivision in cooperation with the agency.*

Sec. 48. [115A.965] [PROHIBITIONS ON SELECTED TOXICS IN PACKAGING.]

*Subdivision 1. [PACKAGING.] (a) As soon as feasible but not later than August 1, 1993, no manufacturer or distributor may sell or offer for sale or for promotional purposes in this state packaging or a product that is contained in packaging if the packaging itself, or any inks, dyes, pigments, adhesives, stabilizers, or any other additives to the packaging contain any lead, cadmium, mercury, or hexavalent chromium that has been intentionally*



*introduced as an element during manufacture or distribution of the packaging. Intentional introduction does not include the incidental presence of any of the prohibited elements.*

*(b) For the purposes of this section, "distributor" means a person who imports packaging or causes packaging to be imported into the state.*

*Subd. 2. [TOTAL TOXICS CONCENTRATION LEVELS.] The total concentration level of lead, cadmium, mercury, and hexavalent chromium added together in any packaging must not exceed the following amounts:*

- (1) 600 parts per million by weight by August 1, 1993;*
- (2) 250 parts per million by weight by August 1, 1994; and*
- (3) 100 parts per million by weight by August 1, 1995.*

*Subd. 3. [EXEMPTIONS.] (a) The following packaging is exempt from the requirements of subdivisions 1 and 2:*

*(1) packaging that has been delivered to a manufacturer or distributor prior to August 1, 1993, or packaging that contains a code or other indication of the date of manufacture and that was manufactured prior to August 1, 1993; and*

*(2) until August 1, 1997, packaging that would not exceed the total toxics concentration levels under subdivision 2 but for the addition in the packaging of materials that have fulfilled their intended use and have been discarded by consumers.*

*(b) Packaging to which lead, cadmium, mercury, or hexavalent chromium has been intentionally introduced in the manufacturing process may be exempted from the requirements of subdivisions 1 and 2 by the commissioner of the pollution control agency if:*

*(1) the use of the toxic element in the packaging is required by federal or state health or safety laws; or*

*(2) there is no feasible alternative for the packaging because the toxic element used is essential to the protection, safe handling, or function of the contents of the package.*

*The commissioner may grant an exemption under this paragraph for a period not to exceed two years upon application by the packaging manufacturer that includes documentation showing that the criteria for an exemption are met. Exemptions granted by the commissioner may be renewed upon reapplication every two years.*

*Subd. 4. [CERTIFICATE OF COMPLIANCE.] (a) Beginning August 1, 1993, each manufacturer and distributor of packaging for sale or other distribution in this state shall certify to each of their purchasers or receivers that the packaging purchased or received complies with this section. The certificate of compliance must be in writing and must be signed by an official of the manufacturer or distributor. For packaging that has received an exemption under subdivision 3, the certificate of compliance must list the amount of total toxics concentration in the packaging, the specific toxics present, and the basis for the exemption.*

*(b) The manufacturer or distributor shall keep on file a copy of the certificate of compliance for each type of packaging manufactured or distributed and shall make copies available to the commissioner of the pollution control agency or the attorney general on request, or to any member of the*

*public within 60 days of receipt of a written request that specifies the type of packaging for which the information is requested.*

*(c) Each purchaser or receiver, except a retailer, of packaging shall retain the certificate of compliance for as long as the packaging is in use.*

*(d) If a manufacturer or distributor of packaging reformulates the packaging or creates new packaging, the manufacturer or distributor shall provide an amended or new certificate of compliance to purchasers and receivers for the reformulated or new packaging.*

*Subd. 5. [ENFORCEMENT.] This section may be enforced under sections 115.071 and 116.072. A person who fails to comply with this section is subject to a civil fine of up to \$5,000 per day of violation, court costs and attorney fees, and all costs associated with the separate collection, storage, transfer, and appropriate processing or disposal of nonconforming packaging, to be determined by the true cost of those activities per ton times the approximate actual tonnage of nonconforming packaging sold or otherwise distributed in the state.*

*Subd. 6. [RULES.] The commissioner of the pollution control agency, in consultation with the director of the office of waste management, shall adopt rules to implement this section.*

Sec. 49. Minnesota Statutes 1990, section 115A.97, subdivision 4, is amended to read:

Subd. 4. [INTERIM PROGRAM.] (a) Incinerator ash is considered special waste for an interim period which expires on the occurrence of the earliest of the following events:

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

(2) The agency adopts the rules required in subdivision 3; or

(3) June 30, ~~1994~~ 1993.

(b) As a special waste, incinerator ash must be stored separately from mixed municipal solid waste with adequate controls to protect the environment as provided in agency permits. For the interim period, the agency, in cooperation with generators of incinerator ash and other interested parties, shall establish a temporary program to test, monitor, and store incinerator ash. The program must include separate testing of fly ash, bottom ash, and combined ash unless the agency determines that because of physical constraints at the facility separate samples of fly ash and bottom ash cannot be reasonably obtained in which case only combined ash must be tested. Incinerator ash stored during the interim is subject to the rules adopted pursuant to subdivision 3 and to the provisions of chapter 115B.

Sec. 50. Minnesota Statutes 1990, section 115B.04, subdivision 4, is amended to read:

Subd. 4. [LIABILITY OF POLITICAL SUBDIVISIONS.] (a) The liability of a political subdivision under this section is subject to the limits imposed under section 466.04, subdivision 1, except when the political subdivision is liable under this section as the owner or operator of a disposal facility as defined in section 115A.03, subdivision 10.

(b) When a political subdivision is liable as an owner or operator of a disposal facility, the liability of each political subdivision is limited to

\$400,000 at each facility unless the facility was owned or operated under a valid joint powers agreement by three or more political subdivisions, in which case the aggregate liability of all political subdivisions that are parties to the joint powers agreement is limited to \$1,200,000.

(c) The limits on the liability of a political subdivision for ownership or operation of a disposal facility apply to the costs of ~~remedial~~ response action incurred between the date a request for response action is issued by the agency and the date one year after the construction certificate of completion is approved by the commissioner, excluding ~~the costs incurred during~~ of negotiation of a consent order agreement.

(d) When a political subdivision takes ~~remedial~~ response action as the owner or operator of a disposal facility between the dates in paragraph (c), it may receive, after approval by the agency, reimbursement of any amount spent pursuant to an approved work plan that exceeds the applicable liability limit specified in this subdivision.

Sec. 51. Minnesota Statutes 1990, section 115B.22, subdivision 8, is amended to read:

Subd. 8. [REVIEW OF TAX BY LCWM.] ~~After the office of waste management submits the plan required under section 115A.11 to the legislative commission on waste management, The commission shall~~ *legislative commission on waste management shall periodically* review the taxes and tax rates imposed under this section ~~in light of the objectives and recommendations of the plan,~~ and shall recommend to the standing tax committees of both houses of the legislature any changes in the taxes or tax rates which are needed to assist or encourage implementation of the strategies adopted by the state for management of hazardous waste.

Sec. 52. Minnesota Statutes 1990, section 116.07, subdivision 4j, is amended to read:

Subd. 4j. [PERMITS; SOLID WASTE FACILITIES.] (a) The agency may not issue a permit for new or additional capacity for a mixed municipal solid waste resource recovery or disposal facility as defined in section 115A.03 unless each county projected in the permit to use the facility has in place a solid waste management plan approved under section 115A.46 or 473.803. The agency shall issue the permit only if the capacity of the facility is consistent with the needs for resource recovery or disposal capacity identified in the approved plan or plans. Consistency must be determined by the metropolitan council for counties in the metropolitan area and by the agency for counties outside the metropolitan area. Plans approved before January 1, 1990, need not be revised if the capacity sought in the permit is consistent with the approved plan or plans.

(b) The agency shall require as part of the permit application for a waste incineration facility identification of preliminary plans for ash management and ash leachate treatment or ash utilization. The permit issued by the agency must include requirements for ash management and ash leachate treatment.

(c) *Within 30 days of receipt by the agency of a permit application for a solid waste facility, the commissioner shall notify the applicant in writing whether the application is complete and if not, what items are needed to make it complete, and shall give an estimate of the time it will take to process the application. Within 180 days of receipt of a completed application, the agency shall approve, disapprove, or delay decision on the application, with*

*reasons for the delay, in writing.*

**Sec. 53. [116.90] [REFUSE DERIVED FUEL.]**

*Subdivision 1. [DEFINITIONS.] (a) The definitions in this subdivision apply to this section.*

*(b) "Minor modification" means a physical or operational change that does not increase the rated energy production capacity of a solid fuel fired boiler and which does not involve capital costs in excess of 20 percent of a new solid fuel fired boiler having the same rated capacity.*

*(c) "Refuse derived fuel" means a product resulting from the processing of mixed municipal solid waste in a manner that reduces the quantity of noncombustible material present in the waste, reduces the size of waste components through shredding or other mechanical means, and produces a fuel suitable for combustion in existing or new solid fuel fired boilers.*

*(d) "Solid fuel fired boiler" means a device that is designed to combust solid fuel, including but not limited to: wood, coal, biomass, or lignite to produce steam or heat water.*

*Subd. 2. [USE OF REFUSE DERIVED FUEL.] (a) Existing or new solid fuel fired boilers may utilize refuse derived fuel in an amount up to 30 percent by weight of the fuel feed stream under the following conditions:*

*(1) utilization of refuse derived fuel involves no modification or only minor modification to the solid fuel fired boiler;*

*(2) utilization of refuse derived fuel does not cause a violation of emissions limitations or ambient air quality standards applicable to the solid fuel fired boiler;*

*(3) the solid fuel fired boiler has a valid permit to operate; and*

*(4) the refuse derived fuel is produced by a facility for which a permit was issued by the agency before June 1, 1991.*

*(b) A facility that produces refuse derived fuel that is sold for use in a solid fuel fired boiler may accept waste for processing only from counties that provide for the removal of household hazardous waste from the waste.*

**Sec. 54. [239.82] [SPECIFICATIONS FOR RECYCLED CFCs.]**

*Subdivision 1. [DEFINITION.] "CFCs" has the meaning given in section 116.70, subdivision 3.*

*Subd. 2. [STANDARD.] (a) Except as provided in paragraph (b), recycled CFCs that are used to replace or supplement CFCs in refrigerant applications, including but not limited to refrigerators, air conditioning units, freezers, and dehumidifiers, must comply with the 1988 Standard for Specifications for Fluorocarbon Refrigerants (standard 700) of the Air Conditioning and Refrigeration Institute, to the extent the standard applies to the recycled CFCs.*

*(b) Recycled CFCs that are used to replace or supplement CFCs in mobile air conditioning equipment must comply with the 1991 Standard of Purity for Use in Mobile Air Conditioning Systems of the Society of Automotive Engineers.*

*Subd. 3. [WARRANTIES NOT AFFECTED.] Use of recycled CFCs that meet the standards in this section does not affect a manufacturer's warranty of a product's condition and fitness for use, including any terms or conditions*

*precedent to the enforcement of obligations under the warranty.*

Sec. 55. Minnesota Statutes 1990, section 325E.042, subdivision 2, is amended to read:

Subd. 2. [NONDEGRADABLE PLASTIC.] A person may not sell, offer for sale, or give to consumers beverages or motor oil containers held together by *connected rings made of nondegradable plastic material.*

Sec. 56. Minnesota Statutes 1990, section 325E.115, subdivision 1, is amended to read:

Subdivision 1. [SURCHARGE; COLLECTION; NOTICE.] (a) A person selling lead acid batteries at retail or offering lead acid batteries for retail sale in this state shall:

(1) accept, at the point of transfer, lead acid batteries from customers;  
(2) charge a fee of \$5 per battery sold unless the customer returns a used battery to the retailer; and

(3) post written notice, ~~which must be at least 8-1/2 inches by 11 inches in size and must contain the universal recycling symbol and the following language:~~

(i) ~~"It is illegal to put a motor vehicle battery in the garbage.";~~  
(ii) ~~"Recycle your used batteries.";~~ and  
(iii) ~~"State law requires us to accept motor vehicle batteries for recycling."~~  
*in accordance with section 325E.1151.*

(b) Any person selling lead acid batteries at wholesale or offering lead acid batteries for sale at wholesale must accept, at the point of transfer, lead acid batteries from customers.

Sec. 57. Minnesota Statutes 1990, section 325E.1151, subdivision 3, is amended to read:

Subd. 3. [RETAILERS MUST POST NOTICES.] (a) A person who sells lead acid batteries at retail must post the notice in paragraph (b) in a manner clearly visible to a consumer making purchasing decisions.

(b) The notice must be at least 8-1/2 inches by 11 inches and contain the universal recycling symbol and state:

#### "NOTICE: USED BATTERIES

This retailer is required to accept your used lead acid batteries, **EVEN IF YOU DO NOT PURCHASE A BATTERY.** When you purchase a new battery, you will be charged an additional \$5 unless you return a used battery within 30 days.

~~Improper disposal of a lead acid battery~~ *It is a crime to put a motor vehicle battery in the garbage."*

Sec. 58. Minnesota Statutes 1990, section 400.08, subdivision 1, is amended to read:

Subdivision 1. [DEFINITION.] For purposes of this section, "solid waste management services" includes *recycling and waste reduction services*, collection, processing, and disposal of solid waste, closure and postclosure care of a solid waste facility, and response, as defined in section 115B.02, to releases from a solid waste facility or closed solid waste facility.

Sec. 59. Minnesota Statutes 1990, section 458D.07, subdivision 5, is amended to read:

Subd. 5. [REGULATION OF COLLECTION PROCESS.] Nothing contained in this chapter shall be construed to permit the district to engage in the collection of solid waste. ~~Carlton county and St. Louis county or the local units of government designated by such counties shall continue to have the authority to regulate the collection of solid waste, and nothing in this chapter shall be construed to permit the district to regulate the collection of solid waste, unless such counties or local units of government or any of them shall adopt a resolution authorizing the district to adopt such regulations to be effective within the territory of such county or local governmental units.~~

Sec. 60. Minnesota Statutes 1990, section 458D.07, is amended by adding a subdivision to read:

*Subd. 5a. [RECYCLING.] The district may require recycling and regulate the collection of recyclable materials in the district.*

Sec. 61. Minnesota Statutes 1990, section 473.149, subdivision 2e, is amended to read:

Subd. 2e. [SOLID WASTE DISPOSAL FACILITIES DEVELOPMENT SCHEDULE.] (a) After requesting and considering recommendations from the counties, cities, and towns, the council as part of its policy plan shall determine the number of sites and the capacity of sites ~~to be acquired needed~~ within the metropolitan area for solid waste disposal facilities ~~in accordance with section 473.833.~~

(b) The council shall adopt a schedule of disposal capacity to be developed in ~~each county~~ within the metropolitan area in five-year increments for a period of at least 20 years from adoption of development schedule revisions. The schedule may not allow capacity in excess of the council's reduced estimate of the disposal capacity needed because of the council's land disposal abatement plan; ~~except as the council deems necessary to allow reallocation of capacity as required by this subdivision.~~

(c) The council shall make the implementation of elements of the schedule, ~~including the disposal capacity allocated to each county,~~ contingent on actions of each county in adopting and implementing abatement plans pursuant to section 473.803, subdivision 1b. The council may review the development schedule every year and revise the development schedule ~~and the allocation of disposal capacity required for each county~~ based on the progress made in ~~that county~~ in the implementation of the council's abatement plans and achievement of metropolitan and local abatement objectives. The council shall review and revise, by resolution following public hearing, the development schedule ~~and the allocation of disposal capacity required~~ based on significant changes in the landfill capacity of the metropolitan area. The schedule must include procedures and criteria for making revisions. ~~A site for which an environmental impact statement was being prepared as of January 1, 1989, under section 473.833, subdivision 2a, and that is not selected under section 473.833, subdivision 3, must be eliminated from the inventory of solid waste disposal sites established under section 473.149, subdivision 2b, and may not be considered as a waste disposal site in the future.~~

(d) ~~The schedule may include procedures to be used by counties in selecting sites for acquisition pursuant to section 473.833.~~ The schedule must include standards and procedures for council certification of need pursuant to section 473.823. The schedule must *also* include a ~~facility~~ closure schedule and

plans for postclosure management and disposition; for the use of property after acquisition and before facility development; and for the disposition of property and development rights; as defined in section 473.833, no longer needed for disposal facilities. The schedule must also include a closure schedule and plans for postclosure management for of facilities, including facilities in existence before the adoption of the development schedule.

Sec. 62. Minnesota Statutes 1990, section 473.149, subdivision 4, is amended to read:

Subd. 4. [ADVISORY COMMITTEE.] The council shall establish an advisory committee to aid in the preparation of the policy plan, the performance of the council's responsibilities under subdivisions 2 to 2e, the review of county master plans and reports and applications for permits for waste facilities, under sections 473.151, 473.801 to 473.823, and 473.831, and 473.833, and other duties determined by the council. The committee shall consist of one-third citizen representatives, one-third representatives from metropolitan counties and municipalities, and one-third representatives from private waste management firms. From at least the date that the council adopts the inventory under subdivision 2b to the date that the council adopts a development schedule under subdivision 2e, for the purpose only of participating in the preparation of the legislative report required by subdivision 2e, the land disposal abatement plan required by subdivision 2d, and the development schedule required by subdivision 2e, additional members shall be included on the advisory committee sufficient to assure that at least one-third of the members of the committee are residents of cities or towns containing eligible solid waste disposal sites included in the council's disposal site inventory, and that counties containing three sites have at least two additional members and counties containing one or two sites have at least one additional member. A representative from the pollution control agency, one from the office of waste management established under section 115A.04, and one from the Minnesota health department shall serve as ex officio members of the committee.

Sec. 63. [473.8011] [METROPOLITAN AGENCY RECYCLING GOAL.]

*By December 31, 1993, the metropolitan council, each metropolitan agency as defined in section 473.121, and the metropolitan mosquito control district established in section 473.702 shall recycle at least 40 percent by weight of the solid waste generated by their offices or other operations. The council shall provide information and technical assistance to the agencies and the district to implement effective recycling programs.*

*By August 1 of each year, the council, each agency, and the district shall submit to the office of waste management a report for the previous fiscal year describing recycling rates, specified by the county in which the agency or operation is located, and progress toward meeting the recycling goal. The office shall incorporate the recycling rates reported in the respective county's recycling rates for the previous fiscal year.*

*If the goal is not met, the council, agency, or district must include in its 1994 report reasons for not meeting the goal and a plan for meeting it in the future.*

Sec. 64. Minnesota Statutes 1990, section 473.803, subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By October 15, 1981, a metropolitan county having a population of less than 300,000, as determined by the 1980 United States Census, shall adopt, by resolution of the county governing body, an inventory of at least three proposed sites in the county suitable for mixed municipal solid waste disposal facilities and shall submit the inventory to the council for approval or disapproval. A metropolitan county having a population greater than 300,000, as determined by the 1980 United States Census, shall adopt, by resolution of the county governing body, an inventory of at least four proposed sites in the county that are suitable for mixed municipal solid waste disposal facilities and shall submit the inventory to the council for approval or disapproval. The council shall evaluate and approve or disapprove each proposed site in accordance with the standards set out in this subdivision. Except as otherwise provided in this subdivision, each site shall satisfy the standards and criteria in federal and state regulations and the council's policy plan for solid waste management. In proposing and approving sites for the inventory, the counties and the council shall prefer land which is capable of being returned to its existing use or the use anticipated in a plan of a metropolitan agency, county, or local unit of government use after closure of a disposal facility. Each site shall contain no less than 80 acres and no more than 250 acres. Each proposed site shall be surrounded by a buffer area at least equal to the area of the site. No site shall be adopted by a county or the council as part of an inventory unless the agency certifies its intrinsic suitability for the use intended, based on preliminary environmental analysis and on site surveys and investigations conducted by the county. Notwithstanding any plan, charter provision, law, ordinance, regulation, or other requirement of any state agency or political subdivision, no land shall be excluded from consideration for inclusion in the inventory except: (1) *land where the agency finds that on-site investigations demonstrate that the travel time of water from the surface to groundwater resources is ten years or less*; (2) *land in a sensitive area, as identified under section 103H.101, subdivision 2*; and (3) *other land determined by the agency to be intrinsically unsuitable*. Each county shall provide to the agency data relating to the intrinsic suitability of the sites to be proposed for the inventory as soon as available. By July 1, 1981 each county shall propose at least the number of sites required for the inventory, and the director of the agency shall issue a notice indicating which of those sites the director recommends be certified as intrinsically suitable. Notice of hearings on the director's recommendation shall be published in the state register and newspapers of general circulation in the metropolitan area and shall be sent by mail to the metropolitan council and local government units containing a proposed inventory site. A hearing shall be held in each metropolitan county and shall be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings and the administrative law judge's report to the agency in the time allowed by this section. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the county and additional information on the proposed sites which is relevant to the agency's decision on intrinsic suitability. The rulemaking and contested case procedures of chapter 14 shall not apply to this hearing. The report of the administrative law judge shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. The agency shall make a final determination as to the intrinsic suitability of each proposed site and shall certify them accordingly within 90 days of the county's proposal of a site. The agency



shall not be required to promulgate rules pursuant to chapter ~~45~~ 14 on criteria and standards to govern its certification of intrinsic suitability under this section. No action of the agency shall be held invalid by reason of the agency's failure to notify any of the entities listed in this subdivision. The council shall evaluate each site with respect to local land use and land use controls, the protection of agriculture and natural resources, existing and future development patterns, transportation facilities and other services and facilities appropriate to land disposal facilities, the quality of other potential sites, and patterns of generation of solid waste. The council shall notify a county of any site proposed by the county which the council disapproves and shall allow the county 60 days to propose an alternative site. If the county fails to propose an alternative acceptable to the council in the time allowed, the council shall propose a site acceptable to it for inclusion in the inventory of sites in that county. If in the council's judgment a county does not contain the requisite number of satisfactory sites, the council may reduce the number of sites required of that county.

Sec. 65. Minnesota Statutes 1990, section 473.803, subdivision 2, is amended to read:

Subd. 2. [COUNCIL REVIEW.] The council shall review each master plan or revision thereof to determine whether it is consistent with the council's policy plan. If it is not consistent, the council shall disapprove and return the plan with its comments to the county for revision and resubmittal. The county shall have 90 days to revise and resubmit the plan for council approval. Any county solid waste plan or report approved by the council prior to April 9, 1976, shall remain in effect until a new master plan is submitted to and approved by the council in accordance with this section.

*The council shall review the household hazardous waste management portion of each county's plan in cooperation with the agency.*

Sec. 66. Minnesota Statutes 1990, section 473.803, subdivision 3, is amended to read:

Subd. 3. [ANNUAL REPORT.] Each metropolitan county shall prepare and submit annually to the council for its approval a report containing information, as the council may prescribe in its policy plan, concerning solid waste generation and management within the county. The report shall include a statement of progress in achieving the land disposal abatement objectives for the county and classes of cities in the county as stated in the council's policy plan and county master plan. The report must list cities that have not satisfied the county performance standards for local abatement required by subdivision 1c. The report must include a schedule of rates and charges in effect or proposed for the use of any solid waste facility owned or operated by or on its behalf, together with a statement of the basis for such charges.

*Each metropolitan city shall prepare and submit an annual report to the county concerning solid waste generation and management within the city and each county shall include in its annual report to the council the information received from cities.*

Sec. 67. Minnesota Statutes 1990, section 473.803, subdivision 4, is amended to read:

Subd. 4. [ADVISORY COMMITTEE.] By July 1, 1984, each county shall establish a solid waste management advisory committee to aid in the

preparation of the county master plan, any revisions thereof, and such additional matters as the county deems appropriate. The committee must consist of citizen representatives, representatives from towns and cities within the county, and representatives from private waste management firms. The committee must include residents of towns or cities within the county containing solid waste disposal facilities ~~and eligible solid waste disposal sites included in the council's disposal site inventory.~~ Members of the council's solid waste advisory committee who reside in the county are ex officio members of the county advisory committee. A representative of the metropolitan council is an ex officio member of the committee.

Sec. 68. Minnesota Statutes 1990, section 473.811, subdivision 1, is amended to read:

Subdivision 1. [COUNTY ACQUISITION OF FACILITIES.] To accomplish the purpose specified in section 473.803, each metropolitan county may acquire by purchase, lease, gift or condemnation as provided by law, upon such terms and conditions as it shall determine, including contracts for deed and conditional sales contracts, solid waste facilities or properties or easements ~~or development rights, as defined in section 473.833,~~ for solid waste facilities which are in accordance with rules adopted by the agency, the policy plan adopted by the council and the county master plan as approved by the council, and may improve or construct improvements on any property or facility so acquired. No metropolitan city, county or town shall own or operate a hazardous waste facility, *except a facility to manage household hazardous waste*. Each metropolitan county is authorized to levy a tax in anticipation of need for expenditure for the acquisition and betterment of solid waste facilities. If a tax is levied in anticipation of need, the purpose must be specified in a resolution of the county directing that the levy and the proceeds of the tax may be used only for that purpose. Until so used, the proceeds shall be retained in a separate fund or invested in the same manner as surplus in a sinking fund may be invested under section 475.66. The right of condemnation shall be exercised in accordance with chapter 117.

*For the purposes of this section "solid waste facility" includes a facility to manage household hazardous waste.*

Sec. 69. Minnesota Statutes 1990, section 473.811, subdivision 1a, is amended to read:

Subd. 1a. [RIGHT OF ACCESS.] Whenever the county ~~or county site selection authority~~ deems it necessary to the evaluation of a waste facility for enforcement purposes ~~or to the evaluation of a site or buffer area for inclusion in the inventory of disposal sites pursuant to section 473.149, subdivision 2b, and section 473.803, subdivision 1a, or for selection or final acquisition under section 473.833,~~ or for the accomplishment of any other purpose under sections 473.149, 473.153, and 473.801 to 473.834, the county, ~~county site selection authority or any member, employee, or agent thereof,~~ when authorized by it, may enter upon any property, public or private, for the purpose of obtaining information or conducting surveys or investigations, provided that the entrance and activity is undertaken after reasonable notice and during normal business hours and provided that compensation is made for any damage to the property caused by the entrance and activity.

Sec. 70. Minnesota Statutes 1990, section 473.811, subdivision 3, is amended to read:

Subd. 3. [COUNTY OPERATION OF FACILITIES.] Each metropolitan county may operate and maintain solid waste facilities, and for this purpose may employ all necessary personnel, may adopt regulations governing operation, and may establish and collect reasonable, nondiscriminatory rates and charges, *except as authorized under section 115A.919*, for the use of the facilities by any local government unit or person, estimated to be sufficient, with any other moneys appropriated for the purpose, to pay all costs of acquisition, operation and maintenance. Each metropolitan county may use itself or sell all or any part of materials or energy recovered from solid waste to private interests or public agencies for consumption or reuse by them. Section 471.345 and Laws 1951, chapter 556, as amended shall not apply to the sale of the materials or energy.

Sec. 71. Minnesota Statutes 1990, section 473.811, subdivision 4a, is amended to read:

Subd. 4a. [ORDINANCES; GENERAL CONDITIONS; RESTRICTIONS; APPLICATION.] Ordinances of counties and local government units related to or affecting waste management shall embody plans, policies, rules, standards and requirements adopted by any state agency authorized to manage or plan for or regulate the management of waste and the waste management plans adopted by the council and shall be consistent with county master plans approved by the council. Except as provided in this subdivision, ~~a metropolitan county may acquire a site and buffer area for a solid waste disposal facility anywhere within the county without complying with local ordinances, if the action is approved by the council as being taken pursuant to the policy plan and the development schedule adopted under section 473.149, subdivision 2e, and the provisions of section 473.833, and the a~~ county may establish and operate or contract for the establishment or operation of a *solid waste disposal facility at the site* without complying with local ordinances, if the council certifies need under section 473.823, subdivision 6. With the approval of the council, local government units may impose and enforce reasonable conditions respecting the construction, operation, inspection, monitoring, and maintenance of the disposal facilities. No local government unit shall prevent the establishment or operation of any solid waste facility in accordance with the council's decision under section 473.823, subdivision 5, except that, with the approval of the council, the local government unit may impose reasonable conditions respecting the construction, inspection, monitoring, and maintenance of a facility.

Sec. 72. Minnesota Statutes 1990, section 473.811, subdivision 5, is amended to read:

Subd. 5. [ORDINANCES; SOLID WASTE COLLECTION AND TRANSPORTATION.] Each metropolitan county may adopt ordinances governing the collection of solid waste. A county may adopt, but may not be required to adopt, an ordinance that requires the separation from mixed municipal waste, by generators before collection, of materials that can readily be separated for use or reuse as substitutes for raw materials or for transformation into a usable soil amendment. Each local unit of government within the metropolitan area shall adopt an ordinance governing the collection of solid waste within its boundaries. If the county within which it is located has adopted a collection ordinance, the local unit shall adopt either the county ordinance by reference or a more strict ordinance. If the county within which it is located has adopted a separation ordinance, the ordinance applies in all local units within the county that have failed to meet the local abatement performance standards, as stated in the most recent

annual county report. Ordinances of counties and local government units may establish reasonable conditions respecting but shall not prevent the transportation of solid waste by a licensed collector through and between counties and local units, except as required for the enforcement of any designation of a facility by the council pursuant to section 473.827 a county under chapter 115A. A licensed collector or a metropolitan county or local government unit may request review by the council of an ordinance adopted under this subdivision. The council shall approve or disapprove the ordinance within 60 days of the submission of a request for review. The ordinance shall remain in effect unless it is disapproved. Ordinances of counties and local units of government shall provide for the enforcement of any designation of facilities by the council under section 473.827 counties under chapter 115A. Nothing in this subdivision shall be construed to limit the authority of the local government unit to regulate and license collectors of solid waste or to require review or approval by the council for ordinances regulating collection.

Sec. 73. Minnesota Statutes 1990, section 473.811, subdivision 6, is amended to read:

Subd. 6. [GRANTS AND LOANS TO COUNTIES.] Each metropolitan county may accept gifts, may apply for and accept grants or loans of money or other property from the United States, the state, the metropolitan council, any local government unit, or any person, to accomplish the purposes specified in sections 473.149, 473.151, 473.801 to 473.823, 473.831, ~~473.833~~, and 473.834, may enter into any agreement required in connection therewith, and may hold, use, and dispose of the money or property in accordance with the terms of the gift, grant, loan or agreement relating thereto.

Sec. 74. Minnesota Statutes 1990, section 473.811, subdivision 7, is amended to read:

Subd. 7. [JOINT ACTION.] Any local governmental unit or metropolitan agency may act together with any county, city, or town within or without the metropolitan area, or with the pollution control agency or the office of waste management under the provisions of section 471.59 or any other appropriate law providing for joint or cooperative action between government units, to accomplish any purpose specified in sections 473.149, 473.151, 473.801 to 473.823, 473.831, ~~473.833~~, 473.834, 116.05 and 115A.06.

Any agreement regarding data processing services relating to the generation, management, identification, labeling, classification, storage, collection, treatment, transportation, processing or disposal of waste and entered into pursuant to section 471.59, or other law authorizing joint or cooperative action may provide that any party to the agreement may agree to defend, indemnify and hold harmless any other party to the agreement providing the services, including its employees, officers or volunteers, against any judgments, expenses, reasonable attorney's fees and amounts paid in settlement actually and reasonably incurred in connection with any third party claim or demand arising out of an alleged act or omission by a party to the agreement, its employees, officers or volunteers occurring in connection with any exchange, retention, storage or processing of data, information or records required by the agreement. Any liability incurred by a party to an agreement under this subdivision shall be subject to the limitations set forth in section 3.736 or 466.04.

Sec. 75. Minnesota Statutes 1990, section 473.811, subdivision 8, is amended to read:

Subd. 8. [COUNTY SALE OR LEASE.] Each metropolitan county may sell or lease any facilities or property or property rights previously used or acquired to accomplish the purposes specified by sections 473.149, 473.151, 473.801 to 473.823, 473.831, ~~473.833~~, and 473.834. Such property may be sold in the manner provided by section 469.065, or may be sold in the manner and on the terms and conditions determined by the county board. Each metropolitan county may convey to or permit the use of any such property by a local government unit, with or without compensation, without submitting the matter to the voters of the county. No real property or property rights acquired pursuant to this section, may be disposed of in any manner unless and until the county shall have submitted to the agency and the metropolitan council for review and comment the terms on and the use for which the property will be disposed of. The agency and the council shall review and comment on the proposed disposition within 60 days after each has received the data relating thereto from the county.

Sec. 76. Minnesota Statutes 1990, section 473.811, subdivision 9, is amended to read:

Subd. 9. [SOLID AND HAZARDOUS WASTE FUND.] All money received by any metropolitan county from any source specified in sections 473.149, 473.151, 473.801 to 473.823, 473.831, ~~473.833~~, and 473.834 shall be paid into the county treasury, placed in a special fund designated as the county solid and hazardous waste fund, and used only for the purposes authorized in those sections, as appropriated by the county board, subject to any lawful restrictions, conditions, or pledges applicable thereto.

Sec. 77. Minnesota Statutes 1990, section 473.823, subdivision 5, is amended to read:

Subd. 5. [REVIEW OF WASTE PROCESSING FACILITIES.] (a) A metropolitan county may establish a waste processing facility within the county without complying with local ordinances, if the action is approved by the council in accordance with the review process established by this subdivision. A county requesting review by the council shall show that:

(1) the required permits for the proposed facility have been or will be issued by the agency; ~~that~~;

(2) the facility is consistent with the council's policy plan and the approved county master plan; and ~~that~~

(3) a local government unit has refused to approve the establishment or operation of the facility, *has failed to deny or approve establishment or operation of the facility within the time period required in section 12, or has approved the application or request with conditions that are unreasonable or impossible for the county to meet.*

(b) The council shall meet to commence the review within 90 days of the submission of a request determined by the council to satisfy the requirements for review under this subdivision. At the meeting commencing the review the chair shall recommend and the council establish a scope and procedure, *including criteria*, for its review and final decision on the proposed facility. The procedure shall require the council to make a final

decision on the proposed facility within 120 days following the commencement of review. *For facilities other than waste incineration and mixed municipal solid waste composting facilities, the council shall meet to commence the review within 45 days of submission of the request and shall make a final decision within 75 days following commencement of review.*

(c) The council shall conduct at least one public hearing in the city or town within which the proposed facility would be located. Notice of the hearing shall be published in a newspaper or newspapers of general circulation in the area for two successive weeks ending at least 15 days before the date of the hearing. The notice shall describe the proposed facility, its location, the proposed permits, and the council's scope ~~and~~, procedure, ~~and~~ criteria for review. The notice shall identify a location or locations within the local government unit and county where the permit applications and the council's scope ~~and~~, procedure, ~~and~~ criteria for review are available for review and where copies may be obtained.

(d) In its review and final decision on the proposed facility, the council shall consider at least the following matters:

(a) (1) the risk and effect of the proposed facility on local residents, units of government, and the local public health, safety, and welfare, and the degree to which the risk or effect may be alleviated;

(b) (2) the consistency of the proposed facility with, and its effect on, existing and planned local land use and development; local laws, ordinances, and permits; and local public facilities and services;

(c) (3) the adverse effects of the facility on agriculture and natural resources and opportunities to mitigate or eliminate such adverse effects by additional stipulations, conditions, and requirements respecting the design and operation of the proposed facility at the proposed site;

(d) (4) the need for the proposed facility and the availability of alternative sites;

(e) (5) the consistency of the proposed facility with the county master plan adopted pursuant to section 473.803 and the council's policy plan adopted pursuant to section 473.149;

(f) (6) transportation facilities and distance to points of waste generation.

(e) In its final decision in the review, the council may either approve or disapprove the proposed facility at the proposed site. The council's approval shall embody all terms, conditions, and requirements of the permitting state agencies, provided that the council may require more stringent permit terms, conditions, and requirements respecting the design, construction, operation, inspection, monitoring, and maintenance of the proposed facility at the proposed site.

(f) *A county also may request council review under this subdivision on behalf of a person other than a county seeking to establish a solid waste facility in the county.*

Sec. 78. Minnesota Statutes 1990, section 473.823, subdivision 6, is amended to read:

Subd. 6. [COUNCIL; CERTIFICATION OF NEED.] No new mixed municipal solid waste disposal facility or capacity shall be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity

planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need that conform to the certification standards stated in this subdivision. The standards and procedures shall be based on the council's disposal abatement plan adopted pursuant to section 473.149, subdivision 2d, the council's solid waste disposal facilities development schedule adopted under section 473.149, subdivision 2e, and the provisions of any master plans of counties that have been approved by the council under section 473.803, subdivision 2, and that are consistent with the council's abatement plan and development schedule. The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural shall not be deemed to be feasible and prudent. Economic considerations alone shall not justify the certification of need or the rejection of alternatives. ~~In its certification the council shall not consider alternatives which have been eliminated from consideration by the adoption of the inventory pursuant to section 473.149, subdivision 2b, or the selection of sites under section 473.833, subdivision 3.~~

Sec. 79. Minnesota Statutes 1990, section 473.845, subdivision 3, is amended to read:

Subd. 3. [EXPENDITURES FROM THE FUND.] Money in the fund may only be appropriated to the agency for expenditure for:

(1) reasonable and necessary expenses for closure and postclosure care of a mixed municipal solid waste disposal facility in the metropolitan area for a 20-year period after closure, if the agency determines that the operator or owner will not take the necessary actions requested by the agency for closure and postclosure in the manner and within the time requested; *and*

(2) reasonable and necessary response and postclosure costs at a mixed municipal solid waste disposal facility in the metropolitan area that has been closed for 20 years in compliance with the closure and postclosure rules of the agency; *or*

~~(3) reasonable and necessary response costs resulting from county actions required under section 473.833, subdivision 2a, when those actions are done under the supervision of the agency.~~

Sec. 80. Minnesota Statutes 1990, section 473.845, subdivision 4, is amended to read:

Subd. 4. [EXPENDITURE NOTIFICATION AND COMMISSION RECOMMENDATION.] ~~(a)~~ The commissioner shall notify the chair and the director of the legislative commission on waste management before making expenditures from the fund.

~~(b) The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations about appropriations from the fund.~~

Sec. 81. Minnesota Statutes 1990, section 473.848, subdivision 2, is amended to read:

Subd. 2. [COUNTY CERTIFICATION; COUNCIL APPROVAL.] (a) Each county ~~that has not implemented designation of all or a portion of its mixed municipal solid waste to a resource recovery facility~~ shall submit a

semiannual certification report to the council detailing:

(1) the quantity of waste generated in the county that was not processed prior to transfer to a disposal facility during the six months preceding the report;

(2) the reasons the waste was not processed;

(3) a strategy for development of techniques to ensure processing of waste including a specific timeline for implementation of those techniques; and

(4) any progress made by the county in reducing the amount of unprocessed waste.

(b) The council shall approve a county's report if it determines that the county is reducing and will continue to reduce the amount of unprocessed waste, based on the report and the county's progress in development and implementation of techniques to reduce the amount of unprocessed waste transferred to disposal facilities. If the council does not approve a county's report, it shall negotiate with the county to develop and implement specific techniques to reduce unprocessed waste. If the council does not approve three or more consecutive reports from any one county, the council shall develop specific reduction techniques that are designed for the particular needs of the county. The county shall implement those techniques by specific dates to be determined by the council.

Sec. 82. Minnesota Statutes 1990, section 473.848, is amended by adding a subdivision to read:

*Subd. 5. [DEFINITION.] For the purpose of this section, waste is "unprocessed" if it has not, after collection and before disposal, undergone at least one process, as defined in section 115A.03, subdivision 25, excluding storage, exchange, and transfer of the waste.*

Sec. 83. [TEMPORARY DEVELOPMENT RIGHTS.]

*If temporary development rights have been purchased by a county under Minnesota Statutes, section 473.806, subdivision 2, the landowner may elect to repurchase the development rights from the county for a price equal to the compensation paid by the county prorated over the remaining period of the development rights.*

Sec. 84. [CONTINUED LEVY AUTHORITY OF METROPOLITAN COUNCIL.]

*The metropolitan council may continue to levy ad valorem taxes for debt service of the council's solid waste bonds issued before the effective date of section 87, paragraph (b), in accordance with Minnesota Statutes 1990, section 473.831, subdivision 1.*

Sec. 85. [USE OF BOND PROCEEDS.]

*Until December 1, 1991, with the approval of the metropolitan council, counties engaged in environmental analysis of solid waste disposal sites as of January 1, 1989, under Minnesota Statutes, section 473.833, subdivision 2a, may use proceeds of the council's solid waste bonds issued before the effective date of section 87, paragraph (b), for sealing of monitoring wells and other measures to restore the candidate sites for productive use.*

Sec. 86. [ADDITION TO REPORT.]

*The director of the office of waste management shall include in the 1992*



*solid waste management policy report required under Minnesota Statutes, section 115A.411, an analysis of progress made toward the implementation of nationwide labeling of products and packaging to address environmental concerns. Unless implementation of a nationwide uniform labeling system is imminent at that time, the director shall recommend a statewide product and packaging environmental labeling system that is as consistent as possible with proposed or existing labeling programs in other states.*

Sec. 87. [REPEALER.]

*(a) Minnesota Statutes 1990, sections 16B.125; 115A.953; 325E.045; and 473.844, subdivision 3, are repealed. Laws 1989, chapter 325, section 72, subdivision 2, is repealed.*

*(b) Minnesota Statutes 1990, sections 473.149, subdivision 2b; 473.803, subdivision 1a; 473.806; 473.831; 473.833; and 473.840, are repealed.*

Sec. 88. [EFFECTIVE DATES.]

*Sections 2, 7, 9, 14, 23, 30, 32, 33, 35, 44, 47, 53, 55, 58, 59, 60, 61, 62, 64, 65, 67, 68, 69, 71, 73, 74, 75, 76, 78, 79, 83, 84, 85, and 87, paragraph (b), are effective the day following final enactment.*

*Section 12 is effective the day following final enactment and applies to applications or requests received by a local government unit on or after the effective date of that section.*

*Section 45 is effective July 1, 1992.*

*Section 49 is effective June 30, 1991.*

*Section 50 is effective June 2, 1989, and applies to all response actions initiated or pending on or after that date.*

*Section 54 is effective July 1, 1991.*

*Section 79 does not affect appropriations for response costs resulting from county actions taken before the effective date of this act."*

Delete the title and insert:

"A bill for an act relating to waste management; making changes to state and local government responsibility and authority for waste management; placing emphasis on waste reduction and recycling; establishing specifications for recycled CFCs; adjusting waste facility siting processes; abolishing the inventory process for solid waste disposal facilities in the metropolitan area; amending Minnesota Statutes 1990, sections 3.195, subdivision 1; 3.887, subdivision 5; 16B.122; 16B.61, subdivision 3a; 115A.02; 115A.03, subdivision 17a; 115A.06, subdivision 2; 115A.14, subdivision 4; 115A.15, subdivisions 7 and 9; 115A.151; 115A.411, subdivision 1; 115A.46, subdivision 1, and by adding a subdivision; 115A.49; 115A.53; 115A.551, subdivision 4, and by adding a subdivision; 115A.552, subdivisions 1, 2, and by adding a subdivision; 115A.554; 115A.557, subdivision 4; 115A.64, subdivision 2; 115A.67; 115A.83; 115A.84, subdivision 2, and by adding a subdivision; 115A.86, subdivision 5, and by adding a subdivision; 115A.882; 115A.9162, subdivision 2; 115A.919; 115A.921; 115A.923, subdivisions 1 and 1a; 115A.93, subdivision 3, and by adding a subdivision; 115A.931; 115A.94, subdivision 4; 115A.9561; 115A.96, subdivision 6; 115A.97, subdivision 4; 115B.04, subdivision 4; 115B.22, subdivision 8; 116.07, subdivision 4j; 325E.042, subdivision 2; 325E.115, subdivision 1; 325E.1151, subdivision 3; 400.08, subdivision

1; 458D.07, subdivision 5, and by adding a subdivision; 473.149, subdivisions 2e and 4; 473.803, subdivisions 1a, 2, 3, and 4; 473.811, subdivisions 1, 1a, 3, 4a, 5, 6, 7, 8, and 9; 473.823, subdivisions 5 and 6; 473.845, subdivisions 3 and 4; 473.848, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 115A; 116; 239; and 473; repealing Minnesota Statutes 1990, sections 16B.125; 115A.953; 325E.045; 473.149, subdivision 2b; 473.803, subdivision 1a; 473.806; 473.831; 473.833; 473.840; 473.844, subdivision 3; and Laws 1989, chapter 325, section 72, subdivision 2.”

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

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

S.F. No. 263: A bill for an act relating to elections; authorizing certain experimental mail balloting; appropriating money; amending Minnesota Statutes 1990, section 204B.45, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 204B.

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

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

#### PRESIDENTIAL PRIMARY—MAIL BALLOTING

Section 1. [204B.461] [ELECTION BY MAIL FOR PRESIDENTIAL PRIMARY.]

*Subdivision 1. [CONDUCT OF ELECTION BY MAIL; RULES.] The presidential primary required by section 207A.01 shall be conducted by mail under section 204B.45, subdivisions 2 and 3, except as provided in this section. The secretary of state may adopt rules governing the procedures for conducting the election by mail.*

*Subd. 2. [DUTIES OF COUNTY AUDITOR.] Each county auditor shall designate the county auditor's office or one central location in each county as the single place to obtain a replacement ballot. The county auditor also may designate one or more places of deposit for the ballots cast in the election. The places designated under this subdivision shall be open continuously on the date of the election from 7:00 a.m. to 8:00 p.m.*

*The county auditor shall process and count absentee ballots, replacement ballots, and any ballots cast or returned on election day. The county auditor may begin examining return envelopes, removing voted ballots from the ballot secrecy envelopes, and placing the completed ballots in sealed containers at any time on election day. The county auditor shall count the ballots immediately after the close of voting and shall report the results in the manner specified by the secretary of state. The municipal clerks shall provide the county auditor with ballot boxes, voting booths, and an adequate number of election judges to process and count the ballots.*

*Subd. 3. [MAILING OF BALLOTS.] The secretary of state shall mail the official ballots by nonforwardable mail with a return envelope, a ballot*

*secrecy envelope, and instructions for marking and returning the ballot not sooner than the 20th day before the date of the presidential primary and not later than the 14th day before the date of the presidential primary, to each person registered to vote as of 5:00 p.m. on the 21st day before the date of the presidential primary.*

*The secretary of state may prepare the mail ballots in a manner which permits the votes on the ballots, the voter's party choice, and information included on the return envelope to be read electronically. The mail ballots must be prepared in the format provided for the white ballot to the extent practicable. The envelopes included in the mail ballot must be prepared in the format provided in the rules for mail balloting adopted by the secretary of state to the extent practicable.*

*Subd. 4. [COSTS.] The secretary of state shall pay the following costs for the presidential primary: printing the ballot mailers; providing first class postage for the mailing enclosure and the return envelope included in the ballot mailer; use of equipment to process the return envelopes and count the ballots; and acquisition of adequate space and staff needed to process the return envelopes and count the ballots. The county auditor shall pay the costs of preparing absentee and replacement ballots, and for first class postage for absentee ballots. The municipal clerks shall pay the costs of the election judges needed by the county auditor to process return envelopes and count the ballots, and the costs of providing ballot boxes and voting booths to the county auditor.*

*Subd. 5. [WARNING.] The ballot shall contain the following warning:*

*"Any person who, by use of force or other means, unduly influences a voter to vote in any particular manner or to refrain from voting, is guilty of a felony and is subject, upon conviction, to imprisonment or to a fine, or both."*

*Subd. 6. [PROCESSING AND COUNTING BALLOTS.] The secretary of state may begin examining the return envelopes, removing completed ballots from the ballot secrecy envelopes, transferring the ballot information to magnetic tape, and placing the completed ballots and tape in sealed containers immediately upon receipt of the return envelopes from the voters. The secretary of state may begin counting the votes at any time on the day of the presidential primary. No results may be compiled or released to the public until after 8:00 p.m. on election day. The secretary of state may use equipment designed for optical character recognition on an experimental basis for the purpose of processing and counting the ballots.*

*The secretary of state shall provide adequate staff to process and count the completed ballots. Any staff employed must receive training in counting ballots similar to that required for election judges. The county auditors shall provide assistance to the secretary of state in the recruitment and training of staff and in the processing and counting of the ballots.*

*Subd. 7. [VOTING ON ELECTION DAY.] Presidential primary ballots may be obtained and cast in person at the locations designated by the county auditor from 7:00 a.m. until 8:00 p.m. on election day. The county auditor shall verify that persons voting on election day have not already submitted a completed mail ballot.*

*Subd. 8. [REPORTING RESULTS.] The secretary of state shall prepare a report on the results of the presidential primary for the state canvassing board. The report must include statewide vote totals for each candidate.*

*Subd. 9. [CHALLENGES.] Any ballot and any voter casting a ballot may be challenged under rules adopted by the secretary of state.*

Sec. 2. Minnesota Statutes 1990, section 204C.14, is amended to read:  
204C.14 [UNLAWFUL VOTING; PENALTY.]

No individual shall intentionally:

(a) Misrepresent the individual's identity in applying for a ballot, depositing a ballot in a ballot box or attempting to vote by means of a voting machine or electronic voting system;

(b) Vote more than once at the same election;

(c) Put a ballot in a ballot box for any illegal purpose;

(d) Give more than one ballot of the same kind and color to an election judge to be placed in a ballot box;

(e) Aid, abet, counsel or procure another to go into any precinct for the purpose of voting in that precinct, knowing that the other individual is not eligible to vote in that precinct; or

(f) *By use of force or other means unduly influence a voter to vote in any particular manner or to refrain from voting in an election by mail; or*

(g) Aid, abet, counsel or procure another to do any act in violation of this section.

A violation of this section is a felony.

Sec. 3. [VOTER REGISTRATION COMBINED WITH DRIVER'S LICENSE APPLICATION.]

*By January 1, 1992, the secretary of state shall, in coordination and cooperation with the commissioner of public safety, develop a system for a single registration form to serve as a combined application for an original or change of address driver's license or state identification card and for voter registration.*

Sec. 4. [APPROPRIATION.]

*\$ . . . . . is appropriated from the general fund to the secretary of state to implement section 1. This appropriation is available until June 30, 1993.*

Sec. 5. [REPEALER.]

*Minnesota Statutes 1990, sections 207A.03, subdivision 1; and 207A.07, are repealed.*

Sec. 6. [EFFECTIVE DATE.]

*Section 2 is effective August 1, 1991, and applies to crimes committed on or after that date.*

## ARTICLE 2

### REDISTRICTING AMENDMENTS

Section 1. Minnesota Statutes 1990, section 204B.135, is amended by adding a subdivision to read:

*Subd. 3. [SPECIAL ELECTIONS; LIMITATIONS.] No municipality or school district may conduct a special election during the 19 weeks before*

*the state primary election in the year ending in two, except for special elections conducted on the date of the school district general election. A school district special election required by any other law may be deferred until the date of the next school district general election, the state primary election, or the state general election.*

Sec. 2. Minnesota Statutes 1990, section 204B.14, subdivision 3, is amended to read:

Subd. 3. [BOUNDARY CHANGES; PROHIBITIONS; EXCEPTION.] Notwithstanding other law or charter provisions to the contrary, during the period from January 1 in any year ending in seven to the time when the legislature has been redistricted in a year ending in two, no changes may be made in the boundaries of any election precinct except as provided in this subdivision.

(a) If a city annexes an unincorporated area located in the same county as the city and adjacent to the corporate boundary, the annexed area may be included in an election precinct immediately adjacent to it.

(b) A municipality or county may establish new election precincts lying entirely within the boundaries of any existing precinct and shall assign names to the new precincts which include the name of the former precinct.

(c) Precinct boundaries must be reestablished within 45 days of the time when the legislature has been redistricted, or by May 10 in a year ending in two, whichever comes first. *The adoption of reestablished precinct boundaries becomes effective on the date of the state primary election in the year ending in two.*

Precincts must be arranged so that no precinct lies in more than one legislative district.

Sec. 3. Minnesota Statutes 1990, section 204B.14, subdivision 4, is amended to read:

Subd. 4. [BOUNDARY CHANGE PROCEDURE.] Any change in the boundary of an election precinct shall be adopted at least 90 days before the date of the next election and shall not take effect until notice of the change has been posted in the office of the municipal clerk or county auditor for at least 60 days. Except in the case of the combination or separation of municipalities for election purposes under subdivision 8, the municipal clerk or county auditor shall notify each affected registered voter of the change in election precinct boundaries at least ~~30~~ 14 days prior to the first election held after the change takes effect.

*The county auditor must publish a notice illustrating or describing the congressional, legislative, and county commissioner district boundaries in the county in one or more qualified newspapers in the county at least 14 days prior to the first day to file affidavits of candidacy for the state general election in the year ending in two.*

*Alternate dates for adopting changes in precinct boundaries, posting notices of boundary changes, and notifying voters affected by boundary changes pursuant to this subdivision may be established in the manner provided in the rules of the secretary of state.*

Sec. 4. Minnesota Statutes 1990, section 204B.14, subdivision 6, is amended to read:

Subd. 6. [PRECINCT BOUNDARIES TO FOLLOW PHYSICAL FEATURES.] The boundaries of election precincts shall follow visible, clearly recognizable physical features. If it is not possible to establish the boundary between any two adjacent precincts along such features, the boundary around the two precincts combined shall be established *in the manner provided in the rules of the secretary of state* to comply with the provisions of this subdivision. The maps required by subdivision 5 shall clearly indicate which boundaries do not follow visible, clearly recognizable physical features.

For the purposes of this subdivision, "visible, clearly recognizable physical feature" means a street, road, boulevard, parkway, river, stream, shoreline, drainage ditch, railway right-of-way, or any other line which is clearly visible from the ground. A street or other roadway which has been platted but not graded is not a visible, clearly recognizable physical feature for the purposes of this subdivision.

Sec. 5. Minnesota Statutes 1990, section 204B.16, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY; LOCATION.] The governing body of each municipality and of each county with precincts in unorganized territory shall designate by ordinance or resolution a polling place for each election precinct. Polling places must be designated and ballots must be distributed so that no one is required to go to more than one polling place to vote in a school district and municipal election held on the same day. The polling place for a precinct in a ~~municipality~~ city or in a school district located in whole or in part in the metropolitan area defined by section 473.121 shall be located within the boundaries of the precinct or within ~~1,500~~ 3,000 feet of one of those boundaries unless a single polling place is designated for a city pursuant to subdivision 2 or a school district pursuant to section 205A.11. ~~The polling place for a precinct may be located up to 3,000 feet outside one of the boundaries of the precinct if necessary to locate a polling place that is accessible to and usable by elderly and handicapped individuals as required in subdivision 5.~~ The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct. If no suitable place is available within ~~the~~ a town or within a school district located outside the metropolitan area defined by section 473.121, then the polling place for a town or school district may be located outside the town or school district within five miles of one of the boundaries of the town or school district.

Sec. 6. Minnesota Statutes 1990, section 204B.16, subdivision 2, is amended to read:

Subd. 2. [SINGLE POLLING PLACE PERMITTED.] The governing body of any city of the third or fourth class having more than one precinct or of any city with territory in more than one county may by ordinance or resolution designate a single, accessible, centrally located polling place where all the voters of the city shall cast their ballots. *A single polling place may also be established for two precincts combined in the manner provided in section 204B.14, subdivision 6.* A single board of election judges may be appointed to serve at this polling place. The number of election judges appointed shall be determined by considering the number of voters in the entire city as if they were voters in a single precinct. Separate ballot boxes shall be provided and separate returns made for each precinct in the city.

Sec. 7. Minnesota Statutes 1990, section 205.84, subdivision 2, is amended to read:

Subd. 2. [REDEFINING WARD BOUNDARIES.] The governing body of the city may by ordinance redefine ward boundaries after a municipal general election. The council shall hold a public hearing on the proposed ordinance before its adoption. One week's published notice of the hearing shall be given. ~~Within six months~~ After the official certification of ~~each the~~ federal decennial or special census, the governing body of the city shall either confirm the existing ward boundaries as conforming to the standards of subdivision 1 or redefine ward boundaries to conform to those standards *as provided in section 204B.135, subdivision 1*. If the governing body of the city fails to take either action within the time required, no further compensation shall be paid to the mayor or council member until the wards of the city are either reconfirmed or redefined as required by this section. An ordinance establishing new ward boundaries ~~shall apply to the first election held at least six months after adoption of the ordinance pursuant to section 204B.135, subdivision 1, becomes effective on the date of the state primary election in the year ending in two. Ward boundaries established at other times become effective 90 days after the adoption of the ordinance.~~

Sec. 8. Minnesota Statutes 1990, section 205A.12, subdivision 6, is amended to read:

Subd. 6. [REDEFINING ELECTION DISTRICT BOUNDARIES.] The school board may by resolution redefine district boundaries after a school district general election. The board shall hold a public hearing on the proposed resolution before its adoption. One week's published notice of the hearing must be given. ~~Within six months~~ After the official certification of ~~each the~~ federal decennial or special census, the school board shall either confirm the existing election district boundaries as conforming to the standards of subdivision 4 or redefine election district boundaries to conform to those standards *as provided in section 204B.135, subdivision 2*. If the school board fails to take either action within the time required, no further compensation may be paid to the school board members until the districts are either reconfirmed or redefined as required by this section. A resolution establishing ~~original or new~~ election district boundaries ~~apply to the first election held at least six months after adoption of the resolution pursuant to section 204B.135, subdivision 2, becomes effective on the date of the state primary election in the year ending in two. Election district boundaries established at other times become effective 90 days after the adoption of the resolution.~~

## ARTICLE 3

### LOCAL GOVERNMENT ELECTION

#### Section 1. [LEGISLATIVE INTENT.]

*It is the intent of this act:*

(1) *to increase public interest and participation in local elections and to draw the attention of the public and the news media to local government issues by requiring local elections for elective office, except in towns, to be held on the Tuesday after the first Monday in November;*

(2) *to encourage more individuals to vote at local elections by permitting voters to cast their ballots in all local election contests, including school district, city, and county elections, at a single, convenient polling place;*

(3) *to encourage more individuals to seek local elective offices by establishing a uniform time for filing for office; and*

(4) to lower the administrative costs of local elections by reducing the frequency and increasing the uniformity of procedures for the election of local officers.

Sec. 2. [205.001] [LOCAL GOVERNMENT ELECTION DATES.]

*Subdivision 1. [ESTABLISHMENT.] Except as otherwise provided by this section, the general election for elective officers in the political subdivisions specified in subdivision 2 must be conducted on the first Tuesday after the first Monday in November of either the odd-numbered or even-numbered year. The governing body of each political subdivision specified in subdivision 2 shall designate by ordinance or resolution whether the general election for elective officers of that political subdivision must be held in the odd-numbered year, the even-numbered year, or annually. The clerk of the governing body of each political subdivision shall file with the county auditor of the county where the political subdivision is located, a notice of the year designated for the local government election in that political subdivision.*

*Subd. 2. [OFFICERS ELECTED.] The general election of the elective officers of every county, city, and school district, and the elective officers of every other political subdivision of the state, except towns, must be held at the local government election for the political subdivision next preceding the expiration of the officers' terms.*

*Subd. 3. [BOND ISSUE QUESTIONS.] A referendum authorizing the issuance of bonds must be held the first Tuesday after the first Monday in November, but a political subdivision may hold a bond issue referendum on another date if the political subdivision certifies that an emergency exists because the capital improvement for which the bond proceeds will be used was rendered unusable through natural disaster or vandalism. If the capital improvement is an educational facility, the political subdivision shall certify this emergency finding to the commissioner of education before scheduling the emergency bond issue election. For other capital improvements, the political subdivision shall certify the emergency finding to the secretary of state before scheduling the emergency bond issue election. In addition, a school district may hold an emergency bond issue election on another date if the school district requests and receives certification of the commissioner of education that rapidly expanding enrollment in the district constitutes an emergency that warrants an election on another date.*

*Subd. 4. [PRIMARY.] A primary election must be held by each political subdivision specified in subdivision 2 on the first Tuesday after the second Monday in September of the year in which the political subdivision holds its local government election, to select the nominees for the offices to be filled at the local government election, except for municipal offices in municipalities of less than 2,500 inhabitants.*

*No primary may be held to select candidates for a nonpartisan office if only two persons file for nomination for that office, or if not more than twice the number of persons to be elected file for nomination for that office.*

*Subd. 5. [PLACE OF ELECTION.] The election precincts and polling places for elections held at the local government election must be those established according to sections 204B.14 to 204B.17. Ballots must be distributed and available so that no voter is required to vote in more than one polling place in order to vote in every election in which the voter is eligible to vote at the local government election.*



*Subd. 6. [HOURS FOR VOTING.] The hours for voting in a precinct in which an election is held under this section must be as provided in section 204C.05 for the state general election and the state primary.*

*Subd. 7. [TIME FOR FILING.] If a primary is required for nomination of candidates for an office to be filled at the local government election, the time for filing an affidavit, application, petition, or other document required to place an individual's name on the ballot at the local government election must begin ten weeks before the primary election day and conclude eight weeks before that day. If no primary is required, the time for filing must commence ten weeks before the local government election and conclude eight weeks before that day.*

*Subd. 8. [WITHDRAWAL OF CANDIDACY.] A candidate for an office to be filled at the local government election may withdraw the candidacy for that office not later than 5:00 p.m. on the day after the close of the filing period. Affidavits of withdrawal must be filed with the officer who receives affidavits of candidacy for that office.*

*Subd. 9. [INTENT; OTHER LAWS AND CHARTERS SUPERSEDED.] It is the intent of this section to establish that the election of all officers described in subdivision 2 must occur at the times and in the manner provided in this section. To the extent inconsistent with this intent, general and special laws and municipal charter provisions providing otherwise are superseded. In all other respects, those laws and charter provisions continue in force and effect.*

*No general or special law enacted after August 1, 1991, may be construed to authorize or require that the election of officers described in subdivision 2 be held at a time or in a manner different from that required by this section, unless that law expressly provides for an exception by specific reference to this section.*

## ARTICLE 4

### ELECTION LAWS; LOCAL GOVERNMENT ELECTIONS

#### Section 1. [205.003] [NOTICE OF OFFICES TO BE FILLED; COUNTIES, CITIES, AND SCHOOL DISTRICTS.]

*No later than 15 days before the first day for filing affidavits of candidacy for offices to be filled at a local government election, each county auditor and each school district, hospital district, and soil and water conservation district clerk, and each municipal clerk of a municipality subject to article 3, section 2, shall prepare, post in each respective office, and publish a notice specifying the officers whose certificates of election were issued by the office of that auditor or clerk and who are to be voted on at the next local government election for the respective political subdivision. The notice must also state the opening and closing dates for filing affidavits and the place for filing. Immediately upon preparation, the county auditor and school district, hospital district, and soil and water conservation district clerks shall deliver copies of the notice to the clerk of each municipality in the county or district. The clerk of each municipality shall post in the clerk's office copies of the notices delivered to the clerk under this section.*

#### Sec. 2. [205.005] [COORDINATION OF LOCAL ELECTIONS; DUTIES OF LOCAL ELECTION OFFICIALS AND THE SECRETARY OF STATE.]

*Subdivision 1. [DUTIES OF OFFICIALS.] In order to effectively coordinate the various elections held at a local government election, all local*

*election officials of political subdivisions subject to article 3, section 2, including county auditors, municipal clerks, and clerks of school, hospital, and other special purpose districts shall cooperate with one another and with the secretary of state in the manner required by the rules of the secretary of state adopted under subdivision 2.*

*Subd. 2. [ADOPTION OF RULES.] By January 1, 1993, the secretary of state shall adopt rules to facilitate the coordination of the various elections held at the local government election each year. The rules must provide:*

*(1) standards and guidelines to aid those municipalities, counties, school districts, and other political subdivisions that are subject to article 3, section 2, in allocating election costs, designating boundaries for election purposes, and administering elections in precincts split by an election district boundary;*

*(2) requirements and procedures for preparation by county auditors and municipal clerks of precinct maps or precinct finders that indicate the boundary and district number of each school district and each school district election district in the precinct and that enable the judges in a precinct with more than one district to determine the district in which a voter residing in the precinct is entitled to vote;*

*(3) a procedure to be followed by local elections officials to ensure that the number of the school district in which the voter resides is placed on every voter registration card in the manner and by the time required in article 5, sections 2 and 4;*

*(4) procedures for efficient distribution of sample and official school district ballots to the polling places; and*

*(5) procedures for resolving disputes regarding the conduct of elections between municipalities, counties, school districts, and other political subdivisions subject to article 3, section 2.*

*Subd. 3. [PREPARATION OF LOCAL ELECTION BOOKLET.] By January 1, 1993, and every two years after that date, the secretary of state shall prepare a booklet for distribution to local election officials containing election laws that are applicable to elections held at a local government election.*

*Sec. 3. Minnesota Statutes 1990, section 205.02, subdivision 2, is amended to read:*

*Subd. 2. [CITY ELECTIONS.] In all statutory and home rule charter cities, the primary, general and special elections held for choosing city officials and deciding public questions relating to the city shall be held as according to the statutes governing the state general election and the primary preceding the state general election as far as practicable, except as otherwise provided in this chapter, ~~except that this section and sections 205.065, subdivisions 2 to 7, 205.07 to 205.121, and 205.175 and 205.185 do not apply to a city whose charter provides the manner of holding its primary, general or special elections.~~*

*Sec. 4. [205.125] [OPTIONAL PRIMARY.]*

*The governing body of a municipality subject to article 3, section 2, that has less than 2,500 inhabitants may elect by ordinance or resolution to hold a municipal primary on the date designated by the governing body under article 3, section 2. An ordinance or resolution under this section must be*

*adopted at least 16 weeks before the primary day and must be effective for all ensuing elections until revoked. The governing body of the municipality shall file a copy of the ordinance or resolution with the secretary of state.*

Sec. 5. [205.165] [SAMPLE BALLOTS AT EACH POLLING PLACE.]

*For every election held within a municipality, the municipal clerk shall cause to be posted in each polling place a sample of every ballot to be voted upon at that polling place, including a sample of the state, county, city, school district, or other ballot that may be voted upon.*

Sec. 6. Minnesota Statutes 1990, section 205.185, subdivision 2, is amended to read:

Subd. 2. [ELECTION, CONDUCT.] A municipal primary and general election shall be by secret ballot and shall be held and the returns made in the manner provided for the state general election and the primary election preceding the state general election, so far as practicable.

Sec. 7. Minnesota Statutes 1990, section 205.185, is amended by adding a subdivision to read:

Subd. 2a. [PRIMARY ELECTION RESULTS.] *Within two days after the municipal primary election, the governing body of the municipality shall canvass the returns of the election, and the two candidates for each office who receive the highest number of votes, or a number of candidates equal to twice the number of persons to be elected to the office and who receive the highest number of votes, are the nominees for the office named. If a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the governing body shall determine the result by lot. The names of the nominees must be certified to the municipal clerk who shall place them on the municipal general election ballot without payment of an additional fee.*

Sec. 8. Minnesota Statutes 1990, section 205.185, subdivision 3, is amended to read:

Subd. 3. [CANVASS OF RETURNS, CERTIFICATE OF ELECTION, BALLOTS, DISPOSITION.] *Within two days after ~~an~~ the municipal general election, the governing body shall canvass the returns and declare the results of the election. After the time for contesting elections has passed, the municipal clerk shall issue a certificate of election to each successful candidate. In case of a contest, the certificate shall not be issued until the outcome of the contest has been determined by the proper court. In case of a tie vote, the governing body shall determine the result by lot. The clerk shall certify the results of the election to the county auditor, and the clerk shall be the final custodian of the ballots and the returns of the election.*

Sec. 9. [205.201] [COUNTY ELECTIONS.]

*Except as otherwise provided in this chapter, the statutes governing the state general election and the primary preceding the state general election govern the primary and general election for county officers.*

Sec. 10. [205.208] [HOSPITAL DISTRICT ELECTIONS.]

*Subdivision 1. [APPLICABLE STATUTES.] Except as otherwise provided in this chapter, the statutes governing the general election and the primary preceding the general election govern hospital district elections, as far as practicable.*

*Subd. 2. [APPLICATION FOR CANDIDACY.] Any person desiring to be a candidate for member of a hospital board shall file with the clerk of the town or city in which the person resides an affidavit of candidacy as a member at large or member representing the town or city. Affidavits must be substantially in the same form as required for municipal elections and be filed during the time for filing prescribed by article 3, section 2, subdivision 7. The clerk of the town or city shall transmit all affidavits of candidacy for member at large or member representing the town or city to the clerk of the district.*

*Subd. 3. [PREPARATION OF BALLOTS.] The district clerk shall certify to the municipal clerk the names of the candidates for nomination and election as members representing the town or city and members at large. The municipal clerk shall place the names of the candidates for nomination or election as members representing the town or city or members at large on the town or city light green ballot. The hospital district shall reimburse the town or city for its pro rata share of the cost of preparing the light green ballot, as provided in the rules of the secretary of state.*

*Subd. 4. [ELECTION RETURNS.] For the primary and the general election, each clerk of the district shall supply to the clerk of each town and city in the district a number of blank summary statements sufficient for recording the results of the hospital district election in each precinct. Summary statements must be prepared in the manner required by the secretary of state. After counting the votes, the election judges in each precinct shall complete a summary statement supplied by the district and shall submit the completed statement to the clerk of the town or city in which the precinct is located. The clerk of each town and city shall transmit the hospital district election summary statements to the clerk of the district within 48 hours after the closing of the polls.*

*Subd. 5. [CANVASSING OF RESULTS.] Upon receiving the completed summary statements containing the primary election results, the hospital board shall immediately canvass the results of the primary election and certify the names of the candidates to appear on the hospital district general election ballot. If a tie vote causes more candidates than may be nominated to an office to receive the highest number of votes, the board shall determine the result by lot. Upon receiving the summary statements containing the general election results, the board shall immediately canvass the results and issue certificates of election to the candidates receiving the highest number of votes for each office. The clerk shall deliver a certificate to the person entitled to it in person or by registered mail, and each certified person shall file an acceptance and oath of office in writing with the clerk within 30 days after the date of delivery or mailing of the certificate. In a hospital district created under section 447.31, the board may fill an office under section 447.32, subdivision 1, if the person elected to the office fails to qualify within the 30-day period, but the qualification of the person elected is effective if made at any time before action to fill the vacancy has been taken.*

*Subd. 6. [APPLICATION.] The election procedures in this section apply to hospital districts created under section 397.05 or 447.31.*

## ARTICLE 5

### ELECTION LAWS; GENERAL PROVISIONS

Section 1. Minnesota Statutes 1990, section 200.02, is amended by adding a subdivision to read:

*Subd. 2a. [LOCAL GOVERNMENT ELECTION.] "Local government election" means the general election of elective officers of every county, city, and school district and the elective officers of every other political subdivision of the state, except for towns, that is held on the first Tuesday after the first Monday in November, as designated under article 3, section 2, subdivision 1.*

Sec. 2. Minnesota Statutes 1990, section 201.071, subdivision 1, is amended to read:

Subdivision 1. [FORM.] Registration cards shall be of suitable size and weight for mailing, and shall contain the following information in substantially the following form:

### VOTER REGISTRATION CARD

(Please print or type)

- Date: ..... School District No. ....
1. Name: .....  
                     Last                                      First                                      Middle Initial
2. Address: .....  
                     Street or Route No. ....  
                     City (or Township) ..... County ..... Zip .....
3. Telephone Number: .....
4. Date of birth: .....  
                             Month: ..... Day: ..... Year: .....
5. Last registration if any .....  
   Street or Route Number .....  
                     ..... None .....  
   City (or Township) ..... Zip .....
6. I certify that I will be at least 18 years old on election day and am a citizen of the United States, that I reside at the address shown and will have resided in Minnesota for 20 days immediately preceding election day, and that I am not under guardianship of the person, have not been found by a court to be legally incompetent to vote, and have not been convicted of a felony without having my civil rights restored. I understand that giving false information to procure a registration is a felony punishable by not more than five years imprisonment and a fine of not more than \$10,000, or both.

.....  
   Signature of Voter

Sec. 3. Minnesota Statutes 1990, section 201.071, subdivision 3, is amended to read:

Subd. 3. [DEFICIENT REGISTRATION.] No registration is deficient if it contains the voter's name, address, date of birth, prior registration if any and signature. The absence of a zip code number or school district number does not cause the registration to be deficient. The election judges shall request an individual to correct a registration card if it is deficient or illegible or if the name or number of the voter's school district is missing or obviously incorrect. No eligible voter may be prevented from voting unless the voter's

registration card is deficient or the voter is duly and successfully challenged in accordance with section 201.195 or 204C.12.

A registration card accepted prior to August 1, 1983, is not deficient for lack of date of birth. The county or municipality may attempt to obtain the date of birth for a registration card accepted prior to August 1, 1983, by a request to the voter at any time except at the polling place. Failure by the voter to comply with this request does not make the registration deficient.

Sec. 4. Minnesota Statutes 1990, section 201.071, subdivision 8, is amended to read:

Subd. 8. [SCHOOL DISTRICT ASSISTANCE.] School districts shall assist county auditors in determining the school district in which a voter resides. *Voter registration cards on file on and after January 1, 1991, must have the number of the school district in which the voter resides recorded on the card and in the data base of the central registration system.*

Sec. 5. Minnesota Statutes 1990, section 203B.06, subdivision 3, is amended to read:

Subd. 3. [DELIVERY OF BALLOTS.] If an application for absentee ballots is accepted at a time when absentee ballots are not yet available for distribution, the county auditor, or municipal clerk accepting the application shall file it and as soon as absentee ballots are available for distribution shall mail them to the address specified in the application. If an application for absentee ballots is accepted when absentee ballots are available for distribution, the county auditor or municipal clerk accepting the application shall promptly:

(a) Mail the ballots to the voter whose signature appears on the application if the application is submitted by mail; or

(b) Deliver the absentee ballots directly to the voter if the application is submitted in person.

If an application does not indicate the election for which absentee ballots are sought, the county auditor or municipal clerk shall mail or deliver only the ballots for the next election occurring after receipt of the application. Only one set of ballots may be mailed to an applicant for any election.

This subdivision does not apply to applications for absentee ballots received pursuant to sections 203B.04, subdivision 2, and 203B.11. *The auditor or municipal clerk is not required to mail or deliver a school district ballot to an applicant if the auditor or clerk cannot determine the school district in which the applicant resides.*

Sec. 6. Minnesota Statutes 1990, section 204B.14, is amended by adding a subdivision to read:

Subd. 1a. [COORDINATION WITH SCHOOL DISTRICTS.] *In the course of developing precinct boundaries, the governing body shall take into account the boundaries of each school district and the boundaries of election districts, if any, within each school district located within the municipality, and shall consult with the board of each of those school districts and each municipality which includes territory of those school districts before taking final action on designating the precinct boundaries.*

Sec. 7. Minnesota Statutes 1990, section 204B.18, is amended by adding a subdivision to read:

*Subd. 3. [SAMPLE BALLOTS.] Each polling place must be provided with a sample ballot for every ballot to be voted upon at that polling place. The sample ballots must be posted in a prominent place in the polling place and be open to inspection by the voters during the time that the polling place is open.*

Sec. 8. Minnesota Statutes 1990, section 204D.02, subdivision 1, is amended to read:

*Subdivision 1. [OFFICERS.] All elective state and county officers, justices of the supreme court, judges of the court of appeals, district, county and county municipal courts, state senators and state representatives, and senators and representatives in congress shall be elected at the state general election held in the year before their terms of office expire. Presidential electors shall be chosen at the state general election held in the year before the expiration of a term of a president of the United States. County officers must be elected at the local government election for their respective counties; but, except as otherwise provided in chapter 205, the statutes governing the state general election and the primary preceding the state general election govern the primary and general election of county officers.*

Sec. 9. Minnesota Statutes 1990, section 204D.02, subdivision 2, is amended to read:

*Subd. 2. [TERM OF OFFICE.] The term of office of all elective state and county, city, and school district officers and of every officer of any political subdivision of the state, except towns, shall begin on the first Monday in January of the odd-numbered year following their election.*

Sec. 10. Minnesota Statutes 1990, section 204D.11, subdivision 5, is amended to read:

*Subd. 5. [BALLOT HEADINGS.] The white, pink and special federal white ballot shall be headed with the words "State General Election Ballot." The canary ballot shall be headed with the words "County and Judicial District Nonpartisan General Election Ballot."*

Sec. 11. Minnesota Statutes 1990, section 204D.16, is amended to read:

204D.16 [SAMPLE GENERAL ELECTION BALLOTS; POSTING; PUBLICATION.]

*Two weeks before the state general election at which the white, pink, or canary ballots are to be cast, the county auditor shall prepare sample copies of the white and canary ballots each ballot to be cast and shall post copies of these sample ballots and a sample of the pink ballot in the auditor's office for public inspection. No earlier than 15 days and no later than two days before the state general election the county auditor shall cause the sample white and canary ballots each ballot to be published in at least one newspaper of general circulation in the county. The auditor shall also supply each municipal clerk in the county with a sufficient number of samples of the white ballot and, before the local government election, the canary ballot, so that one copy of each sample ballot may be posted at each polling place in every municipality in the county. The county auditor shall cause to be posted in each polling place in an unorganized territory in the county a sample ballot of every ballot to be voted upon at that polling place, including a sample school district ballot.*

Sec. 12. Minnesota Statutes 1990, section 205.13, subdivision 6, is amended to read:

Subd. 6. [WITHDRAWAL.] A candidate for a municipal elective office may withdraw from the election by filing an affidavit of withdrawal with the municipal clerk by ~~12 o'clock noon~~ **5:00 p.m.** of the day after the last day for filing affidavits of candidacy. Thereafter, no candidate may file an affidavit of withdrawal.

Sec. 13. Minnesota Statutes 1990, section 205A.02, is amended to read:  
205A.02 [ELECTION LAW APPLICABLE.]

Except as provided in this chapter, the Minnesota election law applies to school district elections, as far as practicable. ~~Elections in common school districts shall be governed by section 123.11.~~

Sec. 14. Minnesota Statutes 1990, section 205A.06, subdivision 5, is amended to read:

Subd. 5. [WITHDRAWAL.] A candidate for a school district elective office may withdraw from the election by filing an affidavit of withdrawal with the school district clerk by ~~12:00 noon~~ **5:00 p.m.** of the day after the last day for filing affidavits of candidacy. After that date, no candidate may file an affidavit of withdrawal.

## ARTICLE 6

### ORGANIC LAWS; SOIL AND WATER CONSERVATION DISTRICTS, SCHOOL DISTRICTS, PARK DISTRICTS, HOSPITAL DISTRICTS, COUNTIES, COUNTY AND MUNICIPAL COURTS, HOME RULE CHARTER CITIES

Section 1. Minnesota Statutes 1990, section 122.23, subdivision 12, is amended to read:

Subd. 12. The school board shall determine the date of the election, the number of boundaries of voting precincts, and the location of the polling places where voting shall be conducted, and the hours the polls will be open. The school board shall also provide official ballots which shall be used exclusively and shall be in the following form:

For consolidation . . . . .

Against consolidation . . . . .

The school board shall appoint three election judges for each polling place who shall act as clerks of election. ~~The school board may pay these election judges not to exceed \$1 per hour. The election judges must be compensated as provided in section 204B.31.~~ The ballots and results shall be certified to the school board who shall canvass and tabulate the total vote cast for and against the proposal.

Sec. 2. Minnesota Statutes 1990, section 122.23, subdivision 17, is amended to read:

Subd. 17. If all of the territory of one and only one independent district maintaining a secondary school is included in the new independent district, the board of that previously existing independent district shall assume the duties and responsibilities of the board of the newly organized district for the balance of the term to which the members were elected. At the next ~~annual~~ *school district general* election the successors to the members whose terms



then expire shall be elected by the legally qualified voters of the newly organized district. Thereafter, board members shall be elected according to the election procedure established for the election of board members in independent districts.

Sec. 3. Minnesota Statutes 1990, section 122.23, subdivision 18, is amended to read:

Subd. 18. (a) If no board is provided for under the foregoing provision, upon receipt of the assigned identification number, the county auditor shall determine a date, not less than 20 nor more than 60 days from the date of the receipt of the assigned identification number, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: ~~two~~

*(1) for school districts that designated biennial elections under article 3, section 2, three until the July 1 one year after the effective date of the consolidation; two until the expiration of one year from said July 1; and two until the expiration of two years from said July 1, to hold first Monday in January following the next school district general election and three until the first Monday in January following the second succeeding school district general election; and*

*(2) for school districts that designated annual elections under article 3, section 2, three until the first Monday in January following the second succeeding annual school district election, and three until the first Monday in January following the third succeeding annual school district election. A member holds office until a successor is elected and qualifies according to provisions of law governing the election of board members in independent districts. If the resolution or petition for consolidation pursuant to subdivision 2 proposed that the board of the newly created district consists of seven members, then seven members shall be elected at this election for the terms provided in this clause except that ~~three~~ four members shall hold office until the expiration of two years from ~~said July 1~~ the first Monday in January following the next school district general election for school districts with biennial elections. For school districts of seven members with annual elections, two members shall hold office until the expiration of two years from the first Monday in January following the next annual election, and two members shall hold office until the expiration of three years from the first Monday in January following the second succeeding annual election. If the resolution or petition for consolidation pursuant to subdivision 2 proposed the establishment of separate election districts, these members shall be elected from separate election districts according to the provisions of that resolution or petition and of chapter 205A.*

(b) The county auditor shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one weeks' published notice shall be given. The notice shall specify the time, place, and purpose of the election.

(c) ~~The county may pay the election judges not to exceed \$1 per hour for their services. Election judges must be compensated in the manner provided in section 204B.31.~~

(d) Any person desiring to be a candidate for a school election shall file an ~~application~~ affidavit of candidacy with the county auditor to have the applicant's name placed on the ballot for such office, specifying the term

for which the ~~application affidavit~~ is made. The ~~application affidavit~~ shall be filed ~~not less than 12 days before the election~~ *during the period specified in article 3, section 2, subdivision 7.*

(e) The county auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county auditor shall determine the number of voting precincts and the boundaries of each. The county auditor shall determine the location of polling places and the hours the polls shall be open and shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

(f) After making a canvass and tabulation, the county auditor shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. The county auditor shall deliver such certificate to the person entitled thereto by certified mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(g) The board of each district included in the new enlarged district shall continue to maintain school therein until the effective date of the consolidation. Such boards shall have power and authority only to make such contracts, to do such things as are necessary to maintain properly the schools for the period prior to that date, and to certify to the county auditor according to levy limitations applicable to the component districts the taxes collectible in the calendar year when the consolidation becomes effective.

(h) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or schools of the new district for the next school year, to enter into the necessary negotiations and contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes, when authorized by the voters to issue bonds under the provisions of chapter 475; and on the effective date of the consolidation to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district. The obligations of the new board to teachers employed by component districts shall be governed by the provisions of section 122.532.

Sec. 4. Minnesota Statutes 1990, section 122.25, subdivision 2, is amended to read:

Subd. 2. At the annual meeting, if a majority of the votes cast on the question favors the conversion to an independent district, a board of six members shall be elected. Nominations may be made from the floor of the meeting

and election shall be by secret ballot. All board members elected at this meeting shall serve for terms expiring on the ~~third Tuesday in May next~~ *first Monday in January* following the ~~next biennial school district general election on which date a regular annual election shall be held in the manner provided by law or following the second succeeding annual school district general election.~~ *At this first annual the next school district general election for independent districts*, six directors shall be elected, ~~two three~~ to hold office until *July 1 the first Monday in January* following the next ~~annual school district general election~~, two to hold office ~~until the expiration of one year from said July 1 and two to hold office until the expiration of two years from said July 1 for a term of two years and three for a term of four years;~~ the time which each director shall hold office being designated on the ballot.

Sec. 5. Minnesota Statutes 1990, section 123.34, subdivision 1, is amended to read:

Subdivision 1. Within ten days after the election of the first board in independent districts and annually thereafter on ~~July 1 the first Monday in January~~, or as soon thereafter as practicable, the board shall meet and organize by selecting a chair, clerk, and a treasurer, who shall hold their offices for one year and until their successors are selected and qualify. The persons who perform the duties of the clerk and treasurer need not be members of the board and the board by resolution may combine the duties of the offices of clerk and treasurer in a single person in the office of business affairs. They may appoint a superintendent who shall be ex officio a member of the board, but not entitled to vote therein. ~~In districts in which board members are elected at the general election in November, the annual meeting of the board shall be held on the first Monday of January or as soon thereafter as practicable.~~

Sec. 6. Minnesota Statutes 1990, section 123.351, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] Two or more independent school districts may enter into an agreement to establish a cooperative center to provide for vocational education and other educational services upon the vote of a majority of the full membership of each of the boards of the districts entering into the agreement. When a resolution approving this action has been adopted by the board of a district, the resolution shall be published once in a newspaper of general circulation in the district. If a petition for referendum on the question of the district entering into the agreement, containing signatures of qualified voters of the district equal to five percent of the number of voters at the last school district general election, is filed with the clerk of the board within 60 days after publication of the resolution, the board shall not enter into the agreement until the question has been submitted to the voters of the district at a ~~special~~ *the next school district general election*. This election shall be conducted and canvassed in the same manner as school district general elections. If a majority of the total number of votes cast on the question within the district is in favor of the proposition, the board may enter into an agreement to establish the center for purposes described in this section.

Sec. 7. Minnesota Statutes 1990, section 123.351, subdivision 3, is amended to read:

Subd. 3. [GOVERNING BOARD.] (a) The center shall be operated by a center board of not less than five members which shall consist of members from school boards of each of the participating school districts within the center, appointed by their respective school boards. Each participating

school district shall have at least one member on the board. The board shall choose an administrative officer to administer board policy and directives who shall serve as an ex officio member of the board but shall not have a vote.

(b) The terms of office of the first members of the board shall be determined by lot as follows: one-third of the members for one year, one-third for two years, and the remainder for three years, all terms to expire on ~~June 30~~ *the first Monday in January* of the appropriate year; provided that if the number of members is not evenly divisible by ~~three~~ *two*, the membership will be as evenly distributed as possible among one, two and three year terms with the remaining members serving the three year term. Thereafter the terms shall be for three years commencing on ~~July 1~~ *the first Monday in January of each the appropriate year*. If a vacancy occurs on the center board, it shall be filled by the appropriate school board within 90 days. A person appointed to the center board shall qualify as a board member by filing with the chair a written certificate of appointment from the appointing school board.

(c) The first meeting of a center board shall be at a time mutually agreed upon by board members. At this meeting, the center board shall choose its officers and conduct any other necessary organizational business. Thereafter the center board shall meet on the first of ~~July~~ *Monday in January* of each year or as soon thereafter as practicable pursuant to notice sent to all center board members by the chief executive officer of the center.

(d) The officers of the center board shall be a chair, vice-chair, clerk and treasurer, no two of whom when possible shall be from the same school district. The chair shall preside at all meetings of the center board except in the chair's absence the vice-chair shall preside. The clerk shall keep a complete record of the minutes of each meeting and the treasurer shall be the custodian of the funds of the center. Insofar as applicable, sections 123.33 and 123.34, shall apply to the board and officers of the center.

(e) Each participating school district shall have equal voting power with at least one vote. A majority of the center board shall be a quorum. Any motion other than adjournment shall pass only upon receiving a majority of the votes of the entire center board.

Sec. 8. Minnesota Statutes 1990, section 128.01, subdivision 3, is amended to read:

Subd. 3. [STAGGERED ELECTIONS.] Three school board members are elected at one ~~state~~ *school district* general election and two are elected at the next ~~state~~ *school district* general election.

Sec. 9. Minnesota Statutes 1990, section 375.03, is amended to read:

375.03 [TERM OF COMMISSIONERS.]

In each new county, and in each county that has an increase of the number of commissioners, a commissioner shall be elected *at the next county general election* from each odd-numbered district for a term of two years, and from each even-numbered district for a term of four years. Thereafter all commissioners shall be elected for a term of four years, except that elections to fill vacancies shall be for the unexpired term only. In counties having a population of more than 150,000, every commissioner, before beginning duties, shall give bond to the state in the sum of \$10,000, with a legally authorized surety company as surety, conditioned for the faithful performance of official

duties. The bond shall be approved by a judge of the district court, and together with the oath of office and certificate of election, be filed with the county recorder. The premium on the bond shall not exceed that prescribed by law for county treasurers, and shall be paid by the county.

Sec. 10. Minnesota Statutes 1990, section 375.101, is amended by adding a subdivision to read:

*Subd. 1a. [MANNER OF FILING.] A vacancy must be filled by the board of commissioners. If the vacancy occurs before the first day to file affidavits of candidacy for the next county general election and more than two years remain in the unexpired term, a special election must be held at the next county general election and the appointed person shall serve until the qualification of the successor elected at that special election to fill the unexpired portion of the term. If the vacancy occurs on or after the first day to file affidavits of candidacy for the county general election or when less than two years remain in the unexpired term, there must be no special election to fill the vacancy and the appointed person shall serve until the qualification of a successor elected at the next county general election.*

Sec. 11. Minnesota Statutes 1990, section 382.01, is amended to read:

**382.01 [OFFICERS ELECTED; TERMS.]**

~~In every county in this state there shall be elected at the general election in 1918 a~~ *The election of the county auditor, a county treasurer, sheriff, county recorder, county attorney, and coroner, and surveyor, if elected, must be held at the local government election designated under article 3, section 2.*

The terms of office of these officers shall be four years and shall begin on the first Monday in January next succeeding their election. They shall hold office until their successors are elected and qualified. ~~These offices shall be filled by election every four years thereafter.~~

Sec. 12. Minnesota Statutes 1990, section 397.06, is amended to read:

**397.06 [DISTRICT HOSPITAL BOARDS.]**

The board or boards of county commissioners may also authorize and direct the construction and equipment of a district hospital in any such district, to be constructed, equipped and operated under the supervision of a district hospital board comprising one member from each city and town in the district elected by the voters at the ~~respective regular local elections thereof~~ *election held at the local government election designated under article 3, section 2, for a term of three four years or until a successor has been elected and has qualified, commencing on the first day of April next Monday in January following the election. When the district is first created, the governing body of each such city and town shall appoint a member of the board to serve until the commencement of the term of a successor. Thereafter whenever a vacancy occurs, the governing body of the city or town affected shall appoint a member to serve until April 1 the first Monday in January following the next regular municipal or town local government election day, when a successor shall be elected for a full three-year four-year term. Procedures for election of board members must be as provided in article 4, section 10.*

Sec. 13. Minnesota Statutes 1990, section 397.07, is amended to read:

**397.07 [ANNUAL MEETINGS OF BOARDS.]**

The annual meetings of the hospital board shall be in ~~April~~ *January* of

each year, at which time the members shall elect from among themselves a chair and a clerk for a term of one year.

Sec. 14. Minnesota Statutes 1990, section 398.04, is amended to read:  
398.04 [ELECTION OF COMMISSIONERS.]

Except in the case of the first boards and when vacancies occur before the expiration of a term, park district commissioners shall be elected without party designation at the same time and in the same manner as county commissioners. In single county park districts the three commissioners at large shall be elected by all the qualified voters in the park district while the successors in office to the four commissioners representing the four election districts, whether appointed, candidates for election or elected, must reside when appointed or elected and while serving, in the election district which they represent and shall be elected by the qualified voters residing in such district. Park district commissioners shall be elected for terms of four years or until their respective successors are elected and qualify, except where a commissioner is being elected to finish out an unexpired term when election shall be for the balance of such term. Vacancies resulting from the death, resignation or removal of a commissioner shall be filled by appointment by the board of county commissioners, such appointment to be effective only until the first Monday in January following the next *county* general election or until a successor has been elected and qualifies for office. The four commissioners representing the election districts shall be elected at the first *county* primary and general elections after the activation of the district and each four years thereafter and the commissioners elected at large shall be elected at the second *county* primary and general election after such activation and each four years thereafter. The terms of elected commissioners shall commence on the first Monday in January following their election.

Sec. 15. Minnesota Statutes 1990, section 410.21, is amended to read:  
410.21 [APPLICATION OF GENERAL ELECTION LAWS.]

*Except as otherwise provided in article 3, section 2, the provisions of any charter of any such city adopted pursuant to this chapter shall be valid and shall control as to nominations, primary elections, and elections for municipal offices, notwithstanding that such charter provisions may be inconsistent with any general law relating thereto, and such general laws shall apply only in so far as consistent with such charter.*

Sec. 16. Minnesota Statutes 1990, section 412.02, subdivision 2, is amended to read:

Subd. 2. Terms of elective officers shall commence on the first ~~business day~~ Monday of January following the election at which the officer is chosen. All officers chosen and qualified as such shall hold office until their successors qualify.

Sec. 17. Minnesota Statutes 1990, section 412.021, subdivision 2, is amended to read:

Subd. 2. [OFFICERS TO BE ELECTED.] There shall be elected at the election a mayor for a term expiring the first ~~business day~~ Monday of January ~~of following the next odd-numbered year~~ first local government election for the city, and four or six council members, for terms so arranged that half expire the first ~~business day~~ Monday of January ~~of following the next odd-numbered year~~ first local government election for the city and half the first ~~business day~~ Monday of January ~~of following the second odd-numbered year~~

*local government election for the city.* No candidate for council member shall run for a particular term but the number of years in the term of each successful candidate shall be determined by the relative standing among the candidates for office, the longest terms going to the half of the elected candidates who received the highest number of votes. ~~If the election occurs in the last four months of the even-numbered year, no election shall be held in the city on the annual city election day that year, and the next following year shall be disregarded in fixing the expiration of terms of officers chosen under this subdivision at the initial election.~~

Sec. 18. Minnesota Statutes 1990, section 412.571, subdivision 5, is amended to read:

Subd. 5. [ABANDONMENT; INCUMBENT CLERK AND TREASURER TRANSITION.] When any optional plan is abandoned and the standard form of city government is resumed, the office of clerk, or clerk-treasurer shall remain appointive until the first ~~business day of Monday~~ in January following the next ~~regular city municipal general~~ election and the office of treasurer, if there is no clerk-treasurer, shall remain appointive until the first ~~business day of Monday~~ in January following the first subsequent ~~city municipal general~~ election at which the clerk is not elected; and the successor to the incumbent clerk, clerk-treasurer, and treasurer shall be chosen at the ~~regular city municipal general~~ election immediately preceding the January in which the office becomes elective.

Sec. 19. Minnesota Statutes 1990, section 447.32, subdivision 1, is amended to read:

Subdivision 1. [TERMS OF OFFICE.] Each hospital district shall be governed by a hospital board composed of one member elected from each city and town in the district and one member elected at large. A member's term of office is four years and until a successor qualifies. At the first election, however, members must be elected for terms set by the governing body calling the election, so that half the terms, as nearly as may be, expire on ~~December 31~~ *the first Monday in January* of the next even-numbered year and the remaining terms expire two years from that date. After that, before a member's term expires, a new member shall be elected for a term of four years from the expiration date.

If a member dies, resigns, fails to qualify, or moves from the hospital district, a successor may be appointed by a majority of the remaining members of the board. The successor shall hold office until ~~December 31~~ *the first Monday in January* after the next ~~regular~~ hospital district *general* election. At the election a successor must be elected to fill the unexpired term.

When an additional city or town is annexed to the district, in accordance with section 447.36, its governing body shall by resolution appoint a member to the board. The member shall hold office until ~~December 31~~ *the first Monday in January* after the next ~~regular~~ hospital district *general* election. At the election a successor must be elected for a term of either two or four years, to be set by the hospital board so that the number of members of the board whose terms expire in any later year will not exceed one-half of the members plus one.

Sec. 20. Minnesota Statutes 1990, section 447.32, subdivision 2, is amended to read:

Subd. 2. [ELECTIONS.] ~~Regular elections~~ *A general election* must be held

in each hospital district at the ~~same time~~ *local government election day designated by the hospital board*, in the same election precincts, and at the same polling places as general elections of state and county officers. ~~Alternatively, the hospital board may by resolution fix a date for an election, not later than December 7 just before the expiration of board members' terms.~~ *The hospital board may establish the whole district as a single election precinct or establish two or more different election precincts and polling places for the elections. If there is more than one precinct, the boundaries of the election precincts and the locations of the polling places must be defined in the notice of election, either in full or by reference to a description or map on file in the office of the clerk.*

Special elections may be called by the hospital board at any time, *except as otherwise provided by article 3, section 2, subdivision 3, or other law*, to vote on any matter required by law to be submitted to the voters. Special elections must be held within the election precinct or precincts and at the polling place or places designated by the board. In the case of the first election of officers of a new district, precincts and polling places must be set by the governing body of the most populous city or town included in the district.

Advisory ballots may be submitted by the hospital board on any question it wishes, concerning the affairs of the district, but only at a ~~regular hospital district general election~~ or at a special election required for another purpose.

## ARTICLE 7

### OTHER PROVISIONS

#### Section 1. [205.012] [LOCAL GOVERNMENT ELECTION; IMPLEMENTATION.]

*Subdivision 1. [ELECTION PROHIBITED ON OTHER DAYS; FIRST LOCAL GOVERNMENT ELECTION.] No general election of any of the officers described in article 3, section 2, subdivision 2, may be held after August 1, 1992, unless it is held at the local government election designated by the governing body of the respective political subdivision and in accordance with the provisions of this act. For a political subdivision that designates the even-numbered year for its local government election or designates annual elections, the first election must be held November 6, 1992, and the first primary to select nominees for the offices to be filled at that election must be held September 14, 1992. For a political subdivision that designates the odd-numbered year for its local government election, the first election must be held November 5, 1993, and the first primary to select nominees for the offices to be filled at that election must be held September 13, 1993.*

*The governing body of each political subdivision subject to article 3, section 2, subdivisions 2 and 3, shall designate in ordinance or resolution adopted by December 1, 1991, either the odd-numbered year, the even-numbered year, or annually, for its local government election.*

*Subd. 2. [TERMS ALTERED; ODD-NUMBERED YEAR ELECTION.] (a) In a political subdivision that designates the odd-numbered year for its local government election, pursuant to article 3, section 2, the terms of elected officers must be altered as provided by this subdivision.*

*(b) The terms of all county officers that would otherwise expire on the first Monday of January in 1993 and 1995 are extended until the first Monday*



of January in 1994 and 1996 respectively, effective July 1, 1993.

(c) *The terms of all elective statutory city officers that would otherwise expire on the first business day of January in 1994 expire instead on the first Monday of January in 1994. The terms of statutory city officers that would otherwise expire on the first business day of January in 1993 expire instead on the first Monday of January in 1994.*

(d) *The terms of all independent school district board members that would otherwise expire on July 1, 1993, expire instead on the first Monday of January of 1994; terms of members that otherwise expire on July 1, 1994, expire instead on the first Monday of January in 1994; and the terms of members that otherwise would expire on July 1, 1995, expire instead on the first Monday of January in 1996.*

(e) *The governing body of a home rule charter city, by ordinance adopted before December 1, 1991, may extend or reduce the term of an elective city officer whose term ends on a different date to the first Monday of January of an even-numbered year. The governing body shall, in that ordinance, designate a new term of an even number of years for an officer who would otherwise be elected to a term of an odd number of years and may designate a new term of four years for an officer who would otherwise be elected for a term of two years.*

*For a home rule charter city that does not adopt an ordinance as provided in this subdivision before December 1, 1991, the terms of elective city officers must be extended or shortened automatically, effective December 1, 1991, as follows:*

(1) *the term of an officer that ends on a date other than the first Monday in January of an even-numbered year must be extended to the first Monday in January of the even-numbered year first following the date the term would otherwise expire, unless this extension would be more than 13 months. If the extension would be more than 13 months, the term must be shortened to the first Monday in January of the even-numbered year first preceding the date the term would otherwise expire; and*

(2) *every term of an odd number of years to which any officer would otherwise be elected must be changed to a term of an even number of years, one year longer than the term otherwise provided.*

(f) *The term of an elective officer of a political subdivision required to hold the general election of its officers at the local government election, which term is not extended or reduced under paragraphs (b) to (e), and which ends on a date different from the first Monday in January of an even-numbered year, is extended or reduced under paragraph (e), clause (1), effective August 1, 1992. Every term of an odd number of years to which any officer of one of those political subdivisions may otherwise be elected, which term is not changed under paragraphs (b) to (e), is changed to a term of an even number of years, one year longer than would otherwise be provided.*

**Subd. 3. [TERMS ALTERED; EVEN-NUMBERED YEAR ELECTION.]** (a) *In a political subdivision that designates the even-numbered year for its local government election and that did not hold the general election of its elected officers on the first Tuesday after the first Monday in November of even-numbered years prior to the effective date of this article, the terms of elected officials must be altered as provided by this subdivision.*

*(b) The terms of all elective statutory city officers that would otherwise expire on the first business day of January in 1992 expire instead on the first Monday of January in 1993.*

*(c) The terms of all independent school district board members that would otherwise expire on July 1, 1993, expire instead on the first Monday of January in 1993; terms of members that otherwise expire on July 1, 1994, expire instead on the first Monday of January in 1993; and the terms of members that otherwise would expire on July 1, 1995, expire instead on the first Monday of January in 1995.*

*(d) The governing body of a home rule charter city, by ordinance adopted before December 1, 1991, may extend or reduce the term of an elective city officer whose term ends on a different date to the first Monday of January of an odd-numbered year. The governing body shall, in that ordinance, designate a new term of an even number of years for an officer who would otherwise be elected to a term of an odd number of years and may designate a new term of four years for an officer who would otherwise be elected for a term of two years.*

*For a home rule charter city that does not adopt an ordinance as provided in this subdivision before December 1, 1991, the terms of elective city officers must be extended or shortened automatically, effective December 1, 1991, as follows:*

*(1) the term of an officer that ends on a date other than the first Monday in January of an odd-numbered year must be extended to the first Monday in January of the odd-numbered year first following the date the term would otherwise expire, unless this extension would be more than 13 months. If the extension would be more than 13 months, the term must be shortened to the first Monday in January of the odd-numbered year first preceding the date the term would otherwise expire; and*

*(2) every term of an odd number of years to which any officer would otherwise be elected must be changed to a term of an even number of years, one year longer than the term otherwise provided.*

*(e) The term of an elective officer of a political subdivision required to hold the general election of its officers at the local government election, which term is not extended or reduced under paragraphs (b) to (d), and which ends on a date different from the first Monday in January of an odd-numbered year, is extended or reduced under paragraph (d), clause (1), effective August 1, 1992. Every term of an odd number of years to which any officer of one of those political subdivisions may otherwise be elected, which term is not changed under paragraphs (b) to (d), is changed to a term of an even number of years, one year longer than would otherwise be provided.*

**Subd. 4. [TERMS UNCHANGED; EVEN-NUMBERED YEAR ELECTION.]** *There must be no change in the length of terms of elected officials in any political subdivision required to hold the general election of its elected officials at a local government election under article 3, section 2, if the political subdivision:*

*(1) held the general election of its elected officials on the first Tuesday after the first Monday in November of even-numbered years before the effective date of this article; and*

*(2) designates the even-numbered year for the general election of its*

*elected officials after August 1, 1992.*

**Subd. 5. [MODIFICATIONS PERMITTED FOR STAGGERED TERMS.]**  
*The governing body of a political subdivision required to hold its general election at the local government election, except a county, may provide, by ordinance or resolution adopted at least 30 days before the opening of filings for any affected office, that members of an elected body or other officers of the subdivision may be elected for a different term than is otherwise provided, to achieve staggered terms for the members of that body or other officers. With respect to the members of an elected body, an ordinance or resolution adopted under this subdivision must require that, to the extent mathematically possible, the same number of persons is chosen at each election, exclusive of those chosen to fill vacancies for the unexpired terms. This subdivision is repealed August 1, 1995.*

**Subd. 6. [PURPOSE.]** *It is the purpose of this section to implement article 3, section 2, by requiring the adjustment of terms, postponement of certain elections, and other procedures. To the extent inconsistent with this purpose, all general and special laws and municipal charter provisions providing otherwise are superseded. In all other respects, those laws and charter provisions continue in full force and effect.*

**Sec. 2. [REVISOR'S INSTRUCTION.]**

*The revisor of statutes shall examine Minnesota Statutes to determine whether any coded sections of law have been superseded by this act and prepare appropriate amendments of coded sections in revisor's bills submitted in 1992 and thereafter.*

**Sec. 3. [APPROPRIATION.]**

*\$ . . . . . is appropriated from the general fund to the secretary of state to carry out the duties prescribed by article 4, section 2. This appropriation does not lapse but is available for expenditure until June 30, 1993.*

**Sec. 4. [REPEALER.]**

*Minnesota Statutes 1990, sections 123.11, subdivisions 2, 3, 4, 5, and 6; 200.015; 204D.28, subdivision 5; 205.065, subdivisions 1, 2, 3, 4, 5, 6, and 7; 205.07; 205.10; 205.121; 205.175; 205.18, subdivisions 1 and 2; 205.20; 206.76; 375.101, subdivisions 1 and 2; 447.32, subdivisions 3 and 4, are repealed. Article 7, section 1, subdivision 5, is repealed effective August 1, 1995.*

**Sec. 5. [EFFECTIVE DATE.]**

*Article 4, section 2; and article 5, sections 2, 3, 4, and 6, are effective August 1, 1991. All other sections of this act are effective August 1, 1993."*

Delete the title and insert:

*"A bill for an act relating to elections; mail balloting; requiring the presidential primary to be conducted by mail; limiting certain special elections; setting times and procedures for certain boundary changes; changing requirements for polling places; requiring the designation of a local government election for election of county, municipal, and school district officers, and officers of all other political subdivisions except towns; requiring that certain questions be voted on only at the local government election for the political subdivision; requiring uniform and coordinated election precincts and polling places for municipalities and school districts; superseding*

certain inconsistent general and special laws and home rule charter provisions; appropriating money; amending Minnesota Statutes 1990, sections 122.23, subdivisions 12, 17, and 18; 122.25, subdivision 2; 123.34, subdivision 1; 123.351, subdivisions 1 and 3; 128.01, subdivision 3; 200.02, by adding a subdivision; 201.071, subdivisions 1, 3, and 8; 203B.06, subdivision 3; 204B.135, by adding a subdivision; 204B.14, subdivisions 3, 4, 6, and by adding a subdivision; 204B.16, subdivisions 1 and 2; 204B.18, by adding a subdivision; 204C.14; 204D.02, subdivisions 1 and 2; 204D.11, subdivision 5; 204D.16; 205.02, subdivision 2; 205.13, subdivision 6; 205.185, subdivisions 2, 3, and by adding a subdivision; 205.84, subdivision 2; 205A.02; 205A.06, subdivision 5; 205A.12, subdivision 6; 375.03; 375.101, by adding a subdivision; 382.01; 397.06; 397.07; 398.04; 410.21; 412.02, subdivision 2; 412.021, subdivision 2; 412.571, subdivision 5; and 447.32, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapters 204B and 205; repealing Minnesota Statutes 1990, sections 123.11, subdivisions 2, 3, 4, 5, and 6; 200.015; 204D.28, subdivision 5; 205.065, subdivisions 1, 2, 3, 4, 5, 6, and 7; 205.07; 205.10; 205.121; 205.175; 205.18, subdivisions 1 and 2; 205.20; 206.76; 207A.03, subdivision 1; 207A.07; 375.101, subdivisions 1 and 2; and 447.32, subdivisions 3 and 4."

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 re-referred

S.F. No. 1112: A bill for an act relating to energy; providing incentives for renewable energy sources of utility power; amending Minnesota Statutes 1990, sections 216B.164, subdivision 4; and 272.02, subdivision 1.

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

Page 7, line 30, delete "*payable in 1992 and*"

Page 7, delete line 31 and insert "*levied in 1991, payable in 1992, and thereafter.*"

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. 295: A bill for an act relating to commerce; providing that cost of doing business by cigarette wholesalers does not include discounts for purposes of the Minnesota unfair cigarette sales act; requiring use of cigarette distributor fees for administration of that act; appropriating money; amending Minnesota Statutes 1990, sections 325D.32, subdivision 10; and 325D.415.

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

Pages 2 and 3, delete section 2

Amend the title as follows:

Page 1, line 5, delete everything after the semicolon

Page 1, delete line 6

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

Page 1, line 8, delete "sections" and insert "section" and delete "; and 325D.415"

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

S.F. No. 1422: A bill for an act relating to taxation; providing for the collection of delinquent personal property taxes; requiring a manufactured home tax permit; requiring certain reports by certain manufactured home park operators and dealers; imposing a penalty; amending Minnesota Statutes 1990, sections 271.06, subdivision 1; 271.09, subdivision 3; 273.123, subdivision 1; 274.19; 290A.03, subdivisions 6 and 13; 290A.04, subdivision 3; 290A.07, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 277; repealing Minnesota Statutes 1990, sections 272.50; 272.51; 272.52; 272.53; 277.02; 277.05; 277.06; 277.07; 277.08; 277.09; 277.10; 277.11; 277.12; and 277.13.

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

Page 1, line 22, delete "*the real and*"

Page 1, line 25, after the period, insert "*A lien created under this section is not superior to a lien relating to the vendor's interest in conditional sales contracts.*"

Page 1, line 26, delete "272.21" and insert "277.21"

Page 2, line 8, after the period, insert "*Liens filed in the office of the county recorder shall be filed with the state tax liens filed pursuant to section 270.69, and the index shall indicate the name of the county for which the lien was filed. If the land is registered, the notice of lien shall be filed in the office of the registrar of titles of the county in which the property is registered.*"

Page 2, line 11, after "recording" insert "; *the fee for filing or recording the lien must be paid at the time the release of lien is offered for filing or recording*"

Page 3, lines 8 and 10, after "foreclosure" insert ", *sale,*" and after "or" insert "*date of*"

Page 3, line 14, delete "commissioner" and insert "county treasurer"

Page 3, line 15, after the semicolon, insert "and"

Page 3, line 16, delete everything after "property" and insert a period

Page 3, delete line 17 and insert "*Upon request of a party providing notice under this subdivision, the county treasurer shall send to the party within one business day of receiving the notice a receipt for the notice.*"

Page 3, line 19, after "affecting" insert "personal property"

Page 3, line 26, delete "August 1, 1989" and insert "December 31, 1991"

Pages 11 to 23, delete article 2 and insert:

“ARTICLE 2

ESCROW REQUIREMENTS

Section 1. Minnesota Statutes 1990, section 274.19, subdivision 3, is amended to read:

Subd. 3. [TAX STATEMENTS; PENALTIES; COLLECTIONS.] Not later than July 15 in the year of assessment the county treasurer shall mail to the taxpayer a statement of tax due on a manufactured home. The taxes are due on the last day of August, *except that if the tax exceeds \$50, one-half of the amount due may be paid on August 31, and the remainder on October 15.* Taxes remaining unpaid after the due date are delinquent, and a penalty of eight percent must be assessed and collected as part of the unpaid taxes. On September 30 the county treasurer shall make a list of taxes remaining unpaid and shall certify the list immediately to the court administrator of district court. The court administrator shall issue warrants to the sheriff for collection.

Sec. 2. [277.17] [ESCROW REQUIREMENT FOR DELINQUENCIES ON MANUFACTURED HOMES.]

*Subdivision 1. [CERTIFICATION TO MANUFACTURED HOME OWNER.] On or before October 15 of each year, the county auditor shall send a letter to each owner of a manufactured home for which the personal property taxes due on August 31 are delinquent as of September 30, to the owner, referred to in this section as “the taxpayer.” The letter must inform the taxpayer that due to the delinquency, the taxpayer will be required under state law to begin making monthly payments of delinquent property taxes, and that the property taxes will also be escrowed for payment of property taxes the following year. The form and content of the notice to the taxpayer shall be specified by the commissioner of revenue.*

*Subd. 2. [ESTABLISHMENT OF TAX ESCROW ACCOUNTS.] The county auditor must establish a tax escrow account for delinquent property taxes for each taxpayer receiving a letter under subdivision 1. The taxpayer must pay an additional amount each month equal to ten percent of the total delinquent personal property taxes due, plus ten percent of the tax payable in the current calendar year.*

*Subd. 3. [COUNTY ESCROW.] Within 30 days of receipt of a letter from the county auditor under subdivision 1, the taxpayer must make the first monthly payment under subdivision 2 to the county auditor. The commissioner of revenue shall prescribe the procedures to be used for monthly collections of the delinquent and current tax payments.*

Sec. 3. Minnesota Statutes 1990, section 327B.01, subdivision 21, is amended to read:

Subd. 21. [TRUST FUNDS.] “Trust funds” means funds received by a broker in a fiduciary capacity as a part of a manufactured home sale transaction, pending the consummation or termination of a transaction, and includes all down payments, earnest money deposits, rents for clients, tax, *including escrow payments for property taxes and insurance escrow payments, damage deposits, and any funds received on behalf of any person.*

Sec. 4. Minnesota Statutes 1990, section 327B.08, is amended by adding a subdivision to read:

*Subd. 6. [PROPERTY TAX ESCROW REQUIRED.] Any agreement entered into after May 31, 1991, for the financing or refinancing of a purchase by a financial institution authorized to do business in this state of a manufactured home shall require that the lender escrow payments for property taxes."*

Amend the title as follows:

Page 1, line 3, delete "requiring a"

Page 1, delete lines 4 and 5

Page 1, line 6, delete "and dealers; imposing a penalty" and insert "authorizing installment payments of taxes on manufactured homes; requiring payment of certain property taxes on manufactured homes into tax escrow accounts"

Page 1, line 7, delete "271.06, subdivision 1; 271.09,"

Page 1, delete lines 8 and 9

Page 1, line 10, delete "3; 290A.07, subdivision 2a" and insert "274.19, subdivision 3; 327B.01, subdivision 21; and 327B.08, by adding a subdivision"

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

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

S.F. No. 1142: A bill for an act relating to agricultural finance; changing certain provisions of the rural finance authority's beginning farmer program; amending Minnesota Statutes 1990, sections 41B.03, subdivision 3; 41B.036; and 41B.039, 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 41B.03, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY FOR BEGINNING FARMER LOANS.] In addition to the requirements under subdivision 1, a prospective borrower for a beginning farm loan in which the authority holds an interest, must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than ~~\$100,000~~ \$200,000 in 1991 and an amount in subsequent years determined by multiplying \$200,000 by the cumulative inflation rate in years subsequent to 1991 as determined by the United States All-Items Consumer Price Index;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes;

- (6) certify that farming will be the principal occupation of the borrower;
- (7) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first five years of the loan, if an approved program is available within 45 miles from the borrower's residence ; and
- (8) agree to file an approved soil and water conservation plan with the soil conservation service office in the county where the land is located.

Sec. 2. Minnesota Statutes 1990, section 41B.036, is amended to read:

**41B.036 [GENERAL POWERS OF THE AUTHORITY.]**

For the purpose of exercising the specific powers granted in section 41B.04 and effectuating the other purposes of sections 41B.01 to 41B.23 the authority has the general powers granted in this section.

- (a) It may sue and be sued.
- (b) It may have a seal and alter the seal.
- (c) It may make, and from time to time, amend and repeal rules consistent with sections 41B.01 to 41B.23.
- (d) It may acquire, hold, and dispose of real or personal property for its corporate purposes.
- (e) It may enter into agreements, contracts, or other transactions with any federal or state agency, any person and any domestic or foreign partnership, corporation, association, or organization, including contracts or agreements for administration and implementation of all or part of sections 41B.01 to 41B.23.
- (f) It may acquire real property, or an interest therein, in its own name, by purchase or foreclosure, where such acquisition is necessary or appropriate.
- (g) It may provide general technical services related to rural finance.
- (h) It may provide general consultative assistance services related to rural finance.
- (i) It may promote research and development in matters related to rural finance.
- (j) It may enter into agreements with lenders, borrowers, or the issuers of securities for the purpose of regulating the development and management of farms financed in whole or in part by the proceeds of qualified agricultural loans.
- (k) It may enter into agreements with other appropriate federal, state, or local governmental units to foster rural finance. It may give advance reservations of loan financing as part of the agreements, with the understanding that the authority will only approve the loans pursuant to normal procedures, and may adopt special procedures designed to meet problems inherent in such programs.
- (l) It may undertake and carry out studies and analyses of rural financing needs within the state and ways of meeting such needs including: data with respect to geographical distribution; farm size; the distribution of farm credit needs according to debt ratios and similar factors; the amount and



quality of available financing and its distribution according to factors affecting rural financing needs and the meeting thereof; and may make the results of such studies and analyses available to the public and may engage in research and disseminate information on rural finance.

(m) It may survey and investigate the rural financing needs throughout the state and make recommendations to the governor and the legislature as to legislation and other measures necessary or advisable to alleviate any existing shortage in the state.

(n) It may establish cooperative relationships with such county and multicounty authorities as may be established and may develop priorities for the utilization of authority resources and assistance within a region in cooperation with county and multicounty authorities.

(o) It may contract with, use, or employ any federal, state, regional, or local public or private agency or organization, legal counsel, financial advisors, investment bankers or others, upon terms it deems necessary or desirable, to assist in the exercise of any of the powers granted in sections 41B.01 to 41B.23 and to carry out the objectives of sections 41B.01 to 41B.23 and may pay for the services from authority funds.

(p) It may establish cooperative relationships with counties to develop priorities for the use of authority resources and assistance within counties and to consider county plans and programs in the process of setting the priorities.

(q) It may delegate any of its powers to its officers or staff.

(r) It may enter into agreements with qualified agricultural lenders or others insuring or guaranteeing to the state the payment of all or a portion of qualified agricultural loans.

(s) It may enter into agreements with eligible agricultural lenders providing for advance reservations of purchases of participation interests in restructuring loans, if the agreements provide that the authority may only purchase participation interests in restructuring loans under the normal procedure. The authority may provide in an agreement for special procedures or requirements designed to meet specific conditions or requirements.

(t) It may allow farmers who are natural persons to combine programs of the federal Agriculture Credit Act of 1987 with programs of the rural finance authority.

*(u) From within available funds generated by program fees, it may provide partial or full tuition assistance for farm management programs required under section 41B.03, subdivision 3, clause (7).*

Sec. 3. Minnesota Statutes 1990, section 41B.039, subdivision 2, is amended to read:

Subd. 2. [STATE PARTICIPATION.] The state may participate in a new real estate loan with an eligible lender to a beginning farmer to the extent of ~~35~~ 45 percent of the principal amount of the loan or \$50,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the lender's retained portion of the loan.

Sec. 4. Minnesota Statutes 1990, section 116C.94, is amended to read:

116C.94 [RULES.]

The board shall adopt rules consistent with sections 116C.91 to 116C.95 that require an environmental assessment worksheet for a proposed release and a permit for a release. The rules shall provide that a permit from the board is not required if the proposer can demonstrate to the board that a significant environmental permit is required for the proposal by another state agency or by a federal agency if the federal agency provided the state agency an opportunity to review and comment on the application for the federal permit. The board shall consult with local units of government and with private citizens before adopting any rules."

Delete the title and insert:

"A bill for an act relating to agricultural finance; changing certain provisions of the rural finance authority's beginning farmer program; authorizing an exemption if a federal permit is required for a genetically engineered organism release; amending Minnesota Statutes 1990, sections 41B.03, subdivision 3; 41B.036; 41B.039, subdivision 2; and 116C.94."

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

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

H.F. No. 181: A bill for an act relating to the environment; adding reimbursement requirements for the petroleum tank release cleanup account; providing for insurance subrogation rights; amending Minnesota Statutes 1990, sections 115C.04, subdivision 3; 115C.09, subdivision 3; and 115C.10, subdivision 1.

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

Page 1, line 19, after "has" insert "*petroleum tank leakage or spill*"

Page 1, line 24, delete "*maintain*" and insert "*request the attorney general to bring*" and after "*action*" insert "*in district court*"

Page 2, line 20, after "has" insert "*petroleum tank leakage or spill*"

Page 2, line 23, delete "*maintain*" and insert "*request the attorney general to bring*" and after "*action*" insert "*in district court*"

Page 3, line 12, after "has" insert "*petroleum tank leakage or spill*"

Page 3, line 17, delete everything before "*against*" and insert "*request the attorney general to bring an action in district court*"

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

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

H.F. No. 398: A bill for an act relating to elections; providing for high school students 16 years old or more to act as election judges; clarifying the right to take time off from work without penalty to serve as an election judge; amending Minnesota Statutes 1990, sections 204B.19, subdivision 1, and by adding a subdivision; and 204B.195.

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

Page 3, after line 7, insert:

“Sec. 4. Minnesota Statutes 1990, section 204B.27, is amended by adding a subdivision to read:

*Subd. 7. [EDUCATIONAL ACTIVITIES.] The secretary of state may authorize educational activities related to voting and elections for elementary or secondary school students in the polling place on the day of a state, county, municipal, or school district election. Ballots used for educational activities must be a different color than any ballot used at the election. Activities authorized under this subdivision must be administered in a manner that does not interfere with the conduct of the election.*

Sec. 5. Minnesota Statutes 1990, section 204C.06, subdivision 2, is amended to read:

*Subd. 2. [INDIVIDUALS ALLOWED IN POLLING PLACE.] (a) Representatives of the secretary of state's office, the county auditor's office, and the municipal or school district clerk's office may be present at the polling place to observe election procedures. Except for these representatives, election judges, sergeants-at-arms, and challengers, an individual may remain inside the polling place during voting hours only while voting or registering to vote, providing proof of residence for an individual who is registering to vote, or assisting a handicapped voter or a voter who is unable to read English. During voting hours no one except individuals receiving, marking, or depositing ballots shall approach within six feet of a voting booth, unless lawfully authorized to do so by an election judge.*

*(b) Teachers and elementary or secondary school students participating in an educational activity authorized by section 4 may be present at the polling place during voting hours.*

Sec. 6. Minnesota Statutes 1990, section 204D.165, is amended to read: 204D.165 [SAMPLE BALLOTS TO SCHOOLS.]

Notwithstanding any contrary provisions in section 204D.09 or 204D.16, the county auditor, two weeks before the applicable primary or general election, shall provide one copy of the sample partisan primary, nonpartisan primary, canary, white, or pink ballot to a school district upon request. The school district may have the sample ballots reproduced at its expense for classroom educational purposes *and for educational activities authorized under section 4.*”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after the semicolon, insert “permitting students in polling places for educational purposes;”

Page 1, line 7, delete the second “and”

Page 1, line 8, before the period, insert “; 204B.27, by adding a subdivision; 204C.06, subdivision 2; and 204D.165”

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. 1451: A bill for an act relating to health; modifying the definition of and requirements related to review organizations; amending Minnesota Statutes 1990, sections 145.61, subdivisions 4a, 5, and by adding a subdivision; 145.63, subdivision 1; and 145.64.

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

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

S.F. No. 1440: A bill for an act relating to motor vehicles; providing for certain indemnities in lease agreements; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Page 1, line 10, delete "*or related to*"

Page 1, line 11, delete the third comma and insert "*which*"

Page 1, line 12, delete "*traffic violations,*"

Page 1, line 13, delete "*, and penalties and*" and insert "*caused by the lessee*"

Page 1, line 14, after the period, insert "*This section does not relieve the lessor of any liability, penalty, or damages arising out of its own acts or omissions.*"

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

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

S.F. No. 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.

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 471.633, is amended to read:

471.633 [FIREARMS.]

The legislature preempts all authority of a home rule charter or statutory city including a city of the first class, county, town, municipal corporation, or other governmental subdivision, or any of their instrumentalities, to regulate firearms, ammunition, or their respective components to the complete exclusion of any order, ordinance or regulation by them except that:

(a) a governmental subdivision may regulate the discharge of firearms; and

(b) a governmental subdivision may regulate the display of firearms ammunition for sale to the public; and

(c) a governmental subdivision may adopt regulations identical to state law.

Local regulation inconsistent with this section is void."

Delete the title and insert:

"A bill for an act relating to local government; permitting governmental subdivisions to regulate the display of firearms ammunition for sale to the public; amending Minnesota Statutes 1990, section 471.633."

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

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

S.F. No. 546: A bill for an act relating to crimes; environmental enforcement; imposing criminal penalties for knowing violations of standards related to hazardous air pollutants and toxic pollutants in water; providing that certain property is subject to forfeiture in connection with convictions for water pollution and air pollution violations; imposing criminal penalties for unauthorized disposal of solid waste; authorizing prosecution of environmental crimes by the attorney general; providing for environmental restitution as part of a sentence; increasing criminal penalties for false statements on documents related to permits and record keeping; amending Minnesota Statutes 1990, sections 18D.331, subdivision 4; 609.531, subdivision 1; and 609.671; proposing coding for new law in Minnesota Statutes, chapter 18D.

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

Pages 1 and 2, delete sections 1 and 2

Page 5, line 21, delete "by" and insert "of"

Page 5, line 28, before the comma, insert "*related to the alleged violation*"

Page 5, line 34, delete the first "by" and insert "of"

Page 6, line 11, strike ", or has"

Page 6, line 12, strike "reason to know that the person's conduct places,"

Page 6, delete lines 30 to 32 and insert:

*"(b) A person who intentionally disposes of an agricultural chemical as defined in section 18D.01, subdivision 3, that is a hazardous waste as defined in section 18D.01, subdivision 5, in violation of chapter 18B, 18C, or 18D, or a standard, special order, stipulation, agreement, or schedule of compliance of the commissioner of agriculture"*

Page 6, line 33, delete "is a hazardous waste,"

Page 9, line 6, strike "gross misdemeanor" and insert "crime"

Page 11, line 29, after "subdivision" insert "or subdivision 6"

Page 11, line 30, delete "*the violation*" and insert "*a violation of this subdivision*"

Page 11, after line 36, insert:

*"Subd. 13. [SOLID WASTE DISPOSAL.] (a) A person is guilty of a gross misdemeanor who:*

*(1) knowingly disposes of solid waste at, transports solid waste to, or arranges for disposal of solid waste at a location that does not have a required permit for the disposal of solid waste; and*

*(2) does so in exchange for or in expectation of money or other consideration.*

*(b) A person convicted under this subdivision may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$10,000 a day of violation, or both.*

Sec. 3. [REPEALER.]

*Minnesota Statutes 1990, section 18D.331, subdivision 4, is repealed."*

Page 12, line 2, delete "to 4" and insert "and 2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "authorizing"

Page 1, delete lines 10 and 11

Page 1, line 12, delete "part of a sentence;"

Page 1, line 15, delete "18D.331, subdivision 4;"

Page 1, line 16, delete everything after "609.671"

Page 1, line 17, delete everything before the period and insert "; repealing Minnesota Statutes 1990, section 18D.331, subdivision 4"

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

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 1127: A bill for an act relating to human services; exempting intermediate care facilities for persons with mental retardation or related conditions from certain additional state human services rules.

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

Delete everything after the enacting clause and insert:

"Section 1. [ADVISORY COUNCIL.]

*By June 15, 1991, the commissioner of human services shall convene an advisory council to examine the rules governing facilities certified as intermediate care facilities for persons with mental retardation or related conditions under Code of Federal Regulations, title 42, parts 431, 435, 442, and 483. The council shall examine the following rules: Minnesota Rules, parts 9525.0215; 9525.0225; 9525.0235; 9525.0243; 9525.0245; 9525.0255; 9525.0265; 9525.0275; 9525.0285; 9525.0295; 9525.0305;*

9525.0315; 9525.0325; 9525.0335; 9525.0345; and 9525.0355. *The commissioner shall submit to the legislature, by January 1, 1992, a plan for simplification of rules and regulations governing services to persons with developmental disabilities and related conditions. The plan must provide recommendations and draft legislation. The commissioner shall submit to the legislature an initial interim report by August 15, 1991, and a second interim report by October 15, 1991.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to human services; establishing an advisory council; requiring a plan to simplify rules and regulations governing services to persons with developmental disabilities and related conditions."*

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

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

S.F. No. 709: A bill for an act relating to utilities; excepting certain licensed public facilities from regulation as telephone companies or independent telephone companies; amending Minnesota Statutes 1990, section 237.01, subdivisions 2 and 3.

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

Delete everything after the enacting clause and insert:

**"Section 1. [237.067] [ESTABLISHMENTS EXEMPT FROM REGULATION.]**

*Subdivision 1. [DEFINITION.] For purposes of this section, "establishment" means an individual hotel, motel, restaurant, lodging house, boarding house, resort, or place of refreshment licensed under chapter 157.*

*Subd. 2. [EXEMPTION; CONDITIONS.] An establishment that provides telephone service to patrons on the premises of the establishment is not subject to regulation under this chapter, except that the establishment:*

*(1) shall comply with the requirement of section 237.06 that rates charged must be fair and reasonable;*

*(2) shall provide notice of charges and service providers to patrons as required in section 2; and*

*(3) is subject to the complaint and investigation procedures of section 237.081.*

**Sec. 2. [325F.99] [TELEPHONE CALLS; FEES; LONG DISTANCE CARRIERS; NOTICE.]**

*Subdivision 1. [FEES FOR CALLS.] A hotel, motel, restaurant, lodging house, boarding house, resort, or place of refreshment, licensed under chapter 157, that charges a separate fee for the use of a telephone, other than immediate payment by coin, credit card, or other payment device on a per call basis for the caller to complete the call, shall provide notice on or near*

*each telephone stating the separate fee charged for making a local, credit card, or other call.*

*Subd. 2. [LONG DISTANCE CARRIER.] Establishments governed by subdivision 1 shall provide notice on or near each telephone stating the name of the carrier with which the establishment has subscribed to provide long distance service to that telephone."*

Delete the title and insert:

"A bill for an act relating to telephones; exempting certain providers of telephone service from regulation by the public utilities commission; requiring hotels, motels, and other establishments to provide notice of separate charges for use of telephones and notice of which long distance carriers provide service to telephones in the establishments; proposing coding for new law in Minnesota Statutes, chapters 237 and 325F."

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

H.F. No. 85: A bill for an act relating to health; authorizing nursing homes with 100 or fewer beds that are located within 75 miles of each other to share an administrator; amending Minnesota Statutes 1990, section 144A.04, subdivision 5.

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

Page 1, line 14, after "homes" insert "*under common ownership*" and strike "100" and insert "150"

Page 1, line 25, after the period, insert "*In the absence of rules adopted by the commissioner governing the division of an administrator's time between two nursing homes, the administrator shall designate and post the times the administrator will be on site in each home on a regular basis.*"

Amend the title as follows:

Page 1, line 2, delete "100" and insert "150"

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. 895: A bill for an act relating to contracts; providing for enforcement of certain contracts; making technical changes; correcting inconsistencies; clarifying certain provisions; amending Minnesota Statutes 1990, section 325E.37.

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 325E.37, is amended to read:

325E.37 [TERMINATION OF SALES REPRESENTATIVES.]



Subdivision 1. [DEFINITIONS.] (a) As used in this section, the following terms have the meaning given them.

(b) "Good cause" means ~~failure by the sales representative to substantially comply with the material and reasonable requirements imposed by a material breach of one or more provisions of a written sales representative agreement governing the relationship with the manufacturer, wholesaler, assembler, or importer, including or in absence of a written agreement, failure by the sales representative to substantially comply with the material and reasonable requirements imposed by the manufacturer, wholesaler, assembler, or importer.~~ *Good cause includes, but is not limited to:*

- (1) the bankruptcy or insolvency of the sales representative;
- (2) assignment for the benefit of creditors or similar disposition of the assets of the sales representative's business;
- (3) *the voluntary abandonment of the business by the sales representative as determined by a totality of the circumstances;*
- (4) conviction or a plea of guilty or no contest to a charge of violating any law relating to the sales representative's business; ~~or~~
- (5) any act ~~by or conduct~~ of the sales representative which materially impairs the good will associated with the manufacturer's, wholesaler's, assembler's, or importer's trademark, trade name, service mark, logotype, or other commercial symbol; *or*
- (6) *failure to forward customer payments to the manufacturer, wholesaler, assembler, or importer.*

(c) "Person" means a natural person, but also includes a partnership, corporation, and all other entities.

(d) "Sales representative" means a person, ~~other than an employee,~~ who contracts with a principal to solicit wholesale orders and who is compensated, in whole or in part, by commission; ~~but does not include a person who places orders or purchases exclusively for the person's own account for resale.~~

*Sales representative does not include a person who:*

- (1) *is an employee of the principal;*
- (2) *places orders or purchases for the person's own account for resale;*
- (3) *holds the goods on a consignment basis for the principal's account for resale; or*
- (4) *distributes, sells, or offers the goods, other than samples, to end users, not for resale.*

~~(d)~~ (e) "Sales representative agreement" means a contract or agreement, either express or implied, whether oral or written, for a definite or indefinite period, between a sales representative and another person or persons, whereby a sales representative is granted the right to ~~distribute,~~ represent, sell, or offer for sale a manufacturer's, wholesaler's, assembler's, or importer's goods by use of the latter's trade name, trademark, service mark, logotype, advertising, or other commercial symbol or related characteristics, and in which there exists a community of interest between the parties in the marketing of the goods ~~or services~~ at wholesale, ~~retail,~~ by lease, agreement, or otherwise. "*Wholesale orders*" means the solicitation of orders for

*goods by persons in the distribution chain for ultimate sale at retail.*

Subd. 2. [TERMINATION OF AGREEMENT.] (a) A manufacturer, wholesaler, assembler, or importer may not terminate a sales representative agreement unless the person has good cause and:

(1) that person has given written notice setting forth ~~all the reasons~~ *reason(s)* for the termination at least ~~90~~ 75 days in advance of termination; and

(2) the recipient of the notice fails to correct the reasons stated for termination in the notice within ~~60~~ 45 days of receipt of the notice.

(b) A notice of termination is effective immediately upon receipt where the alleged grounds for termination are: *the reasons set forth in subdivision 1, paragraph (b), clauses (1) to (6), hereof*

~~(1) voluntary abandonment of the relationship by the sales representative;~~

~~(2) the conviction of the sales representative of an offense directly related to the business conducted pursuant to the sales representative agreement; or~~

~~(3) material impairment of the good will associated with the manufacturer's, assembler's, or importer's trade name, trademark, service mark, logotype, or other commercial symbol.~~

Subd. 3. [RENEWAL OF AGREEMENTS.] Unless the failure to renew a sales representative agreement is for good cause, and the sales representative has failed to correct reasons for termination as required by subdivision 2, no person may fail to renew a sales representative agreement unless the sales representative has been given written notice of the intention not to renew at least ~~90~~ 75 days in advance of the expiration of the agreement. *For purposes of this subdivision, a sales representative agreement of indefinite duration shall be treated as if it were for a definite duration expiring 180 days after the giving of written notice of intention not to continue the agreement.*

Subd. 4. [RIGHTS UPON TERMINATION.] If a sales representative is paid by commission under a sales representative agreement and the agreement is terminated, the representative is entitled to be paid for all sales ~~made and orders to creditworthy customers made in the representative's territory as to which the representative would have been entitled to commissions pursuant to the provisions of the sales representative agreement, made prior to the date of termination of the agreement or the end of the notification period, whichever is later, regardless of whether the goods or services have been actually been delivered to the purchaser. The payments of commissions are due when the goods or services are delivered or at the date of termination, whichever occurs first shipped. Payment of commissions due the sales representative shall be paid in accordance with the terms of the sales representative agreement or, if not specified in the agreement, payments of commissions due the sales representative shall be paid in accordance with section 181.145.~~

Subd. 5. [ARBITRATION.] (a) The sole remedy for ~~a sales representative against a manufacturer, wholesaler, assembler, or importer who has allegedly violated~~ *alleges a violation of any provision of this section is to submit the matter to arbitration. A sales representative may also submit a matter to arbitration, or in the alternative, at the employee's sales representative's option prior to the arbitration hearing, the employee sales representative may bring the employee's sales representative's common law claims in a*

court of law, and in that event all claims must be resolved in that forum. In the event the parties do not agree to an arbitrator within 30 days after the sales representative demands arbitration in a writing, either party may request the appointment of an arbitrator from the American Arbitration Association. Each party to a sales representative agreement shall be bound by the arbitration. In the event that the American Arbitration Association declines to appoint an arbitrator, the arbitration shall proceed under chapter 572. The cost of an arbitration hearing must be borne equally by both parties. Except as provided in paragraph (c), the arbitration proceeding is to be governed by the uniform arbitration act, sections 572.08 to 572.30.

(b) The arbitrator may provide any of the following remedies:

- (1) sustinment of the termination of the sales representative agreement;
- (2) reinstatement of the sales representative agreement, or damages for its breach;
- (3) payment of commissions due under subdivision 4;
- (4) reasonable attorneys' fees and costs to a prevailing sales representative;
- (5) reasonable attorneys' fees and costs to a prevailing manufacturer, wholesaler, assembler, or importer, if the arbitrator finds the complaint was frivolous, unreasonable, or without foundation; or
- (6) the full amount of the arbitrator's fees and expenses if the arbitrator finds that the sales representative's resort to arbitration or the manufacturer's, wholesaler's, assembler's, or importer's defense in arbitration was vexatious and lacking in good faith.

(c) Notwithstanding any provision of the uniform arbitration act to the contrary, the decision of any arbitration hearing under this subdivision is final and binding on the sales representative and the manufacturer, wholesaler, assembler, or importer. The district court shall, upon application of a party, issue an order confirming the decision.

Subd. 6. [SCOPE; LIMITATIONS.] (a) This section applies to a sales representative who, during some part of the period of the sales representative agreement:

- (1) is a resident of Minnesota or maintains that person's principal place of business in Minnesota; or
- (2) whose geographical territory specified in the sales representative agreement includes part or all of Minnesota.

(b) To be effective, any demand for arbitration under subdivision 5 must be made in writing and delivered to the principal on or before one year after the effective date of the termination of the agreement.

## Sec. 2. [APPLICATION.]

Section 1 applies to a sales representative agreement entered into or renewed on or after the effective date of this act. A sales representative agreement is renewed on or after the effective date of section 1 if:

- (1) the period specified in the agreement expires, but the relationship continues, either for a new specified period or for an indefinite period; or
- (2) the agreement is for an indefinite period, and with the principal's consent, the sales representative solicits orders on or after the effective date

of section 1.”

Delete the title and insert:

“A bill for an act relating to contracts; providing for enforcement of certain contracts; making technical changes; correcting inconsistencies; clarifying certain provisions; amending Minnesota Statutes 1990, section 325E.37.”

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

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

H.F. No. 875: A bill for an act relating to insurance; rental vehicles; increasing property damage liability coverage; amending Minnesota Statutes 1990, section 65B.49, subdivision 5a.

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

Page 1, after line 5, insert:

“Section 1. Minnesota Statutes 1990, section 60A.176, subdivision 3, is amended to read:

Subd. 3. [AGENT.] “Agent” means an agent who is not an employee of the insurer, *who has an agency contractual relationship that has been in effect for five or more years*, and who writes 80 percent or more of the agent’s business through one insurer or its subsidiaries.

Sec. 2. Minnesota Statutes 1990, section 60A.177, subdivision 2, is amended to read:

Subd. 2. [NOTICE; HEARING.] If an agent is terminated by an insurer, the agent may request a hearing before the board of review. If an insurer initiates the termination of an agent’s agreement, the written notice of termination must advise the agent of the agent’s right to a hearing before the board of review. Upon receipt of an agent’s request for a hearing, the commissioner shall establish a hearing date within 30 days of the request or longer with the approval of the agent and the insurer. The agent and the insurer shall be notified in writing of the date, time, and place of the hearing. *The hearing provided for under this section is not subject to Minnesota Statutes, chapter 14. The review board shall provide the parties to the hearing with an opportunity to present evidence and arguments in support of their respective positions.*

Sec. 3. Minnesota Statutes 1990, section 60A.177, subdivision 4, is amended to read:

Subd. 4. [BOARD’S DETERMINATION.] Upon completion of the hearing, the board of review shall determine if the termination of the agent’s agreement is justified. If in the opinion of the board of review an involuntary termination is not justified, and in the absence of a reasonable contractual financial provision for termination as determined by the ~~commissioner~~ board, the ~~commissioner~~ board shall order the insurer to pay an amount of compensation that the ~~commissioner~~ board considers appropriate to the agent.

If in the opinion of the board of review a voluntary termination was not voluntary and the insurer is not justified in terminating the agent’s agreement, and in the absence of a reasonable contractual financial provision for

termination as determined by the ~~commissioner board~~, the ~~commissioner board~~ shall order the insurer to pay an amount of compensation that the ~~commissioner board~~ considers appropriate to the agent.

Sec. 4. Minnesota Statutes 1990, section 60A.177, subdivision 5, is amended to read:

Subd. 5. [APPEAL.] ~~An order of the commissioner or~~ A final determination of the board of review under subdivision 4 may be appealed to district court by either party for a trial de novo. If the insurer appeals and the agent prevails, the insurer is responsible for the agent's legal fees as approved by the court.

Sec. 5. Minnesota Statutes 1990, section 60A.177, is amended by adding a subdivision to read:

*Subd. 8. [ADMINISTRATIVE PENALTIES.] Failure to comply with a final order or determination of the review board constitutes a basis for disciplinary action under section 45.027, subdivision 7."*

Page 3, after line 29, insert:

"Sec. 7. Minnesota Statutes 1990, section 72A.201, subdivision 6, is amended to read:

Subd. 6. [STANDARDS FOR AUTOMOBILE INSURANCE CLAIMS HANDLING, SETTLEMENT OFFERS, AND AGREEMENTS.] In addition to the acts specified in subdivisions 4, 5, 7, 8, and 9, the following acts by an insurer, adjuster, or a self-insured or self-insurance administrator constitute unfair settlement practices:

(1) if an automobile insurance policy provides for the adjustment and settlement of an automobile total loss on the basis of actual cash value or replacement with like kind and quality and the insured is not an automobile dealer, failing to offer one of the following methods of settlement:

(a) comparable and available replacement automobile, with all applicable taxes, license fees, at least pro rata for the unexpired term of the replaced automobile's license, and other fees incident to the transfer or evidence of ownership of the automobile paid, at no cost to the insured other than the deductible amount as provided in the policy;

(b) a cash settlement based upon the actual cost of purchase of a comparable automobile, including all applicable taxes, license fees, at least pro rata for the unexpired term of the replaced automobile's license, and other fees incident to transfer of evidence of ownership, less the deductible amount as provided in the policy. The costs must be determined by:

(i) the cost of a comparable automobile, adjusted for mileage, condition, and options, in the local market area of the insured, if such an automobile is available in that area; or

(ii) one of two or more quotations obtained from two or more qualified sources located within the local market area when a comparable automobile is not available in the local market area. The insured shall be provided the information contained in all quotations prior to settlement; or

(iii) any settlement or offer of settlement which deviates from the procedure above must be documented and justified in detail. The basis for the settlement or offer of settlement must be explained to the insured;

(2) if an automobile insurance policy provides for the adjustment and

settlement of an automobile partial loss on the basis of repair or replacement with like kind and quality and the insured is not an automobile dealer, failing to offer one of the following methods of settlement:

(a) to assume all costs, including reasonable towing costs, for the satisfactory repair of the motor vehicle. Satisfactory repair includes repair of both obvious and hidden damage as caused by the claim incident. This assumption of cost may be reduced by applicable policy provision; or

(b) to offer a cash settlement sufficient to pay for satisfactory repair of the vehicle. Satisfactory repair includes repair of obvious and hidden damage caused by the claim incident, and includes reasonable towing costs;

(3) regardless of whether the loss was total or partial, in the event that a damaged vehicle of an insured cannot be safely driven, failing to exercise the right to inspect automobile damage prior to repair within five business days following receipt of notification of claim. In other cases the inspection must be made in 15 days;

(4) regardless of whether the loss was total or partial, requiring unreasonable travel of a claimant or insured to inspect a replacement automobile, to obtain a repair estimate, to allow an insurer to inspect a repair estimate, to allow an insurer to inspect repairs made pursuant to policy requirements, or to have the automobile repaired;

(5) regardless of whether the loss was total or partial, if loss of use coverage exists under the insurance policy, failing to notify an insured at the time of the insurer's acknowledgment of claim, or sooner if inquiry is made, of the fact of the coverage, including the policy terms and conditions affecting the coverage and the manner in which the insured can apply for this coverage;

(6) regardless of whether the loss was total or partial, failing to include the insured's deductible in the insurer's demands under its subrogation rights. Subrogation recovery must be shared at least on a proportionate basis with the insured, unless the deductible amount has been otherwise recovered by the insured, except that when an insurer is recovering directly from an uninsured third party by means of installments, the insured must receive the full deductible share as soon as that amount is collected and before any part of the total recovery is applied to any other use. No deduction for expenses may be made from the deductible recovery unless an attorney is retained to collect the recovery, in which case deduction may be made only for a pro rata share of the cost of retaining the attorney;

(7) requiring as a condition of payment of a claim that repairs to any damaged vehicle must be made by a particular contractor or repair shop or that parts, other than window glass, must be replaced with parts other than original equipment parts;

(8) where liability is reasonably clear, failing to inform the claimant in an automobile property damage liability claim that the claimant may have a claim for loss of use of the vehicle;

(9) failing to make a good faith assignment of comparative negligence percentages in ascertaining the issue of liability;

(10) failing to pay any interest required by statute on overdue payment for an automobile personal injury protection claim;

(11) if an automobile insurance policy contains either or both of the time

limitation provisions as permitted by section 65B.55, subdivisions 1 and 2, failing to notify the insured in writing of those limitations at least 60 days prior to the expiration of that time limitation;

(12) if an insurer chooses to have an insured examined as permitted by section 65B.56, subdivision 1, failing to notify the insured of all of the insured's rights and obligations under that statute, including the right to request, in writing, and to receive a copy of the report of the examination-;

*(13) if an automobile policy provides for the adjustment or settlement of an automobile loss due to damaged window glass, failing to assume all costs sufficient to pay the insured's chosen vendor for the replacement of comparable window glass. This clause does not prohibit an insurer from recommending a vendor to the insured.*

Sec. 8. [REPEALER.]

*Minnesota Statutes 1990, section 60A.176, subdivision 2, is repealed."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after "insurance;" insert "modifying provisions relating to agency termination procedures;"

Page 1, line 3, after the semicolon, insert "providing for the adjustment or settlement of an automobile loss due to damaged window glass;"

Page 1, line 4, delete "section" and insert "sections 60A.176, subdivision 3; 60A.177, subdivisions 2, 4, 5, and by adding a subdivision;" and after "5a" insert "; and 72A.201, subdivision 6; repealing Minnesota Statutes 1990, section 60A.176, subdivision 2"

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

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

H.F. No. 683: A bill for an act relating to alcoholic beverages; prohibiting a retailer from having an interest in a manufacturer, brewer, or wholesaler; prohibiting a retailer from renting space to a manufacturer, brewer, or wholesaler; providing that brand registration is for a three-year period; specifying that club on-sale licenses are subject to approval of the commissioner of public safety; consolidating provisions of law relating to seasonal on-sale licenses; providing extended duration of seasonal licenses in certain counties; removing certain restrictions on location of off-sale and combination licenses issued by counties; clarifying law on issuance of off-sale licenses by counties; allowing gambling on licensed premises when governed by tribal ordinance or a tribal-state compact; clarifying language on certain prohibitions on issuance of multiple licenses and repealing obsolete provisions relating thereto; prohibiting off-site storage of intoxicating liquor; specifying applicability of license limits to certain fourth-class cities; changing the expiration date for consumption and display permits; raising the minimum age for keeping intoxicating liquor in bottle clubs; authorizing commissioner of public safety to impose civil penalties for conducting or permitting unlawful gambling on licensed premises, or for failure to remove impure products; specifying applicability to municipal liquor stores of prohibitions against permitting consumption of alcoholic beverages by underage persons; clarifying language on sales of intoxicating liquor on Christmas

day; providing for Sunday liquor elections in counties; prohibiting sale of certain beverages of more than 50 percent alcohol content; authorizing commissioner of public safety to inspect alcoholic beverages for purity of contents and to order the removal of impure products; specifying that a split liquor referendum is not required for issuance of club licenses; repealing restrictions on wine sales at Minneapolis-St. Paul International Airport; authorizing issuance of an on-sale intoxicating malt liquor license in St. Louis county; authorizing the issuance of an on-sale intoxicating liquor license to a location in Duluth; amending Minnesota Statutes 1990, sections 340A.301, subdivision 7; 340A.311; 340A.402; 340A.404, subdivisions 1 and 6; 340A.405, subdivisions 2 and 6; 340A.408, subdivision 2; 340A.410, subdivision 5; 340A.412, subdivisions 2, 3, and by adding a subdivision; 340A.413, subdivision 1; 340A.414, subdivisions 4 and 8; 340A.415; 340A.503, subdivision 1; 340A.504, subdivisions 2 and 3; 340A.506; 340A.508, by adding a subdivision; 340A.601, subdivision 5; and 340A.604; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Minnesota Statutes 1990, section 340A.404, subdivision 6a.

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

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### ALCOHOLIC BEVERAGES

Section 1. Minnesota Statutes 1990, section 340A.301, subdivision 7, is amended to read:

Subd. 7. [INTEREST IN OTHER BUSINESS.] (a) Except as provided in this subdivision, a holder of a license as a manufacturer, brewer, or wholesaler may not have any ownership, in whole or in part, in a business holding a retail intoxicating liquor or nonintoxicating malt liquor license; ~~but~~ *The commissioner may not issue a license under this section to a manufacturer, brewer, or wholesaler if a retailer of intoxicating liquor has a direct or indirect interest in the manufacturer, brewer, or wholesaler. A manufacturer or wholesaler of intoxicating liquor may use or have property rented for retail intoxicating liquor sales only if the manufacturer or wholesaler has owned the property continuously since November 1, 1933. A retailer of intoxicating liquor may not use or have property rented for the manufacture or wholesaling of intoxicating liquor.*

(b) A licensed brewer of malt liquor described in subdivision 6, clause (d) may be issued an on-sale intoxicating liquor or nonintoxicating malt liquor license by a municipality for a restaurant operated in or immediately adjacent to the place of manufacture.

(c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a may have any interest, in whole or in part, directly or indirectly, in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.

Sec. 2. Minnesota Statutes 1990, section 340A.311, is amended to read:

#### 340A.311 [BRAND REGISTRATION.]

(a) A brand of intoxicating liquor or nonintoxicating malt liquor may not be manufactured ~~or~~, imported into, *or sold in* the state unless the brand



label has been registered with and approved by the commissioner. *A brand registration must be renewed every three years in order to remain in effect. The fee for an initial brand registration is \$20. The brand label of a brand of intoxicating liquor or nonintoxicating malt liquor which has not been sold in the state for two years or more must be reregistered before its sale can be resumed.* The brand label of a brand of intoxicating liquor or nonintoxicating malt liquor ~~which has not been sold in the state for at least three years for which the brand registration has expired~~, is conclusively deemed abandoned by the manufacturer or importer.

(b) In this section "brand" and "brand label" include trademarks and designs used in connection with labels.

(c) ~~A brand~~ *The label of any brand of wine or intoxicating or nonintoxicating malt beverage* may be registered only by the brand owner or authorized agent. No *such* brand may be imported into the state for sale without the consent of the brand owner or authorized agent. This section does not limit the provisions of section 340A.307.

Sec. 3. Minnesota Statutes 1990, section 340A.402, is amended to read:  
340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

- (1) a person not a citizen of the United States or a resident alien;
- (2) a person under 21 years of age;

(3) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; ~~or~~

- (4) a person not of good moral character and repute.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage; *or*

(5) *a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.*

Sec. 4. Minnesota Statutes 1990, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. [CITIES.] A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

- (1) hotels;
- (2) restaurants;
- (3) bowling centers;

(4) clubs or congressionally chartered veterans organizations *with the approval of the commissioner*, provided that the organization has been in

existence for at least three years and liquor sales will only be to members and bona fide guests;

(5) sports facilities located on land owned by the metropolitan sports commission; and

(6) exclusive liquor stores.

Sec. 5. Minnesota Statutes 1990, section 340A.404, subdivision 2, is amended to read:

Subd. 2. [SPECIAL PROVISION; CITY OF MINNEAPOLIS.] (a) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theatre, the Cricket Theatre, the Orpheum Theatre, and the State Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The licenses authorize sales on all days of the week to holders of tickets for performances presented by the theatres and to members of the nonprofit corporations holding the licenses and to their guests.

(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision.

~~(c) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to the owner of the sports arena located at 600 First Avenue North in the city of Minneapolis or an entity holding a concessions contract with the owner for use on the premises of that sports arena. The license authorizes sales on all days of the week to holders of tickets for sporting events or other events at the sports arena and to the owner of the sports arena and the owner's guests. The licensee may not dispense intoxicating liquor to any person attending or participating in an amateur athletic event held on the premises.~~

Sec. 6. Minnesota Statutes 1990, section 340A.404, is amended by adding a subdivision to read:

Subd. 2a. [CITY OF MINNEAPOLIS; ARENA.] (a) *Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale or combination on-sale and off-sale intoxicating liquor licenses to the owner of the sports arena located at 600 First Avenue North in Minneapolis, or to an entity holding a concessions contract with the owner for use on the premises of that sports arena.*

*(b) The license authorizes sales on all days of the week to holders of tickets for events at the sports arena, and to the owners of the sports arena and the owners' guests.*

*(c) The licensee may not dispense intoxicating liquor to any person attending or participating in an amateur athletic event held on the premises unless such dispensing is authorized by the city. The city may not authorize the dispensing of intoxicating liquor at any event held under the auspices of the Minnesota state high school league.*

*(d) The license authorized by this subdivision may be issued for space that is not compact and contiguous, provided that all such space is within the sports arena building and is included in the description of the licensed premises on the approved license application.*

*(e) Notwithstanding any law or rule to the contrary, a person licensed to*

*make off-sales within the sports arena building may deliver alcoholic beverages to rooms and suites within the sports arena building (1) between midnight and 8:00 a.m. on Monday through Thursday, and (2) between midnight and 8:00 a.m. and between 10:00 p.m. and midnight on Friday through Sunday. No delivery authorized by this paragraph may be made to a room or suite within the building at any time when an event utilizing the room or suite is in progress.*

*(f) The holder of a license issued under this subdivision may dispense intoxicating liquor in miniature bottles if the intoxicating liquor is poured from the miniature bottles, mixed into another beverage, and dispensed on the premises by employees of the licensee.*

Sec. 7. Minnesota Statutes 1990, section 340A.404, subdivision 6, is amended to read:

Subd. 6. [COUNTIES.] (a) A county board may issue an annual on-sale intoxicating liquor license within the area of the county that is unorganized or unincorporated to a bowling center, restaurant, or club with the approval of the commissioner.

(b) A county board may also *with the approval of the commissioner* issue up to ten seasonal on-sale licenses *to restaurants and clubs* for the sale of intoxicating liquor within the area of the county that is unorganized or unincorporated ~~to a restaurant or club with the approval of the commissioner~~. Notwithstanding section 340A.412, subdivision 8, a seasonal license is valid for a period specified by the board, not to exceed ~~six~~ nine months. Not more than one license may be issued for any one premises during any consecutive 12-month period.

Sec. 8. Minnesota Statutes 1990, section 340A.405, subdivision 2, is amended to read:

Subd. 2. [COUNTIES.] (a) A county may issue an off-sale intoxicating license with the approval of the commissioner to exclusive liquor stores located within unorganized territory of the county.

(b) A county board of any county except Ramsey county containing a town exercising powers under section 368.01, subdivision 1, may issue an off-sale license to an exclusive liquor store within that town with the approval of the commissioner. No license may be issued under this paragraph unless the town board adopts a resolution supporting the issuance of the license.

(c) A county board of any county except Ramsey county containing a town that may not exercise powers under section 368.01, subdivision 1, may issue a combination off-sale and on-sale license to restaurants within that town with the approval of the commissioner pursuant to section 340A.404, subdivision 6. No license may be issued under this paragraph unless the town board adopts a resolution supporting the issuance of the license.

(d) No license may be issued under this subdivision unless a public hearing is held on the issuance of the license. Notice must be given to all interested parties and to any city located within three miles of the premises proposed to be licensed. At the hearing the county board shall consider testimony and exhibits presented by interested parties and may base its decision to issue or deny a license upon the nature of the business to be conducted and its impact upon any municipality, the character and reputation of the applicant, and the propriety of the location. Any hearing held under this paragraph

is not subject to chapter 14.

(e) A county board may not issue a license under this subdivision to a person for an establishment located less than one mile by the most direct route from the boundary of any statutory or home rule city ~~except cities of the first class or within Pine, Carlton, Carver, Itasca, or Red Lake county within one mile of a statutory or home rule city with that had established a municipal liquor store before August 1, 1991, provided, that a county board may not issue a license under this subdivision to a person for an establishment located less than three miles by the most direct route from the boundary of cities located outside of the metropolitan area as defined in section 473.121, subdivision 2, and with a population over 5,000 according to the most recent federal decennial census.~~

(f) The town board may impose an additional license fee in an amount not to exceed 20 percent of the county license fee.

(g) Notwithstanding any provision of this subdivision or Laws 1973, chapter 566, as amended by Laws 1974, chapter 200, a county board may transfer or renew a license that was issued by a town board under Minnesota Statutes 1984, section 340.11, subdivision 10b, prior to January 1, 1985.

Sec. 9. Minnesota Statutes 1990, section 340A.405, subdivision 6, is amended to read:

Subd. 6. [AIRPORTS COMMISSION.] The metropolitan airports commission may with the approval of the commissioner issue licenses for the off-sale of ~~Minnesota-produced~~ wine at the Minneapolis-St. Paul International Airport.

Sec. 10. Minnesota Statutes 1990, section 340A.4055, is amended to read:

#### 340A.4055 [LICENSES IN INDIAN COUNTRY.]

Notwithstanding any law to the contrary, on-sale or off-sale licenses for the sale of intoxicating liquor or nonintoxicating malt liquor issued by the governing body of an Indian tribe in accordance with United States Code, title 18, section 1161, to an Indian tribal member or Indian tribal entity for an establishment located within Indian country as defined under United States Code, title 18, section 1154, is valid ~~with the approval of the commissioner. The commissioner shall approve the license if the establishment has complied with sections 340A.402; 340A.409; 340A.410, subdivisions 4, 5, and 7; 340A.412, subdivisions 1 to 7, 9, and 10; 340A.413; 340A.501; 340A.502; 340A.503; 340A.504; and 340A.506.~~ When a license is issued under this section, the issuing authority shall notify the commissioner of public safety of the name and address of the licensee. Upon receipt of the notice, the commissioner shall issue a retailer's identification card to the licensee to permit the licensee to purchase distilled spirits, wine, or malt beverages containing more than 3.2 percent of alcohol by weight from any manufacturer or wholesale distributor licensed under this chapter or any agent or representative of the manufacturer or distributor. An establishment issued a license under this ~~subdivision~~ section is not required to obtain a license from any municipality, county, or town.

Sec. 11. Minnesota Statutes 1990, section 340A.408, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] (a) The license fee for a retail on-sale intoxicating liquor license is the fee set by the city or

county issuing the license subject to the limitations imposed under this subdivision.

(b) The annual license fee for an on-sale intoxicating liquor license issued by a ~~city municipality~~ to a club must be no greater than:

- (1) \$300 for a club with under 200 members;
- (2) \$500 for a club with between 201 and 500 members;
- (3) \$650 for a club with between 501 and 1,000 members;
- (4) \$800 for a club with between 1,001 and 2,000 members;
- (5) \$1,000 for a club with between 2,001 and 4,000 members;
- (6) \$2,000 for a club with between 4,001 and 6,000 members; or
- (7) \$3,000 for a club with over 6,000 members.

(c) The license fee for the issuance of a wine license may not exceed one-half of the license fee charged for an on-sale intoxicating liquor license, or \$2,000, whichever is less.

(d) The town board of a town in which an on-sale establishment has been licensed by a county may impose an additional license fee on each such establishment in an amount not to exceed 20 percent of the county license fee.

Sec. 12. Minnesota Statutes 1990, section 340A.410, subdivision 5, is amended to read:

Subd. 5. [GAMBLING PROHIBITED.] (a) No retail establishment licensed to sell alcoholic beverages may keep, possess, or operate, or permit the keeping, possession, or operation on the licensed premises of dice or any gambling device as defined in section 349.30, or permit gambling therein except as provided in this subdivision.

(b) Gambling equipment may be kept or operated and raffles conducted on licensed premises and adjoining rooms when the use of the gambling equipment is authorized ~~under~~ by (1) chapter 349, (2) a tribal ordinance in conformity with the Indian Gaming Regulatory Act, Public Law Number 100-497, or (3) a tribal-state compact authorized under section 3.9221.

(c) Lottery tickets may be purchased and sold within the licensed premises as authorized by the director of the lottery under chapter 349A.

Sec. 13. Minnesota Statutes 1990, section 340A.412, subdivision 2, is amended to read:

Subd. 2. [INVESTIGATION OF ON-SALE LICENSES.] (a) The city or county having jurisdiction over on-sale licenses to sell intoxicating liquor shall on initial application for an on-sale license or on application for a transfer of an existing license conduct a preliminary background and financial investigation of the applicant. The application must be in the form prescribed by the ~~bureau of criminal apprehension~~ commissioner and with any additional information as the governing body of the city or county having jurisdiction over the license requires. If the governing body of the city or county having jurisdiction determines or if the ~~bureau of criminal apprehension~~ commissioner on ~~its~~ the commissioner's own initiative determines that a comprehensive background and investigation of the applicant is necessary, the governing body may conduct the investigation itself or contract with the ~~bureau of criminal apprehension~~ commissioner for the

investigation. In addition, an investigation may be required prior to renewal of an existing on-sale license when the governing body of the city or county deems it in the public interest. An investigation fee not to exceed \$500 shall be charged an applicant by the city or county if the investigation is conducted within the state, or the actual cost not to exceed \$10,000 if the investigation is required outside the state.

(b) No license may be issued, transferred, or renewed if the results of the investigation show, to the satisfaction of the governing body, that issuance, transfer, or renewal would not be in the public interest.

Sec. 14. Minnesota Statutes 1990, section 340A.412, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS ON ISSUANCE OF LICENSES TO ONE PERSON OR PLACE.] ~~(a) No more than one off-sale intoxicating liquor license may be directly or indirectly issued to any one person or for any one place in each city or county.~~

~~(b) For the purpose of this subdivision, the term "interest":~~

~~(1) includes any pecuniary interest in the ownership, operation, management, or profits of a retail liquor establishment, and a person who receives money from time to time directly or indirectly from a licensee, in the absence of consideration and excluding gifts or donations, has a pecuniary interest in the retail license; and~~

~~(2) does not include loans; rental agreements; open accounts or other obligations held with or without security arising out of the ordinary and regular course of business of selling or leasing merchandise, fixtures, supplies to the establishment; an interest in a corporation owning or operating a hotel but having at least 150 or more rental units holding a liquor license in conjunction therewith; or ten percent or less interest in any other corporation holding a license.~~

~~(c) In determining whether an "interest" exists, the transaction must have been bona fide and the reasonable value of the goods and things received as consideration for a payment by the licensee and all other facts reasonably tending to prove or disprove the existence of a purposeful scheme or arrangement to evade the restrictions of this subdivision must be considered. A municipality may not issue directly or indirectly more than one off-sale intoxicating liquor license to any one person or for any one place.~~

Sec. 15. Minnesota Statutes 1990, section 340A.412, is amended by adding a subdivision to read:

*Subd. 12. [OFF-SITE STORAGE PROHIBITION.] A holder of a retail intoxicating liquor license or a municipal liquor store may not store any intoxicating liquor at any location other than the licensed premises except with the written permission of the commissioner.*

Sec. 16. Minnesota Statutes 1990, section 340A.413, subdivision 1, is amended to read:

Subdivision 1. [ON-SALE LICENSES.] No on-sale intoxicating liquor license may be issued in any city except as provided in this section in excess of the following limits:

(1) in cities of the first class, one license for every 1,500 population, up to 200 licenses;

(2) in cities of the second class, not more than 18 licenses plus one for every 2,500 population over 45,000;

(3) in cities of the third class, not more than 12 licenses;

(4) in cities of the fourth class, *including cities whose acts of incorporation were repealed by Laws 1973, chapter 123, article V, section 5*, not more than seven licenses;

(5) in statutory cities of 5,000 to 10,000 population, not more than six licenses;

(6) in statutory cities of 2,500 to 5,000 population, not more than five licenses;

(7) in statutory cities of 500 to 2,500 population, not more than four licenses; and

(8) in statutory cities under 500 population, not more than three licenses.

Sec. 17. Minnesota Statutes 1990, section 340A.414, subdivision 4, is amended to read:

Subd. 4. [PERMIT EXPIRATION.] All permits issued under this section expire on ~~June 30~~ *March 31* of each year.

Sec. 18. Minnesota Statutes 1990, section 340A.414, subdivision 8, is amended to read:

Subd. 8. [LOCKERS.] A club issued a permit under this section may allow members to bring and keep a personal supply of intoxicating liquor in lockers on the club's premises. All bottles kept on the premises must have attached to it a label signed by the member. No person under ~~49~~ *21* years of age may keep a supply of intoxicating liquor on club premises.

Sec. 19. Minnesota Statutes 1990, section 340A.415, is amended to read:  
340A.415 [LICENSE REVOCATION OR SUSPENSION.]

The authority issuing or approving any retail license or permit under this chapter shall either suspend for up to 60 days or revoke the license or permit or impose a civil fine not to exceed \$2,000 for each violation on a finding that the license or permit holder has failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been afforded an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearing. The issuing authority or the commissioner may impose the penalties provided in this section on a retail licensee who knowingly (1) sells alcoholic beverages to another retail licensee for the purpose of resale, ~~or on a retail licensee who~~ (2) purchases alcoholic beverages from another retail licensee for the purpose of resale, (3) *conducts or permits the conduct of gambling on the licensed premises in violation of the law*, or (4) *fails to remove or dispose of alcoholic beverages when ordered by the commissioner to do so under section 24.*

Sec. 20. Minnesota Statutes 1990, section 340A.503, subdivision 1, is amended to read:

Subdivision 1. [CONSUMPTION.] It is unlawful for any:

(1) retail intoxicating liquor or nonintoxicating liquor licensee, *municipal*

*liquor store, or bottle club permit holder under section 340A.414, to permit any person under the age of 21 years to consume alcoholic beverages on the licensed premises or within the municipal liquor store; or*

(2) person under the age of 21 years to consume any alcoholic beverages. If proven by a preponderance of the evidence, it is an affirmative defense to a violation of this clause that the defendant consumed the alcoholic beverage in the household of the defendant's parent or guardian and with the consent of the parent or guardian.

Sec. 21. Minnesota Statutes 1990, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m. and 8:00 a.m. on the days of Monday through Saturday;

(2) after 1:00 a.m. on Sundays, except as provided by subdivision 3;

(3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided that when December 25 occurs on a Sunday on-sales on that day are governed by subdivision 3.

Sec. 22. Minnesota Statutes 1990, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and 1:00 a.m. on Mondays.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and 1:00 a.m. on Mondays, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A ~~municipality~~ city may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the ~~municipality~~ city voting on the question at a general or special election. *A county may issue a Sunday intoxicating liquor license in a town only if authorized to do so by the voters of the town as provided in paragraph (e). A county may issue a Sunday intoxicating liquor license in unorganized territory only if authorized to do so by the voters of the election precinct that contains the licensed premises, voting on the question at a general or special election.*

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan



airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 23. Minnesota Statutes 1990, section 340A.506, is amended to read:

**340A.506 [SALES OF ETHYL ALCOHOL AND NEUTRAL SPIRITS PROHIBITED.]**

*Subdivision 1. [ETHYL ALCOHOL; NEUTRAL SPIRITS.] No person may sell at retail for beverage purposes ethyl alcohol or neutral spirits, or substitutes thereof, possessing the taste, aroma, and characteristics generally attributed to ethyl alcohol or neutral spirits. Nothing in this section prohibits the manufacture or sale of other products obtained by use of ethyl alcohol or neutral spirits as defined in United States Treasury Department, Bureau of Internal Revenue, Regulations 125, Article II, Standards of Identity for Distilled Spirits.*

*Subd. 2. [MAXIMUM ALCOHOL CONTENT.] No person may sell for beverage purposes any spirits, distilled from grain or corn, with an alcohol content of more than 80 percent which equals 160 proof, unless such spirits have been aged in wood casks for not less than two years.*

Sec. 24. Minnesota Statutes 1990, section 340A.508, is amended by adding a subdivision to read:

*Subd. 3. [PURITY OF CONTENTS.] The commissioner may examine the contents of any container of alcoholic beverages on the premises of any licensee under this chapter or any municipal liquor store, for the purpose of determining the purity of the alcoholic beverages. The commissioner may remove any container, or remove all or part of the contents thereof, for the purpose of conducting tests of purity. The commissioner may order the removal from inventory of any container the contents of which fail to meet standards of purity established by rules adopted under this subdivision, and may order the disposal of the contents. The commissioner may adopt rules that (1) provide standards of purity for alcoholic beverages and procedures for testing for purity, and (2) govern the removal from inventory and disposal of alcoholic beverages that do not meet the commissioner's standards of purity.*

Sec. 25. Minnesota Statutes 1990, section 340A.601, subdivision 5, is amended to read:

**Subd. 5. [ISSUANCE OF LICENSES TO PRIVATE PERSONS.]** A city owning and operating a municipal liquor store may issue on-sale liquor licenses to hotels, clubs, and restaurants. A city issuing on-sale licenses under this subdivision may continue to operate the municipal liquor store or may resume operation of a municipal liquor store previously discontinued.

The number of on-sale licenses issued under this section by a city is governed by section 340A.413.

A city may not issue licenses under this section, *other than a license issued to a club under section 340A.404, subdivision 1, clause (4)*, until authorized by the voters of the city voting on the question at a special election called for that purpose.

Sec. 26. Minnesota Statutes 1990, section 340A.604, is amended to read:

**340A.604 [SUSPENSION OF OPERATION.]**

A court shall notify the commissioner in writing within ten days whenever a municipal officer or employee has been convicted of any of the following offenses committed in a municipal liquor store:

- (1) selling alcoholic beverages to persons or at times prohibited by law;
  - (2) selling alcoholic beverages for resale;
  - (3) selling alcoholic beverages on which state taxes have not been paid;
- or
- (4) violating the provisions of section 340A.410, subdivision 6 5, relating to gambling and gambling devices.

On receiving the notice of conviction the commissioner may suspend for up to 30 days the operation of the municipal liquor store where the offense occurred. The commissioner must notify in writing the municipality operating the store of the effective dates of the suspension. An appeal of the suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

Sec. 27. [340A.91] [CONFECTIONERY CONTAINING ALCOHOL.]

*Subdivision 1. [RESTRICTIONS.] A confectionery that bears or contains alcohol in excess of one-half of one percent by volume and less than five percent by volume:*

- (1) may not be sold to persons under the age of 21;*
- (2) must be labeled with a conspicuous readily legible statement that reads: "This product may not be sold to anyone under 21 years of age;"*
- (3) may not be sold in a form containing liquid alcohol;*
- (4) must be labeled with a conspicuous, readily legible statement that the product contains not more than five percent alcohol by volume; and*
- (5) may only be sold in a business establishment which derives more than 50 percent of its gross sales from the sale of confectioneries or in an exclusive liquor store.*

*Subd. 2. [EXEMPTION.] Subdivision 1 does not apply to liqueur-filled candy.*

Sec. 28. [ST. LOUIS COUNTY LICENSE.]

*Notwithstanding any law to the contrary, the St. Louis county board may issue a license for the on-sale of intoxicating malt liquor to an establishment located in township 61, range 18, section 29, parcel no. 2150010050251. The county board shall set the fee for the license. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized by this section.*

Sec. 29. [CITY OF ALEXANDRIA; SUNDAY LIQUOR LICENSE.]

*Notwithstanding Minnesota Statutes, section 340A.504, subdivision 3, paragraph (d), the city of Alexandria may issue licenses authorizing on-sales of intoxicating liquor on Sunday to restaurants and bowling centers in the city without authorization by the voters of the city. All other provisions of Minnesota Statutes, chapter 340A, apply to a license issued under this section.*

Sec. 30. [ON-SALE LICENSES; CITY OF VIRGINIA.]

*Notwithstanding Minnesota Statutes, section 340A.413, subdivision 1, the city of Virginia may issue not more than 21 on-sale intoxicating liquor licenses. The licenses authorized by this section include any licenses which the city may issue by special law or by a referendum conducted under section 340A.413, subdivision 3, before the effective date of this section. All other provisions of Minnesota Statutes, chapter 340A, including section 340A.413, subdivision 4, not inconsistent with this section apply to licenses issued under this section.*

Sec. 31. [TRANSITION.]

*Notwithstanding Minnesota Statutes, section 340A.414, subdivision 4, all consumption and display permits issued by the commissioner of public safety that expire June 30, 1991, are extended and are valid until March 31, 1992.*

Sec. 32. [REPEALER.]

*Subdivision 1. [SEASONAL LICENSE AUTHORITY.] Minnesota Statutes 1990, section 340A.404, subdivision 6a, is repealed.*

*Subd. 2. [VIRGINIA SPECIAL LAW.] Laws 1974, chapter 501, section 1, is repealed.*

Sec. 33. [EFFECTIVE DATE; APPLICATION.]

*Section 8 applies to new licenses issued on or after August 1, 1991. Sections 17 and 31 are effective June 1, 1991. Section 28 is effective on approval by the St. Louis county board and compliance with Minnesota Statutes, section 645.021. Section 29 is effective on approval by the Alexandria city council and compliance with Minnesota Statutes, section 645.021. Section 30 and section 32, subdivision 2, are effective on approval by the Virginia city council and compliance with Minnesota Statutes, section 645.021, subdivision 3.*

## ARTICLE 2

### 3.2 PERCENT MALT LIQUOR PROVISIONS

Section 1. Minnesota Statutes 1990, section 340A.101, subdivision 10, is amended to read:

Subd. 10. [EXCLUSIVE LIQUOR STORE.] "Exclusive liquor store" is an establishment used exclusively for the sale of intoxicating liquor except for the incidental sale of ice, tobacco, ~~nonintoxicating~~ 3.2 percent malt liquor, beverages for mixing with intoxicating liquor, soft drinks, liqueur-filled candies, cork extraction devices, and books and videos on the use of alcoholic beverages in the preparation of food, and the establishment may offer recorded or live entertainment. "Exclusive liquor store" also includes an on-sale or combination on-sale and off-sale intoxicating liquor establishment which sells food for on-premise consumption when authorized by the municipality issuing the license.

Sec. 2. Minnesota Statutes 1990, section 340A.101, subdivision 19, is amended to read:

Subd. 19. [~~NONINTOXICATING~~ 3.2 PERCENT MALT LIQUOR.] "~~Nonintoxicating~~ 3.2 percent malt liquor" is malt liquor containing not less than one-half of one percent alcohol by volume nor more than 3.2 percent alcohol by weight.

Sec. 3. Minnesota Statutes 1990, section 340A.301, subdivision 1, is

amended to read:

Subdivision 1. [LICENSES REQUIRED.] No person may directly or indirectly manufacture or sell at wholesale intoxicating liquor, or ~~nonintoxicating 3.2 percent malt liquor~~ without obtaining an appropriate license from the commissioner, except where otherwise provided in this chapter. A manufacturer's license includes the right to import. A licensed brewer may sell the brewer's products at wholesale only if the brewer has been issued a wholesaler's license. The commissioner shall issue a wholesaler's license to a brewer only if (1) the commissioner determines that the brewer was selling the brewer's own products at wholesale in Minnesota on January 1, 1991, or (2) the brewer has acquired a wholesaler's business or assets under subdivision 7a, paragraph (c) or (d). A licensed wholesaler of intoxicating malt liquor may sell ~~nonintoxicating 3.2 percent~~ malt liquor at wholesale without an additional license.

Sec. 4. Minnesota Statutes 1990, section 340A.301, subdivision 6, is amended to read:

Subd. 6. [FEES.] The annual fees for licenses under this section are as follows:

(a) Manufacturers (except as provided in clauses (b) and (c))	\$7,500
Duplicates	\$3,000
(b) Manufacturers of wines of not more than 25 percent alcohol by volume	\$ 500
(c) Brewers other than those described in clause (d)	\$1,250
(d) Brewers who also hold a retail on-sale license and who manufacture fewer than 2,000 barrels of malt liquor in a year, the entire production of which is solely for consumption on tap on the licensed premises	\$ 250
(e) Wholesalers (except as provided in clauses (f), (g), and (h))	\$7,500
Duplicates	\$3,000
(f) Wholesalers of wines of not more than 25 percent alcohol by volume	\$ 750
(g) Wholesalers of intoxicating malt liquor	\$ 300
Duplicates	\$ 15
(h) Wholesalers of <del>nonintoxicating 3.2 percent</del> malt liquor	\$ 10

If a business licensed under this section is destroyed, or damaged to the extent that it cannot be carried on, or if it ceases because of the death or illness of the licensee, the commissioner may refund the license fee for the balance of the license period to the licensee or to the licensee's estate.

Sec. 5. Minnesota Statutes 1990, section 340A.301, subdivision 7, is amended to read:

Subd. 7. [INTEREST IN OTHER BUSINESS.] (a) Except as provided

in this subdivision, a holder of a license as a manufacturer, brewer, or wholesaler may not have any ownership, in whole or in part, in a business holding a retail intoxicating liquor or ~~nonintoxicating 3.2 percent malt liquor~~ license, but a manufacturer or wholesaler of intoxicating liquor may use or have property rented for retail intoxicating liquor sales if the manufacturer or wholesaler has owned the property continuously since November 1, 1933.

(b) A licensed brewer of malt liquor described in subdivision 6, clause (d) may be issued an on-sale intoxicating liquor or ~~nonintoxicating 3.2 percent malt liquor~~ license by a municipality for a restaurant operated in or immediately adjacent to the place of manufacture.

(c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a may have any interest, in whole or in part, directly or indirectly, in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.

Sec. 6. Minnesota Statutes 1990, section 340A.308, is amended to read:  
340A.308 [PROHIBITED TRANSACTIONS.]

(a) No brewer or malt liquor wholesaler may directly or indirectly, or through an affiliate or subsidiary company, or through an officer, director, stockholder, or partner:

- (1) give, or lend money, credit, or other thing of value to a retailer;
- (2) give, lend, lease, or sell furnishing or equipment to a retailer;
- (3) have an interest in a retail license; or
- (4) be bound for the repayment of a loan to a retailer.

(b) This section does not prohibit a manufacturer or wholesaler from:

- (1) furnishing, lending, or renting to a retailer outside signs, of a cost of up to \$400 excluding installation and repair costs;
- (2) furnishing, lending, or renting to a retailer inside signs and other promotional material, of a cost of up to \$300 in a year;
- (3) furnishing to or maintaining for a retailer equipment for dispensing malt liquor, including tap trailers, cold plates and other dispensing equipment, of a cost of up to \$100 per tap in a year;
- (4) using or renting property owned continuously since November 1, 1933, for the purpose of selling intoxicating or ~~nonintoxicating 3.2 percent malt liquor~~ at retail; or
- (5) extending customary commercial credit to a retailer in connection with a sale of nonalcoholic beverages only, or engaging in cooperative advertising agreements with a retailer in connection with the sale of non-alcoholic beverages only.

Sec. 7. Minnesota Statutes 1990, section 340A.310, is amended to read:  
340A.310 [SALES TO WHOLESALERS.]

A wholesaler may sell intoxicating liquor or ~~nonintoxicating 3.2 percent malt liquor~~ only to municipal liquor stores, government instrumentalities, or holders of alcoholic beverage licenses issued under this chapter.

Sec. 8. Minnesota Statutes 1990, section 340A.311, is amended to read:  
340A.311 [BRAND REGISTRATION.]

(a) A brand of intoxicating liquor or ~~nonintoxicating 3.2 percent~~ malt liquor may not be manufactured or imported into the state unless the brand label has been registered with and approved by the commissioner. The fee for brand registration is \$20. The brand label of a brand of intoxicating liquor or ~~nonintoxicating 3.2 percent~~ malt liquor which has not been sold in the state for two years or more must be reregistered before its sale can be resumed. The brand label of a brand of intoxicating liquor or ~~nonintoxicating 3.2 percent~~ malt liquor which has not been sold in the state for at least three years is conclusively deemed abandoned by the manufacturer or importer.

(b) In this section "brand" and "brand label" include trademarks and designs used in connection with labels.

(c) A brand label may be registered only by the brand owner or authorized agent. No brand may be imported into the state for sale without the consent of the brand owner or authorized agent. This section does not limit the provisions of section 340A.307.

Sec. 9. Minnesota Statutes 1990, section 340A.403, is amended to read:

340A.403 [NONINTOXICATING 3.2 PERCENT MALT LIQUOR LICENSES.]

Subdivision 1. [ISSUANCE BY COUNTY OR CITY.] The governing body of a city or county may issue off-sale or on-sale licenses for the sale of ~~nonintoxicating 3.2 percent~~ malt liquor within their respective jurisdictions.

Subd. 2. [TEMPORARY LICENSES.] (a) A club or charitable, religious, or nonprofit organization may be issued a temporary on-sale license for the sale of ~~nonintoxicating 3.2 percent~~ malt liquor.

(b) The temporary license may authorize the sale of ~~nonintoxicating 3.2 percent~~ malt liquor in any school or school buildings.

(c) Temporary licenses are subject to the terms set by the issuing county or city.

Subd. 3. [EXEMPTION.] (a) Any person licensed to sell intoxicating liquor at on-sale shall not be required to obtain an on-sale license under this section, and may sell ~~nonintoxicating 3.2 percent~~ malt beverages at on-sale without further license.

(b) Any person licensed to sell intoxicating liquor at off-sale shall not be required to obtain an off-sale license under this section, and may sell ~~nonintoxicating 3.2 percent~~ malt beverages at off-sale without further license.

Sec. 10. Minnesota Statutes 1990, section 340A.404, subdivision 5, is amended to read:

Subd. 5. [WINE LICENSES.] (a) A municipality may issue an on-sale wine license with the approval of the commissioner to a restaurant having facilities for seating at least 25 guests at one time. A wine license permits the sale of wine of up to 14 percent alcohol by volume for consumption with the sale of food. A wine license authorizes the sale of wine on all days of the week unless the issuing authority restricts the license's authorization to the sale of wine on all days except Sundays.

(b) The governing body of a municipality may by ordinance authorize a holder of an on-sale wine license issued pursuant to paragraph (a) who is

also licensed to sell ~~nonintoxicating~~ 3.2 percent malt liquors at on-sale pursuant to section 340A.411, and whose gross receipts are at least 60 percent attributable to the sale of food, to sell intoxicating malt liquors at on-sale without an additional license.

(c) A municipality may issue an on-sale wine license with the approval of the commissioner to a licensed bed and breakfast facility. A license under this paragraph authorizes a bed and breakfast facility to furnish wine only to registered guests of the facility.

Sec. 11. Minnesota Statutes 1990, section 340A.4055, is amended to read:

340A.4055 [LICENSES IN INDIAN COUNTRY.]

Notwithstanding any law to the contrary, on-sale or off-sale licenses for the sale of intoxicating liquor or ~~nonintoxicating~~ 3.2 percent malt liquor issued by the governing body of an Indian tribe in accordance with United States Code, title 18, section 1161, to an Indian tribal member or Indian tribal entity for an establishment located within Indian country as defined under United States Code, title 18, section 1154, is valid with the approval of the commissioner. The commissioner shall approve the license if the establishment has complied with sections 340A.402; 340A.409; 340A.410, subdivisions 4, 5, and 7; 340A.412, subdivisions 1 to 7, 9, and 10; 340A.413; 340A.501; 340A.502; 340A.503; 340A.504; and 340A.506. An establishment issued a license under this subdivision is not required to obtain a license from any municipality, county, or town.

Sec. 12. Minnesota Statutes 1990, section 340A.407, is amended to read:

340A.407 [COMMON CARRIERS.]

The commissioner may issue an on-sale license to a person certificated by either the state or the United States of America, or an agency thereof, as a common carrier engaged in the business of transporting persons for hire in interstate or intrastate commerce to sell intoxicating or ~~nonintoxicating~~ 3.2 percent malt liquor in a place where meals are sold. A license issued under this subdivision only authorizes the sale of intoxicating or ~~nonintoxicating~~ 3.2 percent malt liquor to a bona fide passenger who is actually being transported in interstate or intrastate commerce.

Sec. 13. Minnesota Statutes 1990, section 340A.408, subdivision 1, is amended to read:

Subdivision 1. [~~NONINTOXICATING~~ 3.2 PERCENT MALT LIQUOR.]

(a) The license fee for an on-sale and off-sale ~~nonintoxicating~~ 3.2 percent malt liquor license is the fee set by the county or city issuing the license.

(b) One-half of the license fee received by a county for a retail license to sell ~~nonintoxicating~~ 3.2 percent malt liquor within any town in the county shall be paid to the town board where the business is located.

Sec. 14. Minnesota Statutes 1990, section 340A.408, subdivision 4, is amended to read:

Subd. 4. [LAKE SUPERIOR TOUR BOATS; COMMON CARRIERS.]

(a) The annual license fee for licensing of Lake Superior tour boats under section 340A.404, subdivision 8, shall be \$1,000.

(b) The annual license fee for common carriers licensed under section 340A.407 is:

(1) \$25 for ~~nonintoxicating 3.2 percent~~ malt liquor, and \$2 for a duplicate license; and

(2) \$100 for intoxicating liquor, and \$10 for a duplicate license.

Sec. 15. Minnesota Statutes 1990, section 340A.408, subdivision 5, is amended to read:

Subd. 5. [REFUNDS.] A pro rata share of an annual license fee for a retail license to sell intoxicating or ~~nonintoxicating 3.2 percent~~ malt liquor, either on-sale or off-sale, may be refunded to the licensee or to the licensee's estate if:

(1) the business ceases to operate because of destruction or damage;

(2) the licensee dies;

(3) the business ceases to be lawful for a reason other than a license revocation; or

(4) the licensee ceases to carry on the licensed business under the license.

Sec. 16. Minnesota Statutes 1990, section 340A.409, subdivision 4, is amended to read:

Subd. 4. [INSURANCE NOT REQUIRED.] Subdivision 1 does not apply to licensees who by affidavit establish that:

(1) they are on-sale ~~nonintoxicating 3.2 percent~~ malt liquor licensees with sales of less than \$10,000 of ~~nonintoxicating 3.2 percent~~ malt liquor for the preceding year;

(2) they are off-sale ~~nonintoxicating 3.2 percent~~ malt liquor licensees with sales of less than \$20,000 of ~~nonintoxicating 3.2 percent~~ malt liquor for the preceding year;

(3) they are holders of on-sale wine licenses with sales of less than \$10,000 for wine for the preceding year; or

(4) they are holders of temporary wine licenses issued under law.

Sec. 17. Minnesota Statutes 1990, section 340A.411, is amended to read:

340A.411 [LICENSE RESTRICTIONS; ~~NONINTOXICATING 3.2 PERCENT~~ MALT LIQUOR LICENSES.]

Subdivision 1. [ON-SALE LICENSES.] On-sale ~~nonintoxicating 3.2 percent~~ liquor licenses may only be issued to drugstores, restaurants, hotels, clubs, bowling centers, and establishments used exclusively for the sale of ~~nonintoxicating 3.2 percent~~ malt liquor with the incidental sale of tobacco and soft drinks.

Subd. 2. [LICENSE DURATION.] All retail ~~nonintoxicating 3.2 percent~~ malt liquor licenses must be issued for one year, except that for the purpose of coordinating the time of expiration of licenses in general, licenses may be issued for a shorter time, in which case a pro rata license fee must be charged.

Sec. 18. Minnesota Statutes 1990, section 340A.412, subdivision 6, is amended to read:

Subd. 6. [OFF-SALE LICENSES WHERE ~~NONINTOXICATING 3.2 PERCENT~~ MALT LIQUOR IS SOLD.] An off-sale intoxicating liquor license may not be issued to a place where ~~nonintoxicating 3.2 percent~~ malt



liquor is sold for consumption on the premises. This subdivision does not apply to those places where both an on-sale and off-sale license or a combination license have been issued under section 340A.406.

Sec. 19. Minnesota Statutes 1990, section 340A.414, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY FOR PERMIT.] (a) The commissioner may issue a permit under this section only to:

(1) an applicant who has not, within five years prior to the application, been convicted of a felony or of violating any provision of this chapter or rule adopted under this chapter;

(2) a restaurant;

(3) a hotel;

(4) an establishment licensed for the sale of ~~nonintoxicating~~ 3.2 percent malt liquor;

(5) a resort as defined in section 157.01; and

(6) a club as defined in section 340A.101, subdivision 7, or an unincorporated club otherwise meeting that definition.

(b) The commissioner may not issue a permit to a club holding an on-sale intoxicating liquor license.

Sec. 20. Minnesota Statutes 1990, section 340A.504, subdivision 1, is amended to read:

Subdivision 1. [~~NONINTOXICATING~~ 3.2 PERCENT MALT LIQUOR.] No sale of ~~nonintoxicating~~ 3.2 percent malt liquor may be made between 1:00 a.m. and 8:00 a.m. on the days of Monday through Saturday, nor between 1:00 a.m. and 12:00 noon on Sunday, provided that an establishment located on land owned by the metropolitan sports commission, or the sports arena for which one or more licenses have been issued under section 340A.404, subdivision 2, paragraph (c), may sell ~~nonintoxicating~~ 3.2 percent malt liquor between 10:00 a.m. and 12:00 noon on a Sunday on which a sports or other event is scheduled to begin at that location on or before 1:00 p.m. of that day.

Sec. 21. Minnesota Statutes 1990, section 340A.504, subdivision 6, is amended to read:

Subd. 6. [MUNICIPALITIES MAY LIMIT HOURS.] A municipality may further limit the hours of sale of alcoholic beverages, provided that further restricted hours must apply equally to sales of ~~nonintoxicating~~ 3.2 percent malt liquor and intoxicating liquor. A city may not permit the sale of alcoholic beverages during hours when the sale is prohibited by this section.

Sec. 22. Minnesota Statutes 1990, section 340A.601, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY.] A city having a population of not more than 10,000 may establish, own, and operate a municipal liquor store which may sell at retail intoxicating liquor, ~~nonintoxicating~~ 3.2 percent malt liquor, tobacco products, ice, soft drinks, beverages for mixing intoxicating liquor, and food for consumption on the premises. A municipal liquor store may also offer recorded or live entertainment and make available coin-operated

amusement devices.

Sec. 23. Minnesota Statutes 1990, section 340A.903, is amended to read:  
340A.903 [SIZE OF CONTAINERS.]

Notwithstanding any law or rule to the contrary, ~~nonintoxicating~~ 3.2 percent malt liquor may be sold in containers of not more than 128 fluid ounces."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; prohibiting a retailer from having an interest in a manufacturer, brewer, or wholesaler; prohibiting a retailer from renting space to a manufacturer, brewer, or wholesaler; requiring that sales and deliveries from a wholesaler's warehouse be for consumption in Minnesota only; providing that brand registration is for a three-year period; specifying that club on-sale licenses are subject to approval of the commissioner of public safety; consolidating provisions of law relating to seasonal on-sale licenses; providing for sale of intoxicating liquor at a sports arena in Minneapolis; providing extended duration of seasonal licenses in certain counties; removing certain restrictions on location of off-sale and combination licenses issued by counties; providing for the issuance of retailer identification cards to certain licensees; clarifying law on issuance of off-sale licenses by counties; allowing gambling on licensed premises when governed by tribal ordinance or a tribal-state compact; clarifying language on certain prohibitions on issuance of multiple licenses and repealing obsolete provisions relating thereto; prohibiting off-site storage of intoxicating liquor; specifying applicability of license limits to certain fourth-class cities; changing the expiration date for consumption and display permits; raising the minimum age for keeping intoxicating liquor in bottle clubs; authorizing commissioner of public safety to impose civil penalties for conducting or permitting unlawful gambling on licensed premises, or for failure to remove impure products; specifying applicability to municipal liquor stores of prohibitions against permitting consumption of alcoholic beverages by underage persons; clarifying language on sales of intoxicating liquor on Christmas day; providing for Sunday liquor elections in counties; prohibiting sale of certain beverages of more than 50 percent alcohol content; authorizing commissioner of public safety to inspect alcoholic beverages for purity of contents and to order the removal of impure products; specifying that a split liquor referendum is not required for issuance of club licenses; repealing restrictions on wine sales at Minneapolis-St. Paul International Airport; authorizing issuance of an on-sale intoxicating malt liquor license in St. Louis county; authorizing the issuance of on-sale Sunday liquor licenses by the city of Alexandria; specifying the number of on-sale licenses which may be issued in the city of Virginia; changing the name of nonintoxicating malt liquor; amending Minnesota Statutes 1990, sections 340A.101, subdivisions 10 and 19; 340A.301, subdivisions 1, 6, and 7; 340A.308; 340A.310; 340A.311; 340A.402; 340A.403; 340A.404, subdivisions 1, 2, 5, 6, and by adding a subdivision; 340A.405, subdivisions 2 and 6; 340A.4055; 340A.407; 340A.408, subdivisions 1, 2, 4, and 5; 340A.409, subdivision 4; 340A.410, subdivision 5; 340A.411; 340A.412, subdivisions 2, 3, 6, and by adding a subdivision; 340A.413, subdivision 1; 340A.414, subdivisions 2, 4, and 8; 340A.415; 340A.503, subdivision 1; 340A.504, subdivisions 1, 2, 3, and 6; 340A.506; 340A.508, by adding a subdivision; 340A.601, subdivisions 1 and 5; 340A.604; and 340A.903; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing

Minnesota Statutes 1990, section 340A.404, subdivision 6a; and Laws 1974, chapter 501, section 1."

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

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

S.F. No. 490: A bill for an act relating to state lands; directing sale of two tracts of state-owned land in St. Louis county.

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

Delete everything after the enacting clause and insert:

"Section 1. [SALE OF STATE LANDS IN ST. LOUIS COUNTY.]

*The commissioner of natural resources shall sell two tracts of state-owned land, described in leases #144-43-1501 and #144-43-1502, situated in the Northeast Quarter of the Northeast Quarter of Section 2, Township 57 North, Range 18 West, St. Louis county, and leased under Minnesota Statutes, section 92.50. The lands must be sold before December 31, 1991. The sales are governed by Minnesota Statutes, section 92.67, to the extent consistent with this section.*

Sec. 2. [CONVEYANCE OF LAND TO CITY OF ANOKA.]

*(a) Notwithstanding Minnesota Statutes, sections 92.45, 94.09, 94.10, and 103F.335, subdivision 3, after the commissioner of human services has certified under section 94.09, subdivision 2, that the land bordering public waters described in paragraph (d) is no longer needed, the commissioner of administration may convey the land to the city of Anoka for a public works facility.*

*(b) The conveyance must be in a form approved by the attorney general and must provide that the land, and any buildings and other improvements on the land, revert to the state if the property ceases to be used by the city of Anoka for a public works facility.*

*(c) As consideration for the conveyance, the city of Anoka shall:*

*(1) agree to provide snow removal services for the Anoka-metro regional treatment center under a contract with the commissioner of administration, the terms of which must be negotiated by the commissioner and the city; and*

*(2) convey to the commissioner of natural resources a scenic easement, as defined in Minnesota Statutes, section 103F.311, subdivision 6, on that portion of the conveyed land that has been designated for inclusion in the wild and scenic rivers system under Minnesota Statutes, section 103F.325.*

*The scenic easement must allow construction of a stormwater retention pond within the area covered by the easement in accordance with construction plans approved by the commissioner of natural resources.*

*(d) The land that may be conveyed is a parcel of approximately six acres located on the campus of the Anoka-metro regional treatment center in Anoka county and is described as:*

*That part of Government Lots 1 and 2, Section 6, Township 31, Range*

24, Anoka County, Minnesota, lying northerly of the northerly right-of-way line of Burlington Northern Railroad Company, southerly of the westerly extension of the south line of Block 6, Woodbury's Addition to Anoka, and westerly of the west line of Fourth Avenue.

Sec. 3. [LAND EXCHANGE.]

*Notwithstanding Minnesota Statutes, chapter 94, the state university board may enter into an agreement with the city of St. Cloud to exchange parcels of land. The conveyances must be made for no monetary consideration and by quitclaim deed in a form approved by the attorney general. Before the conveyances, the state university board and the city of St. Cloud shall enter an agreement on temporary easements on the parcels of land to be exchanged.*

Sec. 4. [SURPLUS LAND CONVEYANCE; CITY OF ST. CLOUD.]

*(a) Notwithstanding Minnesota Statutes, chapter 94, or any other law to the contrary, the commissioner of administration shall sell to the city of St. Cloud all or any portion of three parcels of land the city desires to purchase, all three parcels being adjacent to the Minnesota correctional facility in St. Cloud.*

*(b) The conveyance must be in a form approved by the attorney general and for a consideration of its appraised value as determined by the commissioner. The city of St. Cloud shall reimburse the commissioner for the appraisal costs.*

*(c) The approximate acres of each of the parcels is 46 acres, 78 acres, and 31 acres.*

*(d) This property is surplus and not needed by the department of corrections. A survey provided by the city of St. Cloud will govern the legal description.*

Sec. 5. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to state lands; requiring the sale of two tracts of state-owned land in St. Louis county; authorizing the conveyance of state land to the city of Anoka; authorizing a land exchange between the city of St. Cloud and the state university board; authorizing the commissioner of administration to sell certain surplus lands to the city of St. Cloud."*

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

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

S.F. No. 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.

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 182.651, is amended by adding a subdivision to read:

*Subd. 21. [AFFECTED EMPLOYEE.] "Affected employee" means a current employee of a cited employer who is exposed within the scope of employment to the alleged hazard described in the citation.*

Sec. 2. Minnesota Statutes 1990, section 182.651, is amended by adding a subdivision to read:

*Subd. 22. [AUTHORIZED EMPLOYEE REPRESENTATIVE.] "Authorized employee representative" means a labor organization that has a collective bargaining relationship with the cited employer and that represents affected employees.*

Sec. 3. Minnesota Statutes 1990, section 182.651, is amended by adding a subdivision to read:

*Subd. 23. [RESPONDENT.] "Respondent" means a person against whom a complaint has been issued or served.*

Sec. 4. Minnesota Statutes 1990, section 182.653, subdivision 9, is amended to read:

*Subd. 9. [STANDARD INDUSTRIAL CLASSIFICATION LIST.] The commissioner shall adopt, in accordance with section 182.655, a rule specifying a list of standard industrial classifications of employers who must comply with subdivision 8. The commissioner shall demonstrate the need to include each industrial classification on the basis of the safety record or workers' compensation record of that industry segment. An employer must comply with subdivision 8 six months following the date the standard industrial classification that applies to the employee is placed on the list. An employer having less than 51 employees must comply with subdivision 8 six months following the date the standard industrial classification that applies to the employee is placed on the list or by July 1, 1993, whichever is later. The list shall be updated every two years.*

Sec. 5. Minnesota Statutes 1990, section 182.661, subdivision 1, is amended to read:

*Subdivision 1. If, after an inspection or investigation, the commissioner issues a citation under section 182.66, the commissioner shall notify the employer by certified mail of the penalty, if any, proposed to be assessed under section 182.666 and that the employer has ~~15 working~~ 20 calendar days within which to ~~notify the commissioner in writing~~ file a notice of contest and certification of service, on a form provided by the commissioner, indicating that the employer wishes to contest the citation, type of violation, proposed assessment of penalty, or the period of time fixed in the citation given for correction of violation. A copy of the citation and the proposed assessment of penalty shall also be mailed to the ~~bargaining~~ authorized employee representative and, in the case of the death of an employee, to the next of kin if requested and ~~designated representative of the employee if known to the department of labor and industry~~. If within ~~15 working~~ 20 calendar days from the receipt of the penalty notice issued by the commissioner the employer fails to ~~notify the commissioner in writing that the employer intends to contest the citation or proposed assessment of penalty~~ file the notice of contest, and no notice ~~contesting either the citation, the type of violation, proposed penalty, or the time fixed for abatement in the citation of contest~~ is filed by any employee or authorized representative of*

employees under subdivision 3 within such time, the citation and assessment, as proposed, shall be deemed a final order of the ~~board commissioner~~ and not subject to review by any court or agency.

Sec. 6. Minnesota Statutes 1990, section 182.661, subdivision 2, is amended to read:

Subd. 2. If the commissioner has reason to believe that an employer has failed to correct a violation for which a citation has been issued within the period permitted for its correction, which period shall not begin to run until the entry of a final order by the ~~board commissioner~~ in case of any review proceedings under this section initiated by the employer in good faith and not solely for delay or avoidance of penalties, the commissioner shall notify the employer by certified mail of such failure and of the penalty proposed to be assessed under section 182.666 by reason of such failure, and that the employer has ~~45 working~~ 20 calendar days within which to ~~notify in writing the commissioner~~ file a notice of contest and certification of service, on a form provided by the commissioner, indicating that the employer wishes to contest the commissioner's notification or the proposed assessment of penalty. If, within ~~45 working~~ 20 calendar days from the receipt of penalty notification issued by the commissioner, the employer fails to ~~notify in writing the commissioner~~ file the notice of contest indicating that the employer intends to contest the notification or proposed assessment of penalty, the penalty notification and assessment, as proposed, shall be deemed a final order of the ~~board commissioner~~ and not subject to review by any court or agency.

Sec. 7. Minnesota Statutes 1990, section 182.661, subdivision 2a, is amended to read:

Subd. 2a. The commissioner may bring an action in district court for injunctive or other appropriate relief including monetary damages if the employer fails to comply with a final order of the ~~board commissioner~~.

Sec. 8. Minnesota Statutes 1990, section 182.661, subdivision 3, is amended to read:

Subd. 3. If an employer notifies the commissioner that the employer intends to contest the citation or the proposed assessment of penalty or the employee or the *authorized* employee representative notifies the commissioner that the employee intends to contest the time fixed for abatement in the citation issued under section 182.66, the citation, the type of alleged violation, the proposed penalty, or notification issued under subdivisions 1 or 2, the ~~board commissioner~~ shall ~~conduct~~ resolve the matter by settlement agreement, petition the board for a decision based on stipulated facts, or refer the matter to the office of administrative hearings for a hearing in accordance with the applicable provisions of chapter 14; ~~for hearings in contested cases. Where the commissioner refers a matter for a contested case hearing, the administrative law judge shall make findings of fact, conclusions of law, and any appropriate orders. The determinations shall be the final decision of the commissioner and may be appealed to the board by any party.~~ The rules of procedure prescribed by the ~~board commissioner~~ shall provide affected employees or *authorized* representatives of affected employees an opportunity to participate as parties to hearings under this subdivision. Upon receipt of notice of hearing under this subdivision, the employer shall serve such notice as required by rule.

Sec. 9. Minnesota Statutes 1990, section 182.661, subdivision 3a, is

amended to read:

Subd. 3a. As prescribed in rules issued by the ~~board~~ *commissioner*, each notice of intent to contest the citation, proposed assessment of penalty, or period of time fixed in the citation for correction of the violation shall be prominently posted at or near each place a violation referred to in the citation occurred or served on affected employers, employees, and *authorized employee representatives*. If the contesting employer, employee, or *authorized employee representation representative* fails to post or serve the notice of intent to contest the citation, the proposed assessment of penalty, or the period of time fixed for correction of the violation within the time prescribed in rules issued by the ~~board~~ *commissioner*, the ~~board~~ *administrative law judge* may render a default judgment in favor of the commissioner.

Sec. 10. Minnesota Statutes 1990, section 182.661, is amended by adding a subdivision to read:

*Subd. 3b. [SERVICE OF NOTICES.] The contesting party shall serve a copy of the notice of contest and notice to employees, on forms provided by the commissioner, upon unrepresented affected employees and authorized employee representatives on or before the date the notice of contest is filed with the commissioner. For purposes of this section, a document is considered filed upon receipt by the commissioner.*

Sec. 11. Minnesota Statutes 1990, section 182.661, is amended by adding a subdivision to read:

*Subd. 5. [SETTLEMENT.] Where the parties resolve a contested matter by settlement agreement, the contesting party shall serve a copy of the agreement upon affected employees and authorized employee representatives. Affected employees and authorized employee representatives may file, with the commissioner, an objection to the settlement agreement. The objections must be filed within ten calendar days after service of the agreement. Upon receipt of an objection to a settlement agreement, the commissioner may refer the agreement to the office of administrative hearings for assignment to an administrative law judge who shall give consideration to the objection before approving or disapproving the agreement. If no timely objection is made, the settlement agreement becomes a final order of the commissioner.*

Sec. 12. Minnesota Statutes 1990, section 182.661, is amended by adding a subdivision to read:

*Subd. 6. [COMPLAINT AND ANSWER.] The commissioner shall serve a complaint on all parties no later than 90 calendar days after receiving a notice of contest. The contesting party shall serve an answer on all the parties within 20 calendar days after service of the complaint.*

Sec. 13. Minnesota Statutes 1990, section 182.664, subdivision 3, is amended to read:

*Subd. 3. The review board ~~or its appointed administrative law judges~~ may hold hearings at places of convenience to the parties concerned shall review and decide appeals from final decisions and orders of the commissioner, including decisions issued by administrative law judges, or petitions to vacate final orders of the commissioner, and with the agreement of the parties may review and decide petitions for decisions based on stipulated facts. The powers of the board in the conduct of hearings, including the power to administer oaths and subpoena persons sign decisions and orders, may be exercised on its behalf by delegated to a member, members, or an*

~~administrative law judge appointed by the board chair. The board may administer oaths and subpoena persons, including parties, as witnesses and may compel them to produce documentary evidence for hearings schedule a hearing for purposes of taking oral argument. A notice stating the time and place of the hearing must be given ten days in advance of such a hearing to the parties and copies of the notice of such hearing shall be posted served by the employer at such places as rules of the board shall require. The hearings shall be open to the public and the records of hearings board's decisions and orders shall be maintained and available for examination. The hearing shall be conducted in compliance with rules contained in chapter 14. The rules of the board shall provide affected employers, employees or their representatives an opportunity to participate as parties provided they file notice at least five days before the start of the hearing.~~

Sec. 14. Minnesota Statutes 1990, section 182.664, subdivision 5, is amended to read:

Subd. 5. For the purpose of carrying out its functions under this chapter, two members of the board shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members. ~~The findings decisions and decision orders of an administrative law judge, or final orders of the commissioner, may be appealed to the review board by the employer, employee, or their authorized representatives, or any party, within 30 days following publication service by mail of the administrative law judge's findings decision and decision order, or final order of the commissioner. The review board shall have authority to revise, confirm, or reverse the findings decision and decision order of administrative law judges, or to vacate and remand final orders of the commissioner. The board shall only vacate a final order of the commissioner upon a showing of good cause. For purposes of this section, good cause is limited to fraud, mistake of fact or law, or newly discovered evidence.~~

Sec. 15. Minnesota Statutes 1990, section 182.666, subdivision 1, is amended to read:

Subdivision 1. Any employer who willfully or repeatedly violates the requirements of section 182.653, or any standard, rule, or order ~~promulgated adopted~~ under the authority of the commissioner as provided in this chapter, may be assessed a fine not to exceed ~~\$20,000~~ \$70,000 for each violation. *The minimum fine for a willful violation is \$5,000.*

Sec. 16. Minnesota Statutes 1990, section 182.666, subdivision 2, is amended to read:

Subd. 2. Any employer who has received a citation for a serious violation of its duties under section 182.653, or any standard, rule, or order ~~promulgated adopted~~ under the authority of the commissioner as provided in this chapter, shall be assessed a fine not to exceed ~~\$2,000~~ \$7,000 for each ~~such~~ violation. If ~~such~~ the violation causes or contributes to the cause of the death of an employee, the employer shall be assessed a fine of up to \$10,000.

Sec. 17. Minnesota Statutes 1990, section 182.666, subdivision 3, is amended to read:

Subd. 3. Any employer who has received a citation for a violation of its duties under section 182.653, subdivisions 2 to 4, where ~~such~~ the violation is specifically determined not to be of a serious nature as provided in section 182.651, subdivision 12, may be assessed a fine of up to ~~\$2,000~~ \$7,000



for each ~~such~~ violation.

Sec. 18. Minnesota Statutes 1990, section 182.666, subdivision 4, is amended to read:

Subd. 4. Any employer who fails to correct a violation for which a citation has been issued under section 182.66 within the period permitted for its correction, which period shall not begin to run until the date of the final order of the ~~board~~ *commissioner* in the case of any review proceedings under this chapter initiated by the employer in good faith and not solely for delay or avoidance of penalties, may be assessed a fine of not more than ~~\$2,000~~ \$7,000 for each day during which ~~such~~ *the* failure or violation continues.

Sec. 19. Minnesota Statutes 1990, section 182.666, subdivision 5, is amended to read:

Subd. 5. Any employer who violates any of the posting requirements, as prescribed under this chapter, except those prescribed under section 182.661, subdivision 3a, shall be assessed a fine of up to ~~\$2,000~~ \$7,000 for each violation.

Sec. 20. Minnesota Statutes 1990, section 182.666, subdivision 5a, is amended to read:

Subd. 5a. Any employer who knowingly violates section 182.6575 shall be assessed a fine of up to ~~\$2,000~~ \$7,000 for each violation. The employer shall also be liable to each aggrieved employee for civil punitive damages of \$400.

Sec. 21. Minnesota Statutes 1990, section 182.666, subdivision 7, is amended to read:

Subd. 7. Fines imposed under this chapter shall be paid to the commissioner for deposit ~~in the general fund as provided in subdivision 8~~ and may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office. Unpaid fines shall be increased to 125 percent of the original assessed amount if not paid within 60 days after the fine becomes a final order. After that 60 days, unpaid fines shall accrue an additional penalty of ten percent per month compounded monthly until the fine is paid in full.

Sec. 22. Minnesota Statutes 1990, section 182.666, is amended by adding a subdivision to read:

*Subd. 8. [DEPOSIT OF FINES; OSHA FUND.] (a) Fines paid to the commissioner under this section shall be deposited two-thirds in the general fund and one-third in the state treasury. The fines deposited in the state treasury shall be credited to a dedicated fund to provide for:*

- (1) workplace safety training;*
- (2) increased enforcement of this chapter; and*
- (3) the additional litigation costs associated with increased enforcement.*

*(b) All money in the dedicated fund is appropriated to the commissioner. The commissioner must disburse the money in equal amounts for each of the purposes set out in paragraph (a) and not for any other obligation of the state. All money in the dedicated fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other dedicated funds in the*

*state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the fund for the purposes of the fund.*

*(c) Except for fines under this section, all other fines imposed under this chapter must be paid to the commissioner for deposit in the general fund.*

Sec. 23. Minnesota Statutes 1990, section 182.669, subdivision 1, is amended to read:

Subdivision 1. Any employee believed to have been discharged or otherwise discriminated against by any person because such employee has exercised any right authorized under the provisions of sections 182.65 to 182.674, may, within 30 days after such alleged discrimination occurs, file a complaint with the commissioner alleging the discriminatory act. Upon receipt of such complaint, the commissioner shall cause such investigation to be made as the commissioner deems appropriate. If upon such investigation the commissioner determines that a discriminatory act was committed against an employee, the commissioner shall refer the matter to the office of administrative hearings for a hearing before an administrative law judge pursuant to the provisions of chapter 14. *For purposes of this section, the commissioner shall file with the administrative law judge and serve upon the respondent, by registered or certified mail, a complaint and written notice of hearing. The respondent shall file with the administrative law judge and serve upon the commissioner, by registered or certified mail, an answer within 20 days after service of the complaint.* In all cases where the administrative law judge finds that an employee has been discharged or otherwise discriminated against by any person because the employee has exercised any right authorized under sections 182.65 to 182.674, the administrative law judge may order payment to the employee of back pay and compensatory damages. The administrative law judge may also order rehiring of the employee; reinstatement of the employee's former position, fringe benefits, and seniority rights; and other appropriate relief. In addition, the administrative law judge may order payment to the commissioner or to the employee of costs, disbursements, witness fees, and attorney fees. Interest shall accrue on, and be added to, the unpaid balance of an administrative law judge's order from the date the order is signed by the administrative law judge until it is paid, at the annual rate provided in section 549.09, subdivision 1, paragraph (c). *The decision of the administrative law judge shall be the final agency decision.* An employee may bring a private action in the district court for relief under this section.

Sec. 24. [ATTORNEY GENERAL FEES.]

*The department of labor and industry is not obligated to pay for services rendered between January 7, 1987, and January 7, 1991, by the attorney general for legal representation in excess of the amounts already paid for those services.*

Sec. 25. [COMPLEMENT ADJUSTMENT.]

*The complement for the department of labor and industry shall be increased by five, to be funded from the dedicated fund created by Minnesota Statutes, section 182.666, subdivision 8.*

Sec. 26. [REPEALER.]

*Minnesota Statutes 1990, section 182.664, subdivision 2, is repealed."*

Delete the title and insert:

"A bill for an act relating to occupational safety and health; providing definitions; modifying duties; adjusting the complement and certain financial obligations of the department of labor and industry; creating a dedicated fund; clarifying administrative responsibilities; increasing penalties; amending Minnesota Statutes 1990, sections 182.651, by adding subdivisions; 182.653, subdivision 9; 182.661, subdivisions 1, 2, 2a, 3, 3a, and by adding subdivisions; 182.664, subdivisions 3 and 5; 182.666, subdivisions 1, 2, 3, 4, 5, 5a, 7, and by adding a subdivision; 182.669, subdivision 1; repealing Minnesota Statutes 1990, section 182.664, subdivision 2."

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

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

H.F. No. 21: A bill for an act relating to waste management; requiring air emission permits for new or expanded infectious waste incinerators; requiring environmental impact statements for the incinerators until new rules are adopted; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 116.78, is amended by adding a subdivision to read:

*Subd. 11. [DISPOSAL OF INFECTIOUS WASTE IN LANDFILLS.] (a) Infectious waste may be disposed of in a landfill if:*

*(1) the infectious waste is placed in a separate area of the landfill and remains segregated from other waste; and*

*(2) appropriate precautions are taken to prevent exposure of landfill workers to the infectious waste.*

*(b) The operator of a landfill may charge fees for disposal of infectious waste that are higher than fees for other types of waste accepted for disposal at the landfill.*

Sec. 2. [116.801] [INCINERATION OF INFECTIOUS WASTE; PERMIT REQUIRED.]

*(a) Except as provided in paragraph (b), a person may not construct, or expand the capacity of, a facility for the incineration of infectious waste, as defined in section 116.76, without having obtained an air emission permit from the agency.*

*(b) This section does not affect permit requirements under the rules of the agency for incinerators that are planned to manage waste generated primarily by the owner or operator of the incinerator.*

Sec. 3. [INCINERATION OF INFECTIOUS WASTE; ENVIRONMENTAL IMPACT.]

*Until the United States Environmental Protection Agency or the pollution control agency adopts revisions to its air emission rules for incinerators, a new or expanded facility for the incineration of infectious waste that has a*

*capacity of 350 pounds or more per hour that is subject to the permit requirement in section 2 may not receive a permit until an environmental assessment worksheet for the facility has been prepared and approved. The pollution control agency is the governmental unit responsible for preparation of an environmental assessment worksheet required under this section.*

**Sec. 4. [EFFECTIVE DATE.]**

*Section 2 is effective March 1, 1991, and applies to construction begun on or after that date. Sections 1 and 3 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to waste management; allowing the disposal of infectious waste in landfills under certain conditions; requiring air emission permits for new or expanded infectious waste incinerators; requiring environmental impact statements for the incinerators until new rules are adopted; amending Minnesota Statutes 1990, section 116.78, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116."

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

**SECOND READING OF SENATE BILLS**

S.F. Nos. 227, 945, 282, 364, 363, 256, 1112, 295, 1422, 1451, 1440, 1227, 1127, 709, 895 and 490 were read the second time.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 398, 85, 875, 683 and 21 were read the second time.

**MOTIONS AND RESOLUTIONS**

Mr. Lessard moved that the name of Mr. Marty be added as a co-author to S.F. No. 442. The motion prevailed.

Mr. Kroening moved that the name of Ms. Pappas be added as a co-author to S.F. No. 689. The motion prevailed.

Mr. Price moved that the name of Mr. Morse be added as a co-author to S.F. No. 1027. The motion prevailed.

Mr. Chmielewski introduced—

Senate Resolution No. 65: A Senate resolution honoring Medora Belle Petersen on her 95th birthday.

Referred to the Committee on Rules and Administration.

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Consent Calendar. The motion prevailed.

**CONSENT CALENDAR**

H.F. No. 471: A resolution memorializing the International Special Olympics Committee in support of the 1991 International Special Olympics Games.

Mr. Luther moved that the amendment made to H.F. No. 471 by the Committee on Rules and Administration in the report adopted April 18, 1991, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 471 was read the third time and placed on its final passage.

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the resolution passed and its title was agreed to.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 953 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 953: A bill for an act relating to courts; providing for fees for law libraries; amending Minnesota Statutes 1990, section 134A.09, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	McGowan	Price
Beckman	Day	Johnson, J.B.	Mehrkens	Ranum
Belanger	DeCramer	Johnston	Metzen	Renneke
Benson, J.E.	Finn	Kelly	Moe, R.D.	Riveness
Berg	Flynn	Knaak	Mondale	Sams
Bernhagen	Frank	Laidig	Morse	Samuelson
Bertram	Frederickson, D.J.	Langseth	Neuville	Solon
Brataas	Frederickson, D.R.	Larson	Novak	Storm
Chmielewski	Halberg	Lessard	Pappas	Traub
Cohen	Hottinger	Luther	Pariseau	Vickerman
Dahl	Johnson, D.E.	Marty	Piper	Waldorf

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1332 a Special Order to be heard immediately.

### **SPECIAL ORDER**

S.F. No. 1332: A resolution memorializing Congress to carefully consider the proposed free trade agreement with Mexico.

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

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 46 and nays 10, as follows:

Those who voted in the affirmative were:

Adkins	Day	Johnson, J.B.	Novak	Solon
Beckman	DeCramer	Kelly	Pappas	Spear
Belanger	Finn	Laidig	Piper	Storm
Bernhagen	Flynn	Larson	Pogemiller	Traub
Bertram	Frank	Lessard	Price	Vickerman
Brataas	Frederickson, D.J.	Luther	Ranum	Waldorf
Chmielewski	Frederickson, D.R.	Marty	Renneke	
Cohen	Hottinger	Metzen	Riveness	
Dahl	Johnson, D.E.	Mondale	Sams	
Davis	Johnson, D.J.	Morse	Samuelson	

Those who voted in the negative were:

Benson, D.D.	Halberg	Knaak	Mehrkens	Olson
Benson, J.E.	Johnston	McGowan	Neuville	Pariseau

So the resolution passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 988 a Special Order to be heard immediately.

### **SPECIAL ORDER**

S.F. No. 988: A bill for an act relating to public employees; excluding the salaries of doctors of osteopathy from certain limitations; amending Minnesota Statutes 1990, section 43A.17, subdivision 9.

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 56 and nays 2, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kelly	Metzen	Riveness
Beckman	DeCramer	Knaak	Mondale	Sams
Belanger	Finn	Kroening	Morse	Samuelson
Benson, D.D.	Frank	Laidig	Novak	Storm
Benson, J.E.	Frederickson, D.J.	Langseth	Olson	Stumpf
Berg	Frederickson, D.R.	Larson	Pappas	Traub
Bertram	Halberg	Lessard	Pariseau	Vickerman
Brataas	Hottinger	Luther	Piper	Waldorf
Chmielewski	Johnson, D.E.	Marty	Pogemiller	
Cohen	Johnson, D.J.	McGowan	Price	
Dahl	Johnson, J.B.	Mehrkens	Ranum	
Davis	Johnston	Merriam	Renneke	

Ms. Flynn and Mr. Spear voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 919 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 919: A bill for an act relating to government operations; amending provisions to adopt emergency game and fish rules; providing alternative methods of publishing game and fish rules; deleting obsolete references to publication under the game and fish laws; authorizing the commissioner to protect wild animals by emergency rule; authorizing the commissioner to set seasons and limits for migratory birds and waterfowl; authorizing the commissioner to allow or prohibit hunting and fishing on certain state lands; amending Minnesota Statutes 1990, sections 3.846, subdivisions 1 and 4; 14.03, subdivision 3; 14.29, subdivision 2, and by adding a subdivision; 14.38, subdivision 6; 84.944, subdivision 1; 84A.02; 86A.06; 86B.211; 97A.045, subdivision 2; 97A.051, subdivisions 1, 2, and 4; 97A.081; 97A.141, by adding a subdivision; 97B.731, subdivision 1; and 97C.805, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 97A and 97B.

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

So the bill passed and its title was agreed to.

### MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Kelly moved that S.F. No. 1020 be taken from the table and placed at the top of General Orders. The motion prevailed.

Mr. Kelly moved that H.F. No. 1151 be taken from the table and referred to the Committee on Rules and Administration for comparison with S.F. No. 1020, now on General Orders. The motion prevailed.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1455 a Special Order to be heard immediately.

**SPECIAL ORDER**

H.F. No. 1455: A bill for an act relating to the Minneapolis park and recreation board; providing for two members appointed by the Minneapolis park and recreation board on the Minneapolis reapportionment commission; establishing standards for park board redistricting.

Ms. Olson moved to amend H.F. No. 1455, as amended pursuant to Rule 49, adopted by the Senate April 22, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 1330.)

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1990, section 383B.68, subdivision 1, is amended to read:

Subdivision 1. ~~Effective January 1, 1983, and~~ Notwithstanding any provision of sections 398.02 to 398.04, or any other law to the contrary, the board of park district commissioners of the Hennepin county park reserve district shall consist of seven commissioners ~~appointed or~~ elected as provided in this section.

Sec. 2. Minnesota Statutes 1990, section 383B.68, subdivision 3, is amended to read:

Subd. 3. ~~Five~~ Seven park district commissioners shall be elected as provided in this subdivision to represent those portions of Hennepin county outside of the city of Minneapolis. One park district commissioner shall be elected without party designation from each of the districts established pursuant to subdivision 4. Elections under this subdivision shall be held at the same time and in the same manner as elections for the office of county commissioner ~~beginning at the 1986 general election~~. Each park district commissioner elected pursuant to this subdivision shall be a resident of the district represented and shall serve for a term of four years and until a successor is elected and qualifies, except that the term of office of each park district commissioner elected at the general election held in the year of a federal census shall be only two years and until a successor is elected and qualifies. At the general election following redistricting as required in subdivision 4, the ~~three~~ four commissioners from odd-numbered districts shall be elected for four-year terms and the ~~two~~ three commissioners from even-numbered districts shall be elected for two-year terms. If a vacancy occurs in the office of any commissioner elected pursuant to this subdivision, the board of park district commissioners shall appoint a successor residing in that district to fill the unexpired term.

Sec. 3. Minnesota Statutes 1990, section 383B.68, subdivision 4, is amended to read:

Subd. 4. ~~After September 1, 1985, and after at least 30 days' notice and public hearing,~~ The board of park district commissioners of the Hennepin county park reserve district shall divide the territory of Hennepin county outside the city of Minneapolis into ~~five~~ seven districts, which constitute the Hennepin county park reserve district. Each district shall be composed of contiguous territory as regular and compact in form as practicable and as nearly equal in population as possible, provided that no district shall vary in population more than ten percent from the average of all the districts, unless compliance with this requirement requires division of a voting precinct. After each federal census and by not later than 120 days before the next ensuing general election, after at least 30 days notice and public hearing,



the board of park district commissioners of the Hennepin county park reserve district shall redistrict the territory of the Hennepin county park reserve district into new commissioner districts as necessary to comply with the provisions of this subdivision. The districts established pursuant to this subdivision shall remain effective until new districts are established. Any person aggrieved by a districting plan established pursuant to this subdivision may challenge the plan in the same manner as a county commissioner districting plan may be challenged pursuant to section 375.025. The district court in reviewing any challenge to a districting plan under this subdivision shall proceed in the manner prescribed by section 375.025. Each districting plan established pursuant to this subdivision shall be filed in the office of the director of finance of Hennepin county or any successor office and shall be effective 31 days after its publication in a newspaper of general circulation in the county. *The first board of seven elected commissioners shall be elected in 1992.*

#### Sec. 4. [REPEALER.]

*Minnesota Statutes 1990, sections 383B.68, subdivision 2; and 383B.69, are repealed.*

#### Sec. 5. [LOCAL APPROVAL.]

*Sections 1 to 4 take effect the day after the Hennepin county park reserve district board complies with Minnesota Statutes, section 645.021, subdivision 3."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Kroening questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

H.F. No. 1455 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 60 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Frank voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 824 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 824: A bill for an act relating to education; clarifying the status of foreign exchange students who have graduated from high school; limiting foreign exchange student participation in the post-secondary enrollment options program; amending Minnesota Statutes 1990, sections 123.3514, subdivision 4; and 124.17, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Price and Waldorf voted in the negative.

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 417 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 417: A bill for an act relating to education; making noncontroversial clarifications and modifications to certain school district and department of education provisions; amending Minnesota Statutes 1990, sections 120.062, subdivision 8a; 120.0752, subdivision 2; 121.612, subdivisions 2 and 5; 123.932, subdivision 3; 124.14, subdivision 1; 124.195, subdivisions 3a, 10, and 11; 124.2139; 124.214, subdivisions 2 and 3; 124.244, subdivision 3; 124.2725, subdivision 8; 124.83, subdivisions 1 and 5; 124A.036, subdivision 5; 124A.24; 124B.03, subdivision 2; 124C.03, subdivision 14; 124C.49; 125.12, subdivision 6b; 125.60, subdivision 3; 126.22, subdivision 4; 275.065, subdivision 6; 275.125, subdivisions 4, 11d, 18, and 20; 275.16; 297A.256; and 354.094, subdivision 1; and Laws 1991, chapter 2, article 2, section 2; repealing Minnesota Statutes 1990, sections 119.01; 119.02; 119.03; 119.04, subdivisions 1, 2, and 3; 119.05; 119.06; 119.07; 119.08; 119.09; 123.932, subdivision 4; 124.473; 124A.02, subdivision 19; 124C.21; 275.125, subdivisions 1, 4a, and 8d; and 354.094, subdivisions 1a and 1b.

Mr. Dicklich moved to amend S.F. No. 417 as follows:

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1990, section 120.062, subdivision 4, is amended to read:

Subd. 4. [PUPIL APPLICATION PROCEDURES.] In order that a pupil may attend a school or program in a nonresident district, the pupil's parent or guardian must submit an application to the nonresident district. Before submitting an application, the pupil and the pupil's parent or guardian must explore with a school guidance counselor, or other appropriate staff member employed by the district the pupil is currently attending, the pupil's academic or other reason for applying to enroll in a nonresident district. The pupil's application must identify the reason for enrolling in the nonresident district. The parent or guardian of a pupil must submit an application by January 4 15 for initial enrollment beginning the following school year. The application shall be on a form provided by the department of education. A particular school or program may be requested by the parent. Once enrolled in a nonresident district, the pupil may remain enrolled and is not required to submit annual or periodic applications. To return to the resident district or to transfer to a different nonresident district, the parent or guardian of the pupil must provide notice to the resident district or apply to a different nonresident district by January 4 15 for enrollment beginning the following school year.

Sec. 2. Minnesota Statutes 1990, section 120.062, subdivision 6, is amended to read:

Subd. 6. [NONRESIDENT DISTRICT PROCEDURES.] A district that does not exclude nonresident pupils, according to subdivision 3, shall notify the parent or guardian in writing by February 4 15 whether the application has been accepted or rejected. If an application is rejected, the district must state in the notification the reason for rejection. The parent or guardian shall notify the nonresident district by ~~February 15~~ March 1 whether the pupil intends to enroll in the nonresident district. Notice of intent to enroll in the nonresident district obligates the pupil to attend the nonresident district during the following school year, unless the school boards of the resident and the nonresident districts agree in writing to allow the pupil to transfer back to the resident district, or the pupil's parents or guardians change residence to another district. If a parent or guardian does not notify the nonresident district, the pupil may not enroll in that nonresident district during the following school year, unless the school boards of the resident and nonresident district agree otherwise. The nonresident district shall notify the resident district by March 4 15 of the pupil's intent to enroll in the nonresident district. The same procedures apply to a pupil who applies to transfer from one participating nonresident district to another participating nonresident district."

Page 3, after line 24, insert:

"Sec. 6. Minnesota Statutes 1990, section 122.23, subdivision 18, is amended to read:

Subd. 18. (a) ~~If no board is provided for under the foregoing provision, upon receipt of the assigned identification number,~~ The county auditor shall determine a date, not less than 20 nor more than 60 days from the date of the receipt of the assigned identification number *order setting the effective date of the consolidation according to subdivision 13*, upon which date shall be held a special election in the district for the purpose of electing a board of six members for terms as follows: two until the July 1 one year after the effective date of the consolidation, two until the expiration of one year from said July 1, and two until the expiration of two years from said July 1, to hold office until a successor is elected and qualifies according to provisions

of law governing the election of board members in independent districts. If the resolution or petition for consolidation pursuant to subdivision 2 proposed that the board of the newly created district consists of seven members, then seven members shall be elected at this election for the terms provided in this clause except that three members shall hold office until the expiration of two years from said July 1. If the resolution or petition for consolidation pursuant to subdivision 2 proposed the establishment of separate election districts, these members shall be elected from separate election districts according to the provisions of that resolution or petition and of chapter 205A.

(b) The county auditor shall give ten days' posted notice of election in the area in which the election is to be held and also if there be a newspaper published in the proposed new district, one weeks' published notice shall be given. The notice shall specify the time, place, and purpose of the election.

(c) ~~The county may pay the election judges not to exceed \$1 per hour for their services.~~

(d) Any person desiring to be a candidate for a school election shall file an application with the county auditor to have the applicant's name placed on the ballot for such office, specifying the term for which the application is made. The application shall be filed not less than 12 days before the election.

(e) (d) The county auditor shall prepare, at the expense of the county, necessary ballots for the election of officers, placing thereon the names of the proposed candidates for each office. The ballots shall be marked and signed as official ballots and shall be used exclusively at the election. The county auditor shall determine the number of voting precincts and the boundaries of each. The county auditor shall determine the location of polling places and the hours the polls shall be open and shall appoint three election judges for each polling place who shall act as clerks of election. Election judges shall certify ballots and results to the county auditor for tabulation and canvass.

(f) (e) After making a canvass and tabulation, the county auditor shall issue a certificate of election to the candidate for each office who received the largest number of votes cast for the office. The county auditor shall deliver such certificate to the person entitled thereto by certified mail, and each person so certified shall file an acceptance and oath of office with the county auditor within 30 days of the date of mailing of the certificate. A person who fails to qualify prior to the time specified shall be deemed to have refused to serve, but such filing may be made at any time before action to fill vacancy has been taken.

(g) (f) The board of each district included in the new enlarged district shall continue to maintain school therein until the effective date of the consolidation. Such boards shall have power and authority only to make such contracts, to do such things as are necessary to maintain properly the schools for the period prior to that date, and to certify to the county auditor according to levy limitations applicable to the component districts the taxes collectible in the calendar year when the consolidation becomes effective.

(h) (g) It shall be the immediate duty of the newly elected board of the new enlarged district, when the members thereof have qualified and the board has been organized, to plan for the maintenance of the school or

schools of the new district for the next school year, to enter into the necessary negotiations and contracts for the employment of personnel, purchase of equipment and supplies, and other acquisition and betterment purposes, when authorized by the voters to issue bonds under the provisions of chapter 475; and on the effective date of the consolidation to assume the full duties of the care, management and control of the new enlarged district. The board of the new enlarged district shall give due consideration to the feasibility of maintaining such existing attendance centers and of establishing such other attendance centers, especially in rural areas, as will afford equitable and efficient school administration and assure the convenience and welfare of the pupils residing in the enlarged district. The obligations of the new board to teachers employed by component districts shall be governed by the provisions of section 122.532."

Page 4, after line 13, insert:

"Sec. 9. Minnesota Statutes 1990, section 124.155, subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENT TO AIDS.] The amount specified in subdivision 1 shall be used to adjust the following state aids and credits in the order listed:

- (a) general education aid authorized in sections 124A.23 and 124B.20;
- (b) secondary vocational aid authorized in section 124.573;
- (c) special education aid authorized in section 124.32;
- (d) secondary vocational aid for handicapped children authorized in section 124.574;
- (e) aid for pupils of limited English proficiency authorized in section 124.273;
- (f) transportation aid authorized in section 124.225;
- (g) community education programs aid authorized in section 124.2713;
- (h) adult education aid authorized in section 124.26;
- (i) early childhood family education aid authorized in section 124.2711;
- (j) capital expenditure aid authorized in sections 124.243, 124.244, and 124.83;
- (k) education district aid according to section 124.2721;
- (l) secondary vocational cooperative aid according to section 124.575;
- (m) *assurance of mastery aid according to section 124.311;*
- (n) *individual learning and development aid according to section 124.331;*
- (o) homestead credit under section 273.13 for taxes payable in 1989 and additional homestead and agricultural credit guarantee under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;
- ~~(n)~~ (p) agricultural credit under section 273.132 for taxes payable in 1989 and additional homestead and agricultural credit guarantee under section 273.1398, subdivision 5, for taxes payable in 1990 and thereafter;
- ~~(o)~~ (q) homestead and agricultural credit aid and disparity reduction aid authorized in section 273.1398, subdivision 2; and

(p) (r) attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the adjustments to state aids and credits specified in subdivision 1, as close to the end of the fiscal year as possible.

Sec. 10. Minnesota Statutes 1990, section 124.195, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] (a) The term "other district receipts" means payments by county treasurers pursuant to section 276.10, apportionments from the school endowment fund pursuant to section 124.09, apportionments by the county auditor pursuant to section 124.10, subdivision 2, and payments to school districts by the commissioner of revenue pursuant to chapter 298.

(b) The term "cumulative amount guaranteed" means the sum of the following:

(1) one-third of the final adjustment payment according to subdivision 6; plus

(2) the product of

(i) the cumulative disbursement percentage shown in subdivision 3; times

(ii) the sum of

85 percent of the estimated aid and credit entitlements paid according to subdivision 10; plus

100 percent of the entitlements paid according to subdivisions 8 and 9; plus

the other district receipts; plus

the final adjustment payment according to subdivision 6.

(c) *The term "payment date" means the date on which state payments to school districts are made by the electronic funds transfer method. If a payment date falls on a Saturday, the payment shall be made on the immediately preceding business day. If a payment date falls on a Sunday, the payment shall be made on the immediately following business day. If a payment date falls on a weekday which is a legal holiday, the payment shall be made on the immediately preceding business day. The commissioner of education may make payments on dates other than those listed in subdivision 3, but only for portions of payments from any preceding payment dates which could not be processed by the electronic funds transfer method due to documented extenuating circumstances.*

Sec. 11. Minnesota Statutes 1990, section 124.195, subdivision 3, is amended to read:

Subd. 3. [PAYMENT DATES AND PERCENTAGES.] The commissioner of education shall pay to a school district on the dates indicated an amount computed as follows: the cumulative amount guaranteed minus the sum of (a) the district's other district receipts through the current payment, and (b) the aid and credit payments through the immediately preceding payment. For purposes of this computation, the payment dates and the cumulative disbursement percentages are as follows:

Payment date

Percentage

Payment 1	<del>First business day prior to July 15:</del>	2.25
Payment 2	<del>First business day prior to July 30:</del>	4.50
Payment 3	<del>First business day prior to August 15:</del>	6.75
Payment 4	<del>First business day prior to August 30:</del>	9.0
Payment 5	<del>First business day prior to September 15: the greater of (a) one-half of the final adjustment for the prior fiscal year for the state paid property tax credits established in section 273.1392, or (b) the amount needed to provide 12.75 percent</del>	
Payment 6	<del>First business day prior to September 30: the greater of (a) one-half of the final adjustment for the prior fiscal year for the state paid property tax credits established in section 273.1392, or (b) the amount needed to provide 16.5 percent</del>	
Payment 7	<del>First business day prior to October 15: the greater of (a) one-half of the final adjustment for the prior fiscal year for all aid entitlements except state paid property tax credits, or (b) the amount needed to provide 20.75 percent</del>	
Payment 8	<del>First business day prior to October 30: the greater of (a) one-half of the final adjustment for the prior fiscal year for all aid entitlements except state paid property tax credits, or (b) the amount needed to provide 25.0 percent</del>	
Payment 9	<del>First business day prior to November 15:</del>	31.0
Payment 10	<del>First business day prior to November 30:</del>	37.0
Payment 11	<del>First business day prior to December 15:</del>	40.0
Payment 12	<del>First business day prior to December 30:</del>	43.0
Payment 13	<del>First business day prior to January 15:</del>	47.25
Payment 14	<del>First business day prior to January 30:</del>	51.5
Payment 15	<del>First business day prior to February 15:</del>	56.0
Payment 16	<del>First business day prior to February 28:</del>	60.5
Payment 17	<del>First business day prior to March 15:</del>	65.25
Payment 18	<del>First business day prior to March 30:</del>	70.0
Payment 19	<del>First business day prior to April 15:</del>	73.0
Payment 20	<del>First business day prior to April 30:</del>	79.0
Payment 21	<del>First business day prior to May 15:</del>	82.0
Payment 22	<del>First business day prior to May 30:</del>	90.0
Payment 23	<del>First business day prior to June 20:</del>	100.0"

Page 6, line 14, strike everything after the period

Page 6, strike line 15

Page 6, line 16, strike "received."

Page 9, delete section 14

Page 17, line 13, reinstate the stricken language

Page 17, line 14, reinstate the stricken "unrequested leave of absence"

and reinstate the stricken "and who"

Page 17, lines 15 to 19, reinstate the stricken language

Page 17, line 20, reinstate the stricken "(j)"

Page 17, line 23, reinstate the stricken "(k)" and delete "(j)"

Page 27, line 20, after "*sections*" insert "*121.933, subdivision 2; 122.23, subdivision 17;*" and delete "*124.473;*"

Page 27, after line 30, insert:

"Sec. 40. [EFFECTIVE DATE.]

*Sections 9, 10, 35, and 37 are effective the day following final enactment."*

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 6, delete "subdivision 8a" and insert "subdivisions 4 and 6"

Page 1, line 7, after the first semicolon, insert "122.23, subdivision 18;"

Page 1, line 8, after the first semicolon, insert "124.155, subdivision 2;" and after "subdivisions" insert "2, 3,"

Page 1, line 10, delete "124.2725, subdivision 8;"

Page 1, line 20, after "119.09;" insert "121.933, subdivision 2; 122.23, subdivision 17;"

Page 1, line 21, delete "124.473;"

The motion prevailed. So the amendment was adopted.

S.F. No. 417 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 871 a Special Order to be heard immediately.



**SPECIAL ORDER**

S.F. No. 871: A bill for an act relating to the city of New Brighton; permitting the city to acquire granular carbon without a bond.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 958 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 958: A bill for an act relating to state lands; authorizing sale of tax-forfeited lands and an easement in St. Louis county.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 887 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 887: A bill for an act relating to economic development; creating a commission on economic development policy.

Mr. Beckman moved to amend S.F. No. 887 as follows:

Page 2, line 31, delete "*effect*" and insert "*affect*"

The motion prevailed. So the amendment was adopted.

S.F. No. 887 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 41 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kroening	Morse	Spear
Beckman	Flynn	Laidig	Novak	Stumpf
Berglin	Frank	Langseth	Pappas	Traub
Bertram	Frederickson, D.J.	Lessard	Piper	Vickerman
Chmielewski	Frederickson, D.R.	Luther	Price	Waldorf
Dahl	Gustafson	Marty	Ranum	
Davis	Hottinger	Metzen	Riveness	
Day	Johnson, J.B.	Moe, R.D.	Sams	
DeCramer	Kelly	Mondale	Solon	

Those who voted in the negative were:

Belanger	Halberg	Knaak	Mehrkens	Pariseau
Benson, D.D.	Johnson, D.E.	Larson	Merriam	Renneke
Benson, J.E.	Johnston	McGowan	Neuville	Storm
Berg				

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1071 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 1071: A bill for an act relating to higher education; creating the higher education board; merging the state university, community college, and technical college systems; appropriating money; amending Minnesota Statutes 1990, sections 15A.081, subdivision 7b; and 179A.10, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 136E.

Mr. Moe, R.D. moved to amend S.F. No. 1071 as follows:

Page 2, line 8, after the period, insert "*The governor shall submit an appointment to the legislature by February 1 of the year in which the appointment is effective.*"

Page 3, line 16, delete "*March 15*" and insert "*January 2*"

Page 6, line 14, after "*have*" insert "*been confirmed by the senate to the board from which they are appointed and*"

Page 6, line 15, after the period, insert "*Initial higher education board members appointed by boards are not subject to further senate confirmation.*"

Page 6, line 16, after the period, insert "*Notwithstanding section 2,*

*subdivision 2, the initial members of the higher education board must be appointed so that an equal number will have terms expiring in three, five, and seven years."*

Page 8, line 26, before "COLLECTIVE" insert "TECHNICAL COLLEGE"

Page 8, delete lines 35 and 36 and insert:

"Sec. 12. [EFFECT OF CURRENT COLLECTIVE BARGAINING AGREEMENTS.]

*The terms and conditions of a collective bargaining agreement covering an employee transferred to the higher education board remains in effect until a successor agreement becomes effective. This section applies to all employees transferred to the board.*

Sec. 13. [TRANSITIONAL PERIOD COLLECTIVE BARGAINING.]

*Contracts for the period commencing July 1, 1993, for employees transferred to the higher education board shall be negotiated with the higher education board. Negotiations for those contracts can begin anytime after July 1, 1992, and may be initiated by either party notifying the other of the desire to begin the negotiating process."*

Page 9, delete lines 1 and 2

Page 9, after line 8, insert:

"Sec. 15. [REVENUE FUND; OUTSTANDING REVENUE BONDS.]

*Nothing in this act shall in any way alter or amend Minnesota Statutes, sections 136.35 to 136.41, or any contract entered into by the board pursuant to those sections, or the pledge and appropriation of revenues from the revenue fund and any covenants made for the security of revenue bonds authorized to be issued by the state university board."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Knaak moved to amend S.F. No. 1071 as follows:

Page 7, after line 16, insert:

*"The board shall, in cooperation with the commissioner of administration, submit a proposal to the 1992 legislature concerning reimbursement to school districts for technical college property transferred to the board pursuant to section 9."*

The motion prevailed. So the amendment was adopted.

Ms. Olson moved to amend S.F. No. 1071 as follows:

Page 6, line 10, delete "three" and insert "two"

Page 6, line 12, delete "appointed by their respective boards" and delete "three" and insert "six public"

Page 6, line 13, after the first "members" insert ". All members shall be" and delete the second "by" and insert "from"

Page 6, line 15, delete everything before the period and after the period, insert "Each of the existing boards shall recommend at least three of their

*members for consideration for appointment by the governor."*

The motion did not prevail. So the amendment was not adopted.

Ms. Olson then moved to amend S.F. No. 1071 as follows:

Page 6, line 10, delete "*three*" and insert "*two*"

Page 6, line 12, delete "*three*" and insert "*six*"

The motion prevailed. So the amendment was adopted.

S.F. No. 1071 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 47 and nays 15, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnson, D.E.	McGowan	Price
Beckman	Dicklich	Johnson, D.J.	Mehrkens	Ranum
Belanger	Finn	Johnson, J.B.	Merriam	Reichgott
Benson, D.D.	Flynn	Johnston	Moe, R.D.	Riveness
Berglin	Frank	Kelly	Mondale	Stumpf
Bertram	Frederickson, D.J.	Kroening	Morse	Traub
Brataas	Frederickson, D.R.	Langseth	Neuville	Waldorf
Cohen	Gustafson	Lessard	Pappas	
Dahl	Halberg	Luther	Piper	
Day	Hottinger	Marty	Pogemiller	

Those who voted in the negative were:

Benson, J.E.	Chmielewski	Laidig	Olson	Sams
Berg	Davis	Larson	Pariseau	Spear
Bernhagen	Knaak	Metzen	Renneke	Vickerman

So the bill, as amended, was passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1535 a Special Order to be heard immediately.

### SPECIAL ORDER

S.F. No. 1535: A bill for an act relating to public administration; appropriating money for education and related purposes to the higher education coordinating board, state board of technical colleges, state board for community colleges, state university board, University of Minnesota, higher education board, and the Mayo medical foundation, with certain conditions; amending Minnesota Statutes 1990, sections 135A.03, subdivision 3; 135A.05; 136.11, subdivisions 3, 5, and by adding a subdivision; 136.142, subdivision 1, and by adding a subdivision; 136A.121, subdivision 10, and by adding subdivisions; 136A.233, subdivision 3; and 298.28, subdivisions 4, 7, 10, 11, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 135A; 136; 136A; and 298; repealing Minnesota Statutes 1990, section 136A.05, subdivision 2.

Mr. Stumpf moved to amend S.F. No. 1535 as follows:

Page 1, after line 18, insert:

"ARTICLE 1"

Page 23, after line 9, insert:

## "ARTICLE 2

## Section 1. [CONSERVATION AREA STUDY.]

*\$25,000 is appropriated from the consolidated account created under Minnesota Statutes, section 84A.51, subdivision 1, after the distribution to counties under Minnesota Statutes, section 84A.51, subdivision 3, to the commissioner of natural resources for a contract with the natural resources research institute for the study described in this section. The natural resources research institute shall conduct a study of the conservation areas subject to Minnesota Statutes, chapter 84A, and address the following subjects:*

- (1) land use and ownership in counties with conservation areas;*
- (2) county and township services provided for utilization of conservation areas and the costs of those services;*
- (3) actual utilization of conservation areas for public hunting and game management and opportunities for improvement;*
- (4) forestry management of conservation areas and opportunities for improvement and joint county management;*
- (5) criteria for and efficiencies of private ownership of conservation areas;*
- (6) opportunities for increased revenue from conservation areas;*
- (7) water resource utilization and costs for conservation areas; and*
- (8) fiscal impacts on counties and townships resulting from conservation areas.*

*The natural resources research institute shall utilize existing studies and information provided by the state, counties, and other organizations. The agencies of the state and counties shall cooperate with the natural resource research institute and provide information requested to the extent possible. The natural resources research institute shall establish and consult with an advisory committee made up of residents of counties where conservation lands are located, conservation groups, and the department of natural resources. A draft report shall be prepared and submitted to the commissioner of natural resources and counties with conservation areas by December 1, 1991, for comments within 30 days after receipt. A final report shall be submitted to the legislative commission on Minnesota resources, the commissioner of natural resources, the counties with conservation lands, and the legislature by January 15, 1992."*

Amend the title accordingly

Mr. Knaak questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The questioned recurred on the adoption of the Stumpf amendment. The motion prevailed. So the amendment was adopted.

Mr. Sams moved to amend S.F. No. 1535 as follows:

Page 9, delete lines 1 to 3

The motion prevailed. So the amendment was adopted.

Mr. Day moved to amend S.F. No. 1535 as follows:

Page 14, after line 17, insert:

"Sec. 18. Minnesota Statutes 1990, section 136.60, is amended to read:

**136.60 [ESTABLISHMENT OF COMMUNITY COLLEGES, LOCATION.]**

Subdivision 1. Not to exceed ~~18~~ 19 community colleges are established under the management, jurisdiction, and control of the state board for community colleges.

Subd. 3. The community colleges shall be located at Coon Rapids, Austin, Brainerd, Fergus Falls, Hibbing, Inver Grove Heights, Grand Rapids, White Bear Lake, Virginia, Minneapolis, Bloomington, Brooklyn Park, Thief River Falls, International Falls, Rochester, Ely, Willmar, ~~and~~ Worthington, and Waseca.

**Sec. 19. [WASECA CAMPUS TRANSFER TO COMMUNITY COLLEGE SYSTEM.]**

*Subdivision 1. [TRANSFER; DATE.] The Waseca campus of the University of Minnesota is transferred to the community college system effective July 1, 1992.*

*Subd. 2. [PLANNING COMMITTEE; MEMBERSHIP.] A planning committee of ten members is established. The chancellor of the community college system and the president of the University of Minnesota shall each appoint five members to the planning committee. The chancellor and the president may serve personally as one of the five members. One appointee of the chancellor and one appointee of the president must represent the agricultural community. One appointee of the president must be the president of the Waseca campus.*

*Subd. 3. [PLANNING COMMITTEE; DUTIES; REPORT.] The planning committee must study and make recommendations about the issues involved in the transfer of the Waseca campus, including, but not limited to:*

- (1) transfer of employees;*
- (2) transfer of property;*
- (3) program offerings;*
- (4) transfer of contract obligations; and*
- (5) transfer of legal actions.*

*Subd. 4. [REPORT; RECOMMENDATIONS; ASSISTANCE.] By January 15, 1992, the planning committee must report its recommendations to the education division of the finance committee and the education committee of the senate and the education division of the appropriations committee and the education committee of the house of representatives. The higher education coordinating board must provide the assistance that the planning committee requests.*

**Sec. 20. [EMPLOYEE RIGHTS.]**

*Existing contract rights of employees of the University of Minnesota at the Waseca campus continue and are binding on the community college board until new contracts are in effect. Employees' tenure or years of service, accumulations of sick leave, and accumulated years of service to determine eligibility for severance pay, early retirement, or other approved contract rights must be credited to each employee by the community college board.*

**Sec. 21. [APPROPRIATION.]**

*(a) An amount equal to the portion of the University of Minnesota's general fund appropriation dedicated to the Waseca campus in fiscal year 1992 is appropriated in fiscal year 1993 from the general fund to the community college board.*

*(b) The amount calculated in paragraph (a) must be deducted from the University of Minnesota's general fund appropriation in fiscal year 1993."*

Page 23, delete lines 8 and 9 and insert:

*"Sections 18, 21, and 23 are effective July 1, 1992. Sections 19, 20, and 28 to 33 are effective the day following final enactment."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Ms. Johnson, J.B. moved to amend the Day amendment to S.F. No. 1535 as follows:

Page 1, line 6, delete "19" and insert "20"

Page 1, line 13, delete "and" and after "Waseca" insert ", and Cambridge"

The motion did not prevail. So the amendment to the amendment was not adopted.

The question recurred on the adoption of the Day amendment.

The roll was called, and there were yeas 32 and nays 34, as follows:

Those who voted in the affirmative were:

Beckman	Brataas	Halberg	Lessard	Sams
Belanger	Davis	Hottinger	McGowan	Solon
Benson, D.D.	Day	Johnson, D.E.	Mehrrens	Storm
Benson, J.E.	Frank	Johnston	Neuville	Vickerman
Berg	Frederickson, D.J.	Knaak	Olson	
Bernhagen	Frederickson, D.R.	Laidig	Pariseau	
Bertram	Gustafson	Larson	Renneke	

Those who voted in the negative were:

Adkins	Finn	Luther	Novak	Riveness
Berglin	Flynn	Marty	Pappas	Samuelson
Chmielewski	Johnson, D.J.	Merriam	Piper	Spear
Cohen	Johnson, J.B.	Metzen	Pogemiller	Stumpf
Dahl	Kelly	Moe, R.D.	Price	Traub
DeCramer	Kroening	Mondale	Ranum	Waldorf
Dicklich	Langseth	Morse	Reichgott	

The motion did not prevail. So the amendment was not adopted.

Mr. Moe, R.D. moved to amend S.F. No. 1535 as follows:

Page 1, after line 18, insert:

**"ARTICLE 1"**

Page 23, after line 9, insert:

**"ARTICLE 2"**

Section 1. Minnesota Statutes 1990, section 15A.081, subdivision 7b, is amended to read:

Subd. 7b. [HIGHER EDUCATION OFFICERS.] The *higher education board*, state university board, the state board for community colleges, the

state board of technical colleges, and the higher education coordinating board shall set the salary rates for, respectively, *the chancellor of the higher education system*, the chancellor of the state universities, the chancellor of the community colleges, the state director of vocational technical education, and the executive director of the higher education coordinating board. The respective board shall submit the proposed salary increase to the legislative commission on employee relations for approval, modification, or rejection in the manner provided in section 43A.18, subdivision 2. Salary rates for the positions specified in this subdivision may not exceed 95 percent of the salary of the governor under section 15A.082, subdivision 3. In deciding whether to recommend a salary increase, the governing board shall consider the performance of the chancellor or director, including the chancellor's or director's progress toward attaining affirmative action goals.

Sec. 2. [136E.01] [HIGHER EDUCATION BOARD.]

*Subdivision 1. [MEMBERSHIP.] The higher education board, referred to in sections 2 to 6 as "the board," consists of 13 members appointed by the governor with the advice and consent of the senate. The governor shall submit an appointment to the legislature by February 1 of the year in which the appointment is effective. At least one member of the board must be a resident of each congressional district. One member must be a student or have graduated from an institution governed by the board within one year of the date of appointment. The remaining members must be appointed to represent the state at large.*

*Subd. 2. [TERM; COMPENSATION; REMOVAL; VACANCIES.] The compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. Members are appointed for a term of six years, except that the term of the student member is two years. Terms end on June 30.*

*Subd. 3. [BOARD ADMINISTRATION.] The board shall elect a chair and other officers as it may desire. It shall determine its meeting dates and places.*

Sec. 3. [136E.02] [HIGHER EDUCATION BOARD CANDIDATE ADVISORY COUNCIL.]

*Subdivision 1. [PURPOSE.] A higher education board candidate advisory council shall assist the governor in determining criteria for, and identifying and recruiting qualified candidates for, membership on the higher education board.*

*Subd. 2. [MEMBERSHIP.] The advisory council consists of 24 members. Twelve members are appointed by the subcommittee on committees of the committee on rules and administration of the senate. Twelve members are appointed by the speaker of the house of representatives. No more than one-third of the members appointed by each appointing authority may be current or former legislators. No more than two-thirds of the members appointed by each appointing authority may belong to the same political party; however, political activity or affiliation is not required for the appointment of a member. Geographical representation must be taken into consideration when making appointments. Section 15.0575 governs the advisory council, except that the members must be appointed to six-year terms.*

*Subd. 3. [DUTIES.] The advisory council shall:*

*(1) develop a statement of the selection criteria to be applied and a*



*description of the responsibilities and duties of a member of the higher education board and shall distribute this to potential candidates; and*

*(2) for each position on the board, identify and recruit qualified candidates for the board, based on the background and experience of the candidates, and their potential for discharging the responsibilities of a member of the board.*

*Subd. 4. [RECOMMENDATIONS.] The advisory council shall recommend at least two and not more than four candidates for each seat. By January 2 of each odd-numbered year, the advisory council shall submit its recommendations to the governor. The governor is not bound by these recommendations.*

*Subd. 5. [SUPPORT SERVICES.] The legislative coordinating commission shall provide administrative and support services for the advisory council.*

**Sec. 4. [136E.03] [MISSION.]**

*The mission of the board is to provide programs of study that meet the needs of students for occupational, general, baccalaureate, and graduate education. The board shall develop administrative arrangements that make possible the efficient use of the facilities and staff of the former technical colleges, community colleges, and state universities for providing these several different programs of study, so that students may have the benefit of improved and broader course offerings, ease of transfer among schools and programs, integrated course credit, coordinated degree programs, and coordinated financial aid. In carrying out the merger of the three separate systems, the board shall control administrative costs by eliminating duplicative administrative positions and course offerings.*

**Sec. 5. [136E.04] [POWERS AND DUTIES.]**

*Subdivision 1. [GENERAL AUTHORITY.] The board shall manage, supervise, and control the former technical colleges, community colleges, and state universities and all related property. It shall prescribe courses of study and conditions of admission, prepare and confer diplomas, and adopt suitable policies for the institutions it manages. Sections 14.01 to 14.47 do not apply to policies and procedures of the board.*

*Subd. 2. [PERSONNEL.] The board shall appoint all presidents, teachers, and other necessary employees. Salaries and benefits of employees must be determined according to chapters 43A and 179A.*

*Subd. 3. [BUDGET.] The board shall submit to the governor and the legislature the budget request for its several different programs of study.*

*Subd. 4. [OCCUPATIONAL AND VOCATIONAL PROGRAM INFORMATION.] In its biennial budget request, the board shall provide to the governor and legislature information on its occupational and vocational programs specifying revenues, expenditures, trends for expenditures, expenditures for instructional equipment, and other relevant information related to those programs. The board shall provide the governor and legislature in its biennial budget request information on the accountability measures it uses to determine the efficiency and effectiveness of the occupational and vocational programs.*

*Subd. 5. [PROGRAM DELIVERY.] The board shall avoid duplicate program offerings. After consulting with the local advisory committees, the*

*board shall develop programs to meet the needs of students and the state.*

*Subd. 6. [TRANSFERABILITY.] The board shall place a high priority on ensuring the transferability of credit among the institutions it governs.*

*Subd. 7. [REGISTRATION AND FINANCIAL AID.] The board shall devise a registration system that simplifies and combines registration for the institutions it governs, improves the financial aid application process for students, and provides registration at common locations.*

**Sec. 6. [136E.05] [LOCAL ADVISORY COMMITTEES.]**

*The president, with the approval of the chancellor and the board, may appoint a local advisory committee for each campus. Committee members must be qualified people who have knowledge of and interest in the campus. The board shall define the role and authority of the advisory committees and establish procedures for the appointment, terms, and termination of members. The president or an appointee of the president shall regularly meet and consult with the local advisory committee.*

**Sec. 7. Minnesota Statutes 1990, section 179A.10, subdivision 2, is amended to read:**

**Subd. 2. [STATE EMPLOYEES.]** Unclassified employees, unless otherwise excluded, are included within the units which include the classifications to which they are assigned for purposes of compensation. Supervisory employees shall only be assigned to units 12 and 16. The following are the appropriate units of executive branch state employees:

- (1) law enforcement unit;
- (2) craft, maintenance, and labor unit;
- (3) service unit;
- (4) health care nonprofessional unit;
- (5) health care professional unit;
- (6) clerical and office unit;
- (7) technical unit;
- (8) correctional guards unit;
- (9) state university instructional unit;
- (10) community college instructional unit;
- (11) *technical college instructional unit;*
- (12) state university administrative unit;
- ~~(12)~~ (13) professional engineering unit;
- ~~(13)~~ (14) health treatment unit;
- ~~(14)~~ (15) general professional unit;
- ~~(15)~~ (16) professional state residential instructional unit; and
- ~~(16)~~ (17) supervisory employees unit.

Each unit consists of the classifications or positions assigned to it in the schedule of state employee job classification and positions maintained by the commissioner. The commissioner may only make changes in the schedule in existence on the day prior to the effective date of this section as required

by law or as provided in subdivision 4.

**Sec. 8. [TRANSITIONAL PROVISIONS.]**

*Subdivision 1. [APPOINTMENTS TO BOARD.] Appointments to the higher education board must be made by July 1, 1991. Notwithstanding section 2, the initial higher education board consists of two members each from the state board of technical colleges, state board for community colleges, and the state university board, appointed by their respective boards and six members appointed by the governor. The members appointed by boards must have been confirmed by the senate to the board from which they are appointed and served for at least one year on the board from which they were appointed. Initial higher education board members appointed by boards are not subject to further senate confirmation. The governor shall appoint the student member July 1, 1993. Notwithstanding section 2, subdivision 2, the initial members of the higher education board must be appointed so that an equal number will have terms expiring in three, five, and seven years. To the extent possible, the initial board must have the geographic balance required by section 2.*

*Subd. 2. [INTERIM CHANCELLOR.] By August 1, 1991, the board shall hire a chancellor on an interim basis for the period ending June 30, 1993. Thereafter, the board shall conduct a search and hire a chancellor to serve on a continuing basis.*

*Subd. 3. [PERSONNEL.] The chancellor may hire employees necessary to carry out the transitional duties imposed by this section. The commissioner of employee relations shall cooperate with the chancellor to expedite hiring these employees.*

*Subd. 4. [TRANSITIONAL PLANNING PROCESS.] The board shall immediately after appointment commence planning for the merger of the technical college, community college, and state university systems. As part of the planning process, the board shall consult with the local advisory committees, representatives of student government organizations, and exclusive representatives of the employees of the state universities, community colleges, and technical colleges.*

*Subd. 5. [RESTRUCTURING.] The board shall submit a proposal to the 1992 legislature concerning the appropriate administrative structure for the educational institutions it governs. The board shall give special attention to the need to integrate the administration of programs of study now offered at institutions from different systems. The board, in cooperation with the department of employee relations and the department of administration, shall give special attention to the need to integrate administrative functions of the educational institutions it governs, including: (1) personnel, labor, and compensation policies; (2) purchases of supplies; and (3) management of property, and construction and repair of facilities.*

*Subd. 6. [SCHOOL DISTRICTS.] The board shall, in cooperation with the commissioner of employee relations, submit proposals to the 1992 legislature concerning labor and other issues related to the transfer of technical colleges from school board governance.*

*The board shall, in cooperation with the commissioner of administration, submit a proposal to the 1992 legislature concerning reimbursement to school districts for technical college property transferred to the board pursuant to section 9.*

*Subd. 7. [LEGAL SERVICES.] The board shall submit to the 1992 legislature proposals for providing the board with adequate legal services.*

*Subd. 8. [ACCOUNTING SYSTEM.] The commissioner of finance shall submit proposals to the 1992 legislature that will enable the board to use a single accounting system in accord with generally accepted accounting principles for colleges and universities and eliminate the need to have a second system to account for its money in the state treasury.*

*Subd. 9. [BUDGET REQUESTS.] The board shall consult with the commissioner of finance, the chair of the senate finance committee, and the chair of the house appropriations committee and submit to the 1992 legislature a proposed format for its 1993 budget request. The higher education board shall use the format, as revised in accordance with instructions from the legislature, to present its budget request to the governor and the 1993 legislature.*

*Subd. 10. [INITIAL ADVISORY COUNCIL APPOINTMENTS.] Notwithstanding section 3, the initial members of the higher education board candidate advisory council must be appointed so that an equal number will have terms expiring in two, four, and six years.*

#### **Sec. 9. [TRANSFER OF POWERS.]**

*The state board of technical colleges, the state board for community colleges, and the state university board and their respective chancellors retain responsibility for operating and managing their systems until July 1, 1993. On July 1, 1993, the authority, duties, responsibilities, related property of the state board of technical colleges, school boards, intermediate school boards, joint vocational technical boards with respect to technical colleges, the state board for community colleges, and the state university board are transferred to the higher education board under Minnesota Statutes, section 15.039. The state board of technical colleges, state board for community colleges, and state university board are abolished, effective July 1, 1993.*

#### **Sec. 10. [CURRENT EMPLOYEES.]**

*The higher education board shall make every effort to continue the employment of employees of the former technical college, community college, and state university systems.*

*The board shall give preference to those employees for jobs for which they are qualified.*

*The board shall provide training and retraining to employees to prepare them for jobs in the institutions governed by the board.*

#### **Sec. 11. [TECHNICAL COLLEGE COLLECTIVE BARGAINING.]**

*For purposes of collective bargaining, faculty of the technical colleges will initially be assigned to the new technical college instructional unit provided for in Minnesota Statutes, section 179A.10, subdivision 2, as amended by this act. The new bargaining unit may begin to organize on or after July 1, 1991, for negotiating contracts that become effective on or after July 1, 1993. Other technical college employees must be assigned to the appropriate existing state bargaining unit.*

#### **Sec. 12. [EFFECT OF CURRENT COLLECTIVE BARGAINING AGREEMENTS.]**

*The terms and conditions of a collective bargaining agreement covering an employee transferred to the higher education board remains in effect until a successor agreement becomes effective. This section applies to all employees transferred to the board.*

**Sec. 13. [TRANSITIONAL PERIOD COLLECTIVE BARGAINING.]**

*Contracts for the period commencing July 1, 1993, for employees transferred to the higher education board shall be negotiated with the higher education board. Negotiations for those contracts can begin anytime after July 1, 1992, and may be initiated by either party notifying the other of the desire to begin the negotiating process.*

**Sec. 14. [COOPERATION.]**

*The state university board, state board of technical colleges, and state board for community colleges shall cooperate with the higher education board. Each of those boards may transfer money, personnel, or equipment to the higher education board.*

**Sec. 15. [REVENUE FUND; OUTSTANDING REVENUE BONDS.]**

*Nothing in this act shall in any way alter or amend Minnesota Statutes, sections 136.35 through 136.41, or any contract entered into by the board pursuant to those sections, or the pledge and appropriation of revenues from the revenue fund and any covenants made for the security of revenue bonds authorized to be issued by the state university board.*

**Sec. 16. [EFFECTIVE DATE.]**

*This act is effective the day following final enactment, except that section 7 is effective July 1, 1991, for collective bargaining of contracts that become effective on or after July 1, 1993, and sections 5 and 6 are effective July 1, 1993."*

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1535 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 15 and nays 51, as follows:

Those who voted in the affirmative were:

Berglin	Halberg	Kroening	Moe, R.D.	Stumpf
Brataas	Johnson, D.J.	Luther	Piper	Traub
Dicklich	Johnson, J.B.	Merriam	Solon	Waldorf

Those who voted in the negative were:

Adkins	Davis	Johnston	Mondale	Renneke
Beckman	Day	Kelly	Morse	Riveness
Belanger	DeCramer	Knaak	Neuville	Sams
Benson, D.D.	Finn	Laidig	Novak	Samuelson
Benson, J.E.	Flynn	Langseth	Olson	Spear
Berg	Frank	Larson	Pappas	Storm
Bernhagen	Frederickson, D.J.	Lessard	Pariseau	Vickerman
Bertram	Frederickson, D.R.	Marty	Pogemiller	
Chmielewski	Gustafson	McGowan	Price	
Cohen	Hottinger	Mehrkins	Ranum	
Dahl	Johnson, D.E.	Metzen	Reichgott	

So the bill, as amended, failed to pass.

### RECONSIDERATION

Mr. Rivenness moved that the vote whereby S.F. No. 1535 failed to pass the Senate on April 30, 1991, be now reconsidered. The motion prevailed.

Mr. Moe, R.D. moved that S.F. No. 1535 be laid on the table. The motion prevailed.

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate revert to the Orders of Business of Reports of Committees and Second Reading of House Bills. 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. Chmielewski from the Committee on Employment, to which was referred

S.F. No. 384: A bill for an act relating to employment; regulating disbursements from the dislocated worker fund; extending the special assessment for the dislocated worker fund; amending Minnesota Statutes 1990, section 268.977, subdivision 2; repealing Laws 1990, chapter 568, article 6, section 4.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 268.977, is amended to read:

Subdivision 1. [PROGRAM ESTABLISHMENT.] (a) The commissioner shall establish a rapid response program to assist employees, employers, business organizations or associations, labor organizations, local government units, and community organizations to quickly and effectively respond to announced or actual plant closings ~~and~~, substantial layoffs, *dislocated workers, and additional dislocated workers*.

(b) The program must include or address at least the following:

(1) within five working days after becoming aware of an announced or actual plant closing or substantial layoff, establish on-site contact with the employer, employees, labor organizations if there is one representing the employees, and leaders of the local government units and community organizations to provide coordination of efforts to formulate a communitywide response to the plant closing or substantial layoff, provide information on the public and private service and programs that might be available, inform the affected parties of the prefeasibility study grants under section 268.978, and collect any information required by the commissioner to assist in responding to the plant closing or substantial layoff;

(2) provide ongoing technical assistance to employers, employees, business organizations or associations, labor organizations, local government

units, and community organizations to assist them in reacting to or developing responses to plant closings or substantial layoffs;

(3) establish and administer the prefeasibility study grant program under section 268.978 to provide an initial assessment of the feasibility of alternatives to plant closings or substantial layoffs;

(4) work with employment and training service providers, employers, business organizations or associations, labor organizations, local government units, dislocated workers, and community organizations in providing training, education, community support service, job search programs, job clubs, and other services to address the needs of potential or actual dislocated workers;

(5) coordinate with providers of economic development related financial and technical assistance services so that communities that are experiencing plant closings or substantial layoffs have immediate access to economic development related services; ~~and~~

(6) collect and make available information on programs that might assist dislocated workers and the communities affected by plant closings or substantial layoffs; *and*

*(7) when they can be provided without adversely affecting delivery of services to dislocated workers, the services under clause (4) shall be available to additional dislocated workers.*

Subd. 2. [APPLICABILITY.] Notwithstanding section 268.975, subdivisions 6 and 8, the commissioner may waive the threshold requirements for finding a plant closing or substantial layoff in special cases where the governor's job training council recommends waiver to the commissioner following a finding by the council that the number of workers dislocated as a result of a plant closing or substantial layoff would have a substantial impact on the community or labor market where the closure or layoff occurs and, in the absence of intervention through the rapid response program, would overwhelm the capacity of other programs to provide effective assistance. *An individual is eligible for the training and other services described in subdivision 1, clause (4), if the only reason the individual is not a "dislocated worker" under section 268.975, subdivision 3, is because the threshold employment loss requirements of section 268.975, subdivisions 6 and 8, have not been met.*

Subd. 3. [RULES.] *The commissioner must adopt rules necessary for the commissioner to evaluate the effectiveness of programs established and grants authorized under sections 268.975 to 268.98. The rules must include reporting requirements for those programs and grants. The commissioner shall report to the legislature annually, by February 1, on the effectiveness of those programs.*

## Sec. 2. [LEGISLATIVE AUDITOR STUDY.]

*The legislative auditor shall evaluate the effectiveness of the dislocated worker program under Minnesota Statutes, sections 268.975 to 268.98, in meeting its objectives and submit the evaluation to the legislature by January 1, 1992.*

## Sec. 3. [REPEALER.]

*Laws 1990, chapter 568, article 6, section 4, is repealed.*

## Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to employment; regulating the dislocated worker program; requiring a report by the legislative auditor; amending Minnesota Statutes 1990, section 268.977; repealing Laws 1990, chapter 568, article 6, section 4."

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

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

H.F. No. 459 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.
459	464				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 459 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 459 and insert the language after the enacting clause of S.F. No. 464, the first engrossment; further, delete the title of H.F. No. 459 and insert the title of S.F. No. 464, the first engrossment.

And when so amended H.F. No. 459 will be identical to S.F. No. 464, and further recommends that H.F. No. 459 be given its second reading and substituted for S.F. No. 464, 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.

## SECOND READING OF HOUSE BILLS

H.F. No. 459 was read the second time.

## MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Moe, R.D. moved that S.F. No. 937 be withdrawn from the Committee on Rules and Administration and re-referred to the Committee on Finance. The motion prevailed.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Mr. Laidig introduced—

S.F. No. 1542: A bill for an act relating to the city of Stillwater; authorizing the city to conduct a reassessment with respect to special assessments, ad



valorem taxes, interest, and penalties on certain property; authorizing the city to issue obligations to finance payment of delinquent ad valorem taxes, interest, and penalties on certain property; authorizing the city to enter into an agreement with the owner of the property to be specially assessed.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Solon and Gustafson introduced—

S.F. No. 1543: A bill for an act relating to taxation; income and franchise; providing that certain sales are made without the state; amending Minnesota Statutes 1990, section 290.191, subdivision 5.

Referred to the Committee on Taxes and Tax Laws.

### MEMBERS EXCUSED

Mr. Hughes was excused from the Session of today. Ms. Berglin was excused from the Session of today from 8:30 to 10:45 a.m. Messrs. Gustafson and Kroening were excused from the Session of today from 8:30 to 9:30 a.m. Mr. Pogemiller was excused from the Session of today from 8:30 to 9:20 a.m. Mr. Cohen was excused from the Session of today from 10:15 to 11:30 a.m. Mrs. Benson, J.E. was excused from the Session of today from 10:00 to 10:10 a.m. Messrs. Bernhagen; Dicklich; Johnson, D.J.; Pogemiller and Ms. Olson were excused from the Session of today from 10:15 to 10:45 a.m. Mr. Bertram was excused from the Session of today from 12:45 to 1:15 p.m.

### ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 9:30 a.m., Wednesday, May 1, 1991. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate