

## FORTY-NINTH DAY

St. Paul, Minnesota, Wednesday, May 8, 1991

The Senate met at 12:30 p.m. and was called to order by the President.

### RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 1:30 p.m. The motion prevailed.

The hour of 1:30 p.m. having arrived, the President called the Senate to order.

### CALL OF THE SENATE

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

Prayer was offered by the Chaplain, Rev. David L. Valen.

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	Frederickson, D.J.	Langseth	Olson	Storm
Berglin	Frederickson, D.R.	Larson	Pappas	Stumpf
Bernhagen	Gustafson	Lessard	Pariseau	Traub
Bertram	Halberg	Luther	Piper	Vickerman
Brataas	Hottinger	Marty	Pogemiller	Waldorf
Chmielewski	Hughes	McGowan	Price	
Cohen	Johnson, D.E.	Mehrkins	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.

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communication was received.

May 6, 1991

The Honorable Jerome M. Hughes  
President of the Senate

Dear Senator Hughes:

It is my honor to inform you that I have received, approved, signed and deposited in the Office of the Secretary of State, S.F. Nos. 286, 368, 550 and 732.

Warmest regards,  
Arne H. Carlson, Governor

### 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. 515, 885 and 226.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 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. 635: A bill for an act relating to commerce; prohibiting certain agreements between insurers and health care providers; proposing coding for new law in Minnesota Statutes, chapter 62A.

Senate File No. 635 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1991

Mr. Moe, R.D. moved that S.F. No. 635 be laid on the table. The motion prevailed.

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. 958: A bill for an act relating to state lands; authorizing sale of tax-forfeited lands and an easement in St. Louis county.

Senate File No. 958 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1991

Mr. Moe, R.D. moved that S.F. No. 958 be laid on the table. The motion prevailed.

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. 800: A bill for an act relating to natural resources; revising certain provisions relating to the taking, possession, and transportation of wild animals; amending Minnesota Statutes 1990, sections 97A.445, subdivision 2; 97A.535, subdivision 1; 97B.055, subdivision 3; 97B.106; and 97B.935, subdivision 3.

Senate File No. 800 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1991

Mr. Price moved that the Senate do not concur in the amendments by the House to S.F. No. 800, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee to be appointed on the part of the House. The motion prevailed.

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. 231: A bill for an act relating to insurance; accident and health; defining full-time students for purposes of dependent coverage; proposing coding for new law in Minnesota Statutes, chapter 62A.

Senate File No. 231 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 7, 1991

### CONCURRENCE AND REPASSAGE

Mr. Kelly moved that the Senate concur in the amendments by the House to S.F. No. 231 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 231 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 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnston	Mondale	Samuelson
Beckman	Day	Kelly	Morse	Spear
Belanger	DeCramer	Kroening	Neuville	Storm
Benson, D.D.	Finn	Laidig	Pappas	Stumpf
Benson, J.E.	Flynn	Lessard	Pariseau	Traub
Berg	Frederickson, D.R.	Luther	Piper	Vickerman
Bernhagen	Halberg	McGowan	Price	Waldorf
Bertram	Hottinger	Mehrkens	Ranum	
Brataas	Hughes	Merriam	Renneke	
Chmielewski	Johnson, D.E.	Metzen	Riveness	
Cohen	Johnson, J.B.	Moe, R.D.	Sams	

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 that the House refuses to concur in the Senate amendments to House File No. 1422:

H.F. No. 1422: A bill for an act relating to workers' compensation; regulating benefits and insurance; establishing a permanent commission on workers' compensation; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 79.252, by adding a subdivision; 176.011, subdivisions 3, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 9, and 11; 176.111, subdivision 18; 176.135, subdivisions 1, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.155, subdivision 1; 176.645, subdivisions 1 and 2; 176.83, subdivisions 5, 6, and by adding a subdivision; 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 175 and 176; repealing Minnesota Statutes 1990, sections 175.007; and 176.136, subdivision 5; and chapters 79, 175A, and 176.

The House respectfully requests that a Conference Committee of 5 members be appointed thereon.

Rukavina; Sarna; Winter; Anderson, R. and Beard have been appointed as such committee on the part of the House.

House File No. 1422 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1991

Mr. Chmielewski moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 1422, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House Concurrent Resolution No. 1:

House Concurrent Resolution No. 1: A House concurrent resolution relating to congressional redistricting; establishing standards for redistricting plans.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Rodosovich, Knickerbocker and Jefferson have been appointed as such committee on the part of the House.

House Concurrent Resolution No. 1 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1991

Mr. Moe, R.D. moved that the Senate accede to the request of the House for a Conference Committee on House Concurrent Resolution No. 1, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House Concurrent Resolution No. 2:

House Concurrent Resolution No. 2: A House concurrent resolution relating to legislative redistricting; establishing standards for redistricting plans.

The House respectfully requests that a Conference Committee of 3 members be appointed thereon.

Rodosovich, Knickerbocker and Jefferson have been appointed as such committee on the part of the House.

House Concurrent Resolution No. 2 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1991

Mr. Moe, R.D. moved that the Senate accede to the request of the House for a Conference Committee on House Concurrent Resolution No. 2, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1013, 1125, 564, 1127, 1592, 378, 289, 767, 1050 and 1326.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 7, 1991

**FIRST READING OF HOUSE BILLS**

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

H.F. No. 1013: A bill for an act repealing certain pipeline approval authority of the commissioner of natural resources; repealing Minnesota Statutes 1990, section 117.49.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1125: A bill for an act relating to law enforcement; authorizing the Mille Lacs Band of Chippewa Indians to exercise law enforcement authority within the Mille Lacs Reservation and certain trust lands; proposing coding for new law in Minnesota Statutes, chapter 626.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 893, now on General Orders.

H.F. No. 564: 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.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 709, now on General Orders.

H.F. No. 1127: A bill for an act relating to utilities; prohibiting multiparty line telephone service to more than two subscribers per line; proposing coding for new law in Minnesota Statutes, chapter 237.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1432, now on General Orders.

H.F. No. 1592: A bill for an act relating to health; requiring home care providers to advise persons receiving home care services of certain rights; amending Minnesota Statutes 1990, section 144A.44, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1419, now on the Calendar.

H.F. No. 378: A bill for an act relating to state lands; authorizing exchange of real property.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 306, now on the Calendar.

H.F. No. 289: A bill for an act relating to insurance; accident and health; establishing minimum loss ratios for certain noncomprehensive policies; proposing coding for new law in Minnesota Statutes, chapter 62A.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1117, now on General Orders.

H.F. No. 767: A bill for an act relating to the environment; regulating the distribution of copies of reports to the legislature; requiring public entities to conform to certain printing requirements; amending Minnesota Statutes 1990, sections 3.195, subdivision 1; and 16B.122; repealing Minnesota Statutes 1990, section 16B.125.

Referred to the Committee on Environment and Natural Resources.

H.F. No. 1050: A bill for an act relating to state government; requiring certain notice of proposed executive reorganization orders; permitting the commissioner of administration to lease land to a political subdivision under some circumstances; amending Minnesota Statutes 1990, sections 16B.24, subdivision 6; and 16B.37, subdivision 2.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1008, now on General Orders.

H.F. No. 1326: A bill for an act relating to economic development; providing a preference for outdoor recreation grants; stating the legislative intent that this act is not intended to alter the existing divisions of grants; amending Minnesota Statutes 1990, section 116J.980, by adding a subdivision.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1204, now on the Calendar.

### REPORTS OF COMMITTEES

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

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 511: A bill for an act relating to natural resources; expanding the coverage and purposes of the watercraft surcharge; placing the surcharge in a dedicated account; providing for informational materials; amending Minnesota Statutes 1990, sections 86B.415, subdivisions 7 and 9; and 103G.617, subdivision 3.

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

Page 1, line 12, strike "6" and insert "3 and 5" and reinstate the stricken comma

Page 1, delete section 2

Page 2, delete lines 16 and 17 and insert:

*"Section 1 is effective January 1, 1993. Section 3 is effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 3 and 4, delete "placing the surcharge in a dedicated account;"

Page 1, line 6, delete "subdivisions 7 and 9" and insert "subdivision 7"

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

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 836: A bill for an act relating to education; allowing nonstate funds for construction on the St. Cloud State University campus.

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

as follows:

Delete everything after the enacting clause and insert:

"Section 1. [ST. CLOUD BUSINESS EDUCATION BUILDING.]

*\$465,000 is appropriated from the general fund to the state university board to construct an addition to the business education building at St. Cloud State University. The state university board shall repay this amount to the general fund in installments of \$100,000 each year in fiscal years 1992 to 1996."*

Amend the title as follows:

Page 1, line 2, delete "allowing nonstate funds" and insert "appropriating money"

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

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1087: A bill for an act relating to the Minnesota public facilities authority; fixing the maximum bonded debt of the authority; amending Minnesota Statutes 1990, section 446A.12, subdivision 1.

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

Page 1, line 22, delete "\$300,000,000" and insert "\$250,000,000"

Page 1, after line 22, insert:

"Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

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

## **SECOND READING OF SENATE BILLS**

S.F. Nos. 511, 836 and 1087 were read the second time.

## **MOTIONS AND RESOLUTIONS**

Mr. Chmielewski moved that the name of Mr. DeCramer be added as a co-author to S.F. No. 100. The motion prevailed.

Mr. Frederickson, D.R. moved that the name of Mr. Beckman be added as a co-author to S.F. No. 940. The motion prevailed.

Mr. Laidig moved that the name of Mr. Merriam be added as a co-author to S.F. No. 1155. The motion prevailed.

## **CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 21, Mr. Johnson, D.J. moved that the following members be excused for a Conference Committee on H.F. No. 1086 at 1:30 p.m.:

Messrs. Johnson, D.J.; Frederickson, D.J.; Pogemiller; Price and Ms. Reichgott. The motion prevailed.



**CONFERENCE COMMITTEE EXCUSED**

Pursuant to Rule 21, Mr. Morse moved that the following members be excused for a Conference Committee on S.F. No. 1533 at 2:00 p.m.:

Messrs. Davis; Laidig; Frederickson, D.R.; Merriam and Morse. The motion prevailed.

**MOTIONS AND RESOLUTIONS - CONTINUED**

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 156 a Special Order to be heard immediately.

**SPECIAL ORDER**

S.F. No. 156: A bill for an act relating to the public defender; providing for appointment of a chief administrator by the state public defender; changing the composition of the ad hoc board of the state board of public defense that appoints chief district public defenders; requiring affirmative action in appointing members of the state board of public defense and chief district public defenders; limiting the number of members of the state board of public defense from certain judicial districts; providing for supervision of the state public defender system by the state public defender; describing the duties of the state board of public defense, the state public defender, and chief district public defenders; transferring positions from the state board of public defense to the office of the state public defender; amending Minnesota Statutes 1990, sections 611.215, subdivisions 1, 1a, and 2; 611.23; 611.24; 611.25, by adding a subdivision; 611.26, subdivisions 2, 3, 4, 7, and by adding a subdivision; repealing Minnesota Statutes 1990, sections 383B.63, subdivision 1; 611.215, subdivision 4; 611.26, subdivision 1; 611.261; and Laws 1989, chapter 335, article 3, section 38.

Mr. Spear moved to amend S.F. No. 156 as follows:

Page 7, line 1, delete "*July*" and insert "*January*"

Page 7, line 5, strike "1991" and insert "1992" and after "second" strike the comma

Page 7, line 6, delete "*third*," and strike "*fourth*," and delete "*sixth*," and strike the second "and"

Page 7, line 7, reinstate the stricken "*third*" and delete "*fifth*, *seventh*, *ninth*" and insert "*fourth*"

Page 7, line 8, before the period, insert "; (3) in 1994, the fifth and ninth districts; and (4) in 1995, the sixth and seventh districts"

The motion prevailed. So the amendment was adopted.

S.F. No. 156 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 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

### MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar. The motion prevailed.

### GENERAL ORDERS

The Senate resolved itself into a Committee of the Whole, with Mr. Hughes in the chair.

After some time spent therein, the committee arose, and Mr. Hughes reported that the committee had considered the following:

S.F. Nos. 1064, 1300, 811 and H.F. Nos. 594, 934, 922, 1475, 1549, which the committee recommends to pass.

S.F. No. 440, which the committee recommends to pass with the following amendment offered by Mr. Marty:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1990, section 62E.10, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS; ORGANIZATION.] The board of directors of the association shall be made up of nine members as follows: *five three* insurer directors selected by participating members, subject to approval by the commissioner; *four two plan enrollee directors elected as provided in section 3; and four* public directors selected by the commissioner. ~~Public members may include licensed insurance agents. In determining voting rights at members' meetings, each member shall be entitled to vote in person or proxy. The vote shall be a weighted vote based upon the member's cost of self-insurance, accident and health insurance premium, subscriber contract charges, or health maintenance contract payment derived from or on behalf of Minnesota residents in the previous calendar year, as determined by the commissioner. In approving directors of the board, the commissioner shall consider, among other things, whether all types of members are fairly represented. Insurer directors may be reimbursed from the money of the association for expenses incurred by them as directors, but shall not otherwise be compensated by the association for their services. The costs of conducting meetings of the association and its board of directors shall be borne by members of the association.~~

Sec. 2. Minnesota Statutes 1990, section 62E.10, is amended by adding a subdivision to read:

*Subd. 2b. [PUBLIC DIRECTORS' TERMS.] One of the public directors*

*of the board must be a medical care provider. Three of the public directors must not be members of or represent the interests of the insurers, insurance agents, plan enrollees, or medical care providers. The term of a public director is two years. The compensation, removal, and filling of vacancies of public directors are as provided in section 15.0575.*

Sec. 3. Minnesota Statutes 1990, section 62E.10, is amended by adding a subdivision to read:

*Subd. 2c. [ASSOCIATION MEMBERS' MEETINGS; INSURER DIRECTORS.] In determining voting rights at members' meetings, each member shall be entitled to vote in person or proxy. The vote shall be a weighted vote based upon the member's cost of self-insurance, accident and health insurance premium, subscriber contract charges, or health maintenance contract payment derived from or on behalf of Minnesota residents in the previous calendar year, as determined by the commissioner. Insurer directors may be reimbursed from the money of the association for expenses incurred by them as directors, but shall not otherwise be compensated by the association for their services. The costs of conducting meetings of the association and its board of directors must be paid by members of the association.*

Sec. 4. Minnesota Statutes 1990, section 62E.10, is amended by adding a subdivision to read:

*Subd. 2d. [PLAN ENROLLEE DIRECTOR TERMS.] The term of a plan enrollee director is two years. Compensation of plan enrollee directors is as provided in section 15.0575, subdivision 3. The commissioner may remove a plan enrollee director as provided in section 15.0575, subdivision 4. The commissioner shall fill a vacancy of a plan enrollee director by appointment for the rest of the unexpired term.*

Sec. 5. Minnesota Statutes 1990, section 62E.10, is amended by adding a subdivision to read:

*Subd. 2e. [PLAN ENROLLEE DIRECTOR ELECTION PROCEDURE.] The election for plan enrollee directors must be held on the first Tuesday after the third Monday in April. The association must mail notice of the plan enrollee director election and the mail procedure to plan enrollees at least six weeks before the election. No earlier than 20 days or later than 14 days before the election, the association shall mail ballots by nonforwardsable mail to all plan enrollees who are eligible to vote. All plan enrollees who are 18 years of age or older are eligible to vote. An enrollee who may vote in the election and submits a written request to be included on the ballot to the association at least four weeks before the election is an eligible candidate. The association shall include with the ballot a brief informational statement prepared by each candidate, if the candidate submits the statement to the association at least four weeks before the election. Ballot return envelopes, with return postage provided, must be preaddressed to the association and the enrollee may return the ballot by mail or in person to the association's office. Any ballot received by 8:00 p.m. on the day of the election must be counted. The three candidates who receive the highest number of votes shall be the plan enrollee directors.*

Sec. 6. Minnesota Statutes 1990, section 62E.11, is amended by adding a subdivision to read:

*Subd. 11. [RATE INCREASE OR BENEFIT CHANGE.] The association must hold a public hearing at least two weeks before filing a rate increase*

*or benefit change with the commissioner. Notice of the public hearing must be mailed at least two weeks before the hearing to all plan enrollees."*

Page 1, after line 22, insert:

"Sec. 8. [FIRST ELECTION.]

*Notwithstanding section 5, the first election of plan enrollee directors must be held on September 10, 1991. Notwithstanding section 4, the terms of the plan enrollee directors elected at the September 10, 1991, election are two years and eight months."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 693, which the committee recommends to pass with the following amendments offered by Ms. Ranum, Messrs. Merriam, Marty and Knaak:

Ms. Ranum moved to amend H.F. No. 693, as amended pursuant to Rule 49, adopted by the Senate May 1, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 802.)

Page 15, after line 20, insert:

"Sec. 17. Minnesota Statutes 1990, section 595.024, subdivision 3, is amended to read:

Subd. 3. [DETERMINATION; APPEAL.] The district court shall consider the nature of the proceedings, the merits of the claims and defenses, the adequacies of alternative remedies, the relevancy of the information sought, and the possibility of establishing by other means that which the source is expected or may tend to prove. The court shall make its appropriate order after making findings of fact. The order may be appealed directly to the court of appeals according to the rules of appellate procedure. The order is stayed and nondisclosure shall remain in full force and effect during the pendency of the appeal. *Where the court finds that the information sought has been published or broadcast, there shall be no automatic stay unless an appeal is filed within two days after the order is issued. Either party may request expedited consideration."*

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 22, after the semicolon, insert "modifying provisions dealing with disclosure of media sources;"

Page 1, line 29, after the semicolon, insert "595.024, subdivision 3;"

The motion prevailed. So the amendment was adopted.

Mr. Merriam moved to amend H.F. No. 693, as amended pursuant to Rule 49, adopted by the Senate May 1, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 802.)

Page 2, line 9, delete everything after "statute"

Page 2, line 10, delete everything before the fourth comma

Page 2, line 14, delete everything after the period

Page 2, delete lines 15 to 17

Page 16, after line 35, insert:

"Sec. 19. [IMMUNITY FROM LIABILITY.]

*No cause of action may arise as a result of the release of data contained in a termination or personnel settlement agreement if the data were not public data as defined in Minnesota Statutes, section 13.02, at the time the agreement was executed but become public data under a law enacted after execution."*

Page 17, line 1, delete "Section 2 is" and insert "Sections 2 and 19 are"

Page 17, line 2, delete "applies" and insert "apply"

Renumber the sections in sequence

The motion prevailed. So the amendment was adopted.

Mr. Marty moved to amend H.F. No. 693, as amended pursuant to Rule 49, adopted by the Senate May 1, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 802.)

Page 4, after line 21, insert:

"Sec. 6. Minnesota Statutes 1990, section 13.69, is amended by adding a subdivision to read:

*Subd. 3. [COMMERCIAL LISTS.] The department of public safety may not release lists of data on individuals contained in driver's license or motor vehicle registration records if the data will be used for commercial purposes as part of a mailing list or telephone solicitation. This subdivision does not apply to the release of data to a motor vehicle manufacturer or the manufacturer's designee for the purpose of notifying purchasers of a motor vehicle recall."*

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 22, after the semicolon, insert "prohibiting the release of lists of driver's license or motor vehicle data for commercial purposes;"

Page 1, line 24, before "13.82" insert "13.69, by adding a subdivision;"

Mr. Knaak moved to amend the Marty amendment to H.F. No. 693 as follows:

Page 1, after line 16, insert:

"Page 17, line 3, after the period, insert "Section 6 is effective July 1, 1992.""

The motion prevailed. So the amendment to the amendment was adopted.

The question recurred on the Marty amendment, as amended. The motion prevailed. So the amendment, as amended, was adopted.

Mr. Knaak then moved to amend H.F. No. 693, as amended pursuant to Rule 49, adopted by the Senate May 1, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 802.)

Page 15, after line 20, insert:

"Sec. 17. Minnesota Statutes 1990, section 471.705, subdivision 1, is amended to read:

Subdivision 1. Except as otherwise expressly provided by statute, all meetings, including executive sessions, of any state agency, board, commission or department when required or permitted by law to transact public business in a meeting, and the governing body of any school district however organized, unorganized territory, county, city, town, or other public body, and of any committee, subcommittee, board, department or commission thereof, shall be open to the public, except meetings of the board of pardons and the commissioner of corrections. The votes of the members of such state agency, board, commission or department or of such governing body, committee, subcommittee, board, department or commission on any action taken in a meeting herein required to be open to the public shall be recorded in a journal kept for that purpose, which journal shall be open to the public during all normal business hours where such records are kept. The vote of each member shall be recorded on each appropriation of money, except for payments of judgments, claims and amounts fixed by statute. This section shall not apply to any state agency, board, or commission when exercising quasi-judicial functions involving disciplinary proceedings."

Page 16, after line 35, insert:

"Sec. 20. Minnesota Statutes 1990, section 638.02, subdivision 3, is amended to read:

Subd. 3. Upon granting a pardon extraordinary the board of pardons shall file a copy thereof with the district court of the county in which the conviction occurred, ~~whereupon~~ and the court shall order the conviction set aside and all records pertinent to the conviction sealed. ~~These records shall only be reopened in the case of a criminal judicial proceeding thereafter instituted~~ *include a copy of the pardon in the court file.*

Sec. 21. Minnesota Statutes 1990, section 638.04, is amended to read:  
638.04 [MEETINGS.]

*The board of pardons shall hold meetings at least twice each year and shall hold a meeting whenever it takes formal action on an application for a pardon or commutation of sentence. All board meetings shall be open to the public as provided in section 471.705.*

*The victim of an applicant's crime has a right to submit an oral or written statement at the meeting. The statement may summarize the harm suffered by the victim as a result of the crime and give the victim's recommendation on whether the application for a pardon or commutation should be granted or denied. In addition, any law enforcement agency may submit an oral or written statement at the meeting, giving its recommendation on whether the application should be granted or denied. The board must consider the victim's and the law enforcement agency's statement when making its decision on the application.*

Sec. 22. Minnesota Statutes 1990, section 638.05, is amended to read:  
638.05 [APPLICATION FOR PARDON.]

Every application for a pardon or commutation of sentence shall be in writing, addressed to the board of pardons, signed by the convict or some one in the convict's behalf, shall state concisely the grounds upon which the pardon or commutation is sought, and in addition shall contain the

following facts:

(1) The name under which the convict was indicted, and every alias by which known;

(2) The date and terms of sentence, and the names of the offense for which it was imposed;

(3) The name of the trial judge and the county attorney who participated in the trial of the convict, together with that of the county of trial;

(4) A succinct statement of the evidence adduced at the trial, with the endorsement of the judge or county attorney who tried the case that the same is substantially correct; if such statement and endorsement are not furnished, the reason thereof shall be stated;

(5) The age, birthplace, parentage, and occupation and residence of the convict during five years immediately preceding conviction;

(6) A statement of other arrests, indictments, and convictions, if any, of the convict.

*Every application for a pardon or commutation of sentence shall contain a statement by the applicant consenting to the disclosure to the board of any private data concerning the applicant contained in the application or in any other record relating to the grounds on which the pardon or commutation is sought.*

Sec. 23. Minnesota Statutes 1990, section 638.06, is amended to read:

**638.06 [ACTION ON APPLICATION.]**

Every such application shall be filed with the clerk of the board of pardons. If an application for a pardon or commutation has been once heard and denied on the merits, no subsequent application shall be filed without the consent of two members of the board endorsed thereon. The clerk shall, immediately on receipt of any application, mail notice thereof, and of the time and place of hearing thereon, to the judge of the court wherein the applicant was tried and sentenced, and to the prosecuting attorney who prosecuted the applicant, or a successor in office; ~~provided, pardons or commutations of sentence of persons committed to a county jail or workhouse may be granted by the board without notice.~~ *The clerk shall also make all reasonable efforts to locate any victim of the applicant's crime. The clerk shall mail notice of the application and the time and place of the hearing to any victim who is located. This notice shall specifically inform the victim of the victim's right to be present at the hearing and to submit an oral or written statement to the board as provided in section 638.04."*

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 22, after the semicolon, insert "modifying practices and procedures of the board of pardons;"

Page 1, line 29, delete the first "and" and insert "471.705, subdivision 1;"

Page 1, line 30, after the semicolon, insert "638.02, subdivision 3; 638.04; 638.05; and 638.06;"

The motion prevailed. So the amendment was adopted.

H.F. No. 815, which the committee recommends to pass with the following amendment offered by Ms. Ranum:

Amend H.F. No. 815, the unofficial engrossment, as follows:

Page 4, line 11, delete "8" and insert "7"

Page 4, line 12, after the period, insert "*Section 8 is effective retroactively to May 1, 1991.*"

The motion prevailed. So the amendment was adopted.

H.F. No. 1551, which the committee recommends to pass, after the following motion:

Mr. Gustafson moved to amend H.F. No. 1551 as follows:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### SCOPE OF COVERAGE/LIABILITY

Section 1. Minnesota Statutes 1990, section 176.011, subdivision 11a, is amended to read:

Subd. 11a. [FAMILY FARM.] "Family farm" means any farm operation which (1) pays or is obligated to pay less than ~~\$8,000~~ \$20,000 in cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year, and (2) *has total liability and medical payment coverage equal to \$300,000 and \$5,000, respectively, under a farm liability insurance policy.* For purposes of this subdivision, farm laborer does not include any spouse, parent or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation as defined in section 500.24, subdivision 2, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation, or other farmers in the same community or members of their families exchanging work with the employer. Notwithstanding any law to the contrary, a farm laborer shall not be considered as an independent contractor for the purposes of this chapter; provided that a commercial baler or commercial thresher shall be considered an independent contractor.

Sec. 2. Minnesota Statutes 1990, section 176.041, subdivision 1a, is amended to read:

Subd. 1a. [ELECTION OF COVERAGE.] The persons, partnerships and corporations described in this subdivision may elect to provide the insurance coverage required by this chapter.

(a) An owner or owners of a business or farm may elect coverage for themselves.

(b) A partnership owning a business or farm may elect coverage for any partner.

(c) A family farm corporation as defined in section 500.24, subdivision 2, clause (c), may elect coverage for any executive officer.

(d) A closely held corporation which had less than 22,880 hours of payroll in the previous calendar year may elect coverage for any executive officer if that executive officer is also an owner of at least 25 percent of the stock of the corporation.

(e) *A person, partnership, or corporation that receives the services of a*



*voluntary uncompensated worker who is not required to be covered under this chapter may elect to provide coverage for that worker.*

(f) A person, partnership, or corporation hiring an independent contractor, as defined by rules adopted by the commissioner, may elect to provide coverage for that independent contractor. A person, partnership, or corporation may charge the independent contractor a fee for providing the coverage only if the independent contractor (1) elects in writing to be covered, (2) is issued an endorsement setting forth the terms of the coverage, the name of the independent contractors, and the fee and how it is calculated.

The persons, partnerships, and corporations described in this subdivision may also elect coverage for an employee who is a spouse, parent, or child, regardless of age, of an owner, partner, or executive officer, who is eligible for coverage under this subdivision. Coverage may be elected for a spouse, parent, or child whether or not coverage is elected for the related owner, partner, or executive director and whether or not the person, partnership, or corporation employs any other person to perform a service for hire. Any person for whom coverage is elected pursuant to this subdivision shall be included within the meaning of the term employee for the purposes of this chapter.

Notice of election of coverage or of termination of election under this subdivision shall be provided in writing to the insurer. Coverage or termination of coverage is effective the day following receipt of notice by the insurer or at a subsequent date if so indicated in the notice. The insurance policy shall be endorsed to indicate the names of those persons for whom coverage has been elected or terminated under this subdivision. An election of coverage under this subdivision shall continue in effect as long as a policy or renewal policy of the same insurer is in effect.

Nothing in this subdivision shall be construed to limit the responsibilities of owners, partnerships, or corporations to provide coverage for their employees, if any, as required under this chapter.

Sec. 3. Minnesota Statutes 1990, section 176.183, subdivision 1, is amended to read:

Subdivision 1. When any employee sustains an injury arising out of and in the course of employment while in the employ of an employer, other than the state or its political subdivisions, not insured or self-insured as provided for in this chapter, the employee or the employee's dependents shall nevertheless receive benefits as provided for in this chapter from the special compensation fund, and the commissioner has a cause of action against the employer for reimbursement for all moneys paid out or to be paid out, and, in the discretion of the court, as punitive damages an additional amount not exceeding 50 60 percent of all moneys paid out or to be paid out. As used in this subdivision, "employer" includes officers of corporations who have legal control, either individually or jointly with another or others, of the payment of wages. An action to recover the moneys shall be instituted unless the commissioner determines that no recovery is possible. All moneys recovered shall be deposited in the general fund. There shall be no payment from the special compensation fund if there is liability for the injury under the provisions of section 176.215, by an insurer or self-insurer.

Sec. 4. Minnesota Statutes 1990, section 176.215, is amended by adding a subdivision to read:

*Subd. 1a. [EXCLUSIVE REMEDY.] The liability of a general contractor,*

*intermediate contractor, or subcontractor who pays compensation pursuant to subdivision 1, to an injured individual who is not an employee of the general contractor, intermediate contractor, or subcontractor is exclusive and in the place of any other liability to the individual, the individual's personal representative, surviving spouse, parent, any child, dependent, next of kin, or other person entitled to recover damages on account of the individual's injury or death.*

Sec. 5. [EFFECTIVE DATE.]

*Section 1 is effective January 1, 1992. Sections 2 to 4 are effective the day following final enactment.*

ARTICLE 2

COMPENSATION BENEFITS

Section 1. Minnesota Statutes 1990, section 176.011, subdivision 3, is amended to read:

Subd. 3. [DAILY WAGE.] "Daily wage" means the daily wage of the employee in the employment engaged in at the time of injury but does not include tips and gratuities paid directly to an employee by a customer of the employer and not accounted for by the employee to the employer. If the amount of the daily wage received or to be received by the employee in the employment engaged in at the time of injury was irregular or difficult to determine, or if the employment was part time, the daily wage shall be computed by dividing the total amount the employee actually earned in such employment in the last 26 weeks, by the total number of days in which the employee actually performed any of the duties of such employment, provided further, that in the case of the construction industry, mining industry, or other industry where the hours of work are affected by seasonal conditions, the weekly wage shall not be less than five times the daily wage. Where board or allowances other than tips and gratuities are made to an employee in addition to wages as a part of the wage contract they are deemed a part of earnings and computed at their value to the employee. In the case of persons performing services for municipal corporations in the case of emergency, then the normal working day shall be considered and computed as eight hours, and in cases where such services are performed gratis or without fixed compensation the daily wage of the person injured shall, for the purpose of calculating compensation payable under this chapter, be taken to be the usual going wage paid for similar services in municipalities where such services are performed by paid employees. If, at the time of injury, the employee was regularly employed by two or more employers, the employee's earnings in all such employments shall be included in the computation of daily wage. *Holiday pay and vacation pay shall not be included in the calculation of daily wage.*

Sec. 2. Minnesota Statutes 1990, section 176.011, subdivision 18, is amended to read:

Subd. 18. [WEEKLY WAGE.] "Weekly wage" is arrived at by multiplying the daily wage by the number of days and fractional days normally worked in the business of the employer for the employment involved. If the employee normally works less than five days per week or works an irregular number of days per week, the number of days normally worked shall be computed by dividing the total number of days in which the employee actually performed any of the duties of employment in the last 26 weeks by the number of weeks in which the employee actually performed such duties, provided

that the weekly wage for part time employment during a period of seasonal or temporary layoff shall be computed on the number of days and fractional days normally worked in the business of the employer for the employment involved. If, at the time of the injury, the employee was regularly employed by two or more employers, the employee's days of work for all such employments shall be included in the computation of weekly wage. Occasional overtime is not to be considered in computing the weekly wage, but if overtime is regular or frequent throughout the year it shall be taken into consideration. *Holiday pay and vacation pay shall not be included in the calculation of weekly wage.* The maximum weekly compensation payable to an employee, or to the employee's dependents in the event of death, shall not exceed ~~66 2/3~~ 80 percent of the ~~product of the daily wage times the number of days normally worked~~ *employee's after-tax weekly wage*, provided that the compensation payable for permanent partial disability under section 176.101, subdivision 3, and for permanent total disability under section 176.101, subdivision 4, or death under section 176.111, shall not be computed on less than the number of hours normally worked in the employment or industry in which the injury was sustained, subject also to such maximums as are specifically otherwise provided.

Sec. 3. Minnesota Statutes 1990, section 176.011, is amended by adding a subdivision to read:

*Subd. 18a. [AFTER-TAX WEEKLY WAGE.] "After-tax weekly wage" means the weekly wage reduced by the amounts required to be withheld by the Federal Insurance Contributions Act, United States Code, title 16, sections 3101 to 3126, but without regard to the yearly maximum, and by state and federal income tax laws using as the number of allowances the number of exemptions that the employee is entitled to under federal law for the employee and the employee's dependents and without additional allowances. The after-tax weekly wage must be determined as of the date of injury, and changes in dependents after that date may not be considered.*

Sec. 4. Minnesota Statutes 1990, section 176.021, subdivision 3, is amended to read:

**Subd. 3. [COMPENSATION, COMMENCEMENT OF PAYMENT.]** All employers shall commence payment of compensation at the time and in the manner prescribed by this chapter without the necessity of any agreement or any order of the division. Except for medical, burial, and other non-periodic benefits, payments shall be made as nearly as possible at the intervals when the wage was payable, provided, however, that payments for permanent partial disability shall be governed by section 176.101, *subdivision 3*. If doubt exists as to the eventual permanent partial disability, payment for the ~~economic recovery compensation or impairment compensation, whichever is due, pursuant to section 176.101,~~ shall be then made when due for the minimum permanent partial disability ascertainable, and further payment shall be made upon any later ascertainment of greater permanent partial disability. Prior to or at the time of commencement of the payment of ~~economic recovery compensation or lump sum or periodic payment of impairment~~ *permanent partial disability compensation*, the employee and employer shall be furnished with a copy of the medical report upon which the payment is based and all other medical reports which the insurer has that indicate a permanent partial disability rating, together with a statement by the insurer as to whether the tendered payment is for minimum permanent partial disability or final and eventual disability. After receipt of all reports available to the insurer that indicate a permanent partial

disability rating, the employee shall make available or permit the insurer to obtain any medical report that the employee has or has knowledge of that contains a permanent partial disability rating which the insurer does not already have. ~~Economic recovery compensation or impairment compensation pursuant to section 176.101 is payable in addition to but not concurrently with compensation for temporary total disability but is payable pursuant to section 176.101. Impairment compensation is payable concurrently and in addition to compensation for permanent total disability pursuant to section 176.101. Economic recovery compensation or impairment compensation pursuant to section 176.101 shall be withheld pending completion of payment for temporary total disability, and no credit shall be taken for payment of economic recovery compensation or impairment compensation against liability for temporary total or future permanent total disability. Liability on the part of an employer or the insurer for disability of a temporary total, temporary partial, and permanent total nature shall be considered as a continuing product and part of the employee's inability to earn or reduction in earning capacity due to injury or occupational disease and compensation is payable accordingly, subject to section 176.101. Economic recovery compensation or impairment compensation is payable for functional loss of use or impairment of function, permanent in nature, and payment therefore shall be separate, distinct, and in addition to payment for any other compensation, subject to section 176.101. The right to receive temporary total, temporary partial, or permanent total disability payments vests in the injured employee or the employee's dependents under this chapter or, if none, in the employee's legal heirs at the time the disability can be ascertained and the right is not abrogated by the employee's death prior to the making of the payment.~~

~~The right to receive economic recovery compensation or impairment permanent partial compensation vests in an injured employee or in the employee's dependents under this chapter or, if none, in the employee's legal heirs at the time the disability can be ascertained, provided that the employee lives for at least 30 days beyond the date of the injury. Upon the death of an employee who is receiving economic recovery compensation or impairment compensation, further compensation is payable pursuant to section 176.101. Impairment compensation is payable under this paragraph if vesting has occurred, the employee dies prior to reaching maximum medical improvement, and the requirements and conditions under section 176.101, subdivision 3e, are not met.~~

~~Disability ratings for permanent partial disability shall be based on objective medical evidence. The right is not abrogated by the employee's death prior to the making of the payment.~~

Sec. 5. Minnesota Statutes 1990, section 176.061, subdivision 10, is amended to read:

Subd. 10. [INDEMNITY.] Notwithstanding the provisions of chapter 65B or any other law to the contrary, an employer has a right of indemnity for any compensation paid or payable pursuant to this chapter, including temporary total compensation, temporary partial compensation, permanent partial disability, ~~economic recovery compensation, impairment compensation,~~ medical compensation, rehabilitation, death, and permanent total compensation.

Sec. 6. Minnesota Statutes 1990, section 176.101, subdivision 1, is amended to read:

Subdivision 1. [TEMPORARY TOTAL DISABILITY.] (a) For an injury

producing temporary total disability, the compensation is ~~66-2/3~~ 80 percent of the after-tax weekly wage at the time of injury.

~~(4) provided that~~ (b) During the year commencing on October 1, 1979 1991, and each year thereafter, commencing on October 1, the maximum weekly compensation payable is 105 percent of the statewide average weekly wage for the period ending December 31, of the preceding year.

~~(2) (c) The minimum weekly compensation benefits for temporary total disability shall be not less than 50 payable is 20 percent of the statewide average weekly wage or the injured employee's actual after-tax weekly wage, whichever is less. In no case shall a weekly benefit be less than 20 percent of the statewide average weekly wage.~~

Subject to subdivisions 3a to 3u this (d) Temporary total compensation shall be paid during the period of disability; payment to be made at the intervals when the wage was payable, as nearly as may be; and shall cease whenever any one of the following occurs:

- (1) the disability ends;
- (2) the employee returns to work;
- (3) the employee retires by withdrawing from the labor market;
- (4) the employee fails to diligently search for appropriate work;
- (5) the employee refuses an offer of work that is consistent with a plan of rehabilitation filed with the commissioner which meets the requirements of section 176.102, subdivision 1, or, if no plan has been filed, the employee refuses an offer of work that the employee can do in the employee's physical condition; or
- (6) 90 days pass after the employee has reached maximum medical improvement, except as provided in section 176.102, subdivision 11, paragraph (b).

(e) For purposes of this subdivision, the 90-day period after maximum medical improvement commences on the earlier of:

- (1) the date that the employee receives a written medical report indicating that the employee has reached maximum medical improvement; or
- (2) the date that the employer or insurer serves the report on the employee and the employee's attorney, if any, and files a copy with the division.

(f) Once temporary total disability compensation has ceased under paragraph (d), clause (1), (2), (3), or (4), it may be recommenced prior to 90 days after maximum medical improvement only as follows:

(1) if temporary total disability compensation ceased under paragraph (d), clause (1), it may be recommenced if the employee again becomes disabled as a result of the work-related injury;

(2) if temporary total disability compensation ceased under paragraph (d), clause (2), it may be recommenced if the employee is laid off or terminated for reasons other than misconduct or is medically unable to continue at the job;

(3) if temporary total disability compensation ceased under paragraph (d), clause (3), but the employee subsequently returned to work, it may be recommenced in accordance with paragraph (f), clause (2); or

(4) if temporary total disability compensation ceased under paragraph (d), clause (4), it may be recommenced if the employee begins diligently searching for appropriate work. Temporary total disability compensation recommenced under this paragraph is subject to cessation under paragraph (d).

Recommenced temporary total disability compensation may not be paid beyond 90 days after the employee reaches maximum medical improvement, except as provided under section 176.102, subdivision 11, paragraph (b).

(g) Once temporary total disability compensation has ceased under paragraph (d), clauses (5) and (6), it may not be recommenced at a later date except as provided under section 176.102, subdivision 11, paragraph (b).

Sec. 7. Minnesota Statutes 1990, section 176.101, subdivision 2, is amended to read:

Subd. 2. [TEMPORARY PARTIAL DISABILITY.] (a) In all cases of temporary partial disability the compensation shall be ~~66-2/3 percent of the difference between the weekly wage of the employee at the time of injury and the wage the employee is able to earn in the employee's partially disabled condition.~~ 80 percent of the difference between the after-tax weekly wage of the employee at the time of injury and the after-tax weekly wage the employee is able to earn in the employee's partially disabled condition.

(b) ~~This Temporary partial compensation shall be paid during the period of disability except as provided in this section; payment to be made at the intervals when the wage was payable, as nearly as may be, and subject to a maximum compensation equal to the statewide average weekly wage; when the employee is working, earning less than the employee's weekly wage at the time of the injury, and the reduction in the wage the employee is able to earn in the employee's partially disabled condition is due to the injury. Except as provided in section 176.102, subdivision 11, paragraph (b), temporary partial compensation may not be paid after the employee has returned to work for 156 weeks, including weeks in which the employee has no wage loss, or after 350 weeks after the date of injury, whichever occurs first.~~

(c) Temporary partial compensation may not exceed the maximum rate for temporary total compensation and must be reduced to the extent that the wage the employee is able to earn in the employee's partially disabled condition plus the temporary partial disability payment otherwise payable under this subdivision exceeds 300 percent of the statewide average weekly wage.

Sec. 8. Minnesota Statutes 1990, section 176.101, is amended by adding a subdivision to read:

Subd. 3. [PERMANENT PARTIAL DISABILITY.] (a) Compensation for permanent partial disability is as provided in this subdivision. Permanent partial disability must be rated as a percentage of the whole body in accordance with rules adopted by the commissioner under section 176.105. The percentage determined pursuant to the rules must be multiplied by the corresponding amount in the following table:

Percent of Disability	Amount
0-25	\$ 75,000
26-30	80,000
31-35	85,000

36-40	90,000
41-45	95,000
46-50	100,000
51-55	120,000
56-60	140,000
61-65	160,000
66-70	180,000
71-75	200,000
76-80	240,000
81-85	280,000
86-90	320,000
91-95	360,000
96-100	400,000

*An employee may not receive compensation for more than a 100 percent disability of the whole body, even if the employee sustains disability to two or more body parts.*

*(b) Permanent partial disability is payable upon cessation of temporary total disability under subdivision 1. If the employee is not working, the compensation is payable in installments at the same intervals and in the same amount as the initial temporary total disability rate. If the employee returns to work, the remaining compensation is payable in a lump sum 30 days after the employee returned to work, provided the employment has not been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at the job at the end of the period. Permanent partial disability is not payable while temporary total compensation is being paid. Permanent partial disability is payable to permanently totally disabled employees in a lump sum at the time the disability can be ascertained.*

Sec. 9. Minnesota Statutes 1990, section 176.101, subdivision 4, is amended to read:

Subd. 4. [PERMANENT TOTAL DISABILITY.] For permanent total disability, as defined in subdivision 5, the compensation shall be ~~66-2/3~~ 80 percent of the ~~daily~~ after-tax weekly wage at the time of the injury, subject to a maximum weekly compensation equal to the maximum weekly compensation for a temporary total disability and a minimum weekly compensation equal to the minimum weekly compensation rates for a temporary total disability. This compensation shall be paid during the permanent total disability of the injured employee but after a total of \$25,000 of weekly compensation has been paid, the amount of the weekly compensation benefits being paid by the employer shall be reduced by the amount of any disability benefits being paid by any government disability benefit program if the disability benefits are occasioned by the same injury or injuries which give rise to payments under this subdivision. This reduction shall also apply to any old age and survivor insurance benefits. *Permanent total disability payments shall cease at retirement.* Payments shall be made at the intervals when the wage was payable, as nearly as may be. In case an employee who is permanently and totally disabled becomes an inmate of a public institution, no compensation shall be payable during the period of confinement in the institution, unless there is wholly dependent on the employee for support some person named in section 176.111, subdivision 1, 2 or 3, in which case the compensation provided for in section 176.111, during the period of confinement, shall be paid for the benefit of the dependent person during dependency. The dependency of this person shall be determined as though

the employee were deceased.

Sec. 10. Minnesota Statutes 1990, section 176.101, subdivision 5, is amended to read:

Subd. 5. ~~[TOTAL DISABILITY DEFINITION.]~~ (a) *For purposes of subdivision 4, permanent total disability means only:*

(1) *the total and permanent loss of the sight of both eyes, the loss of both arms at the shoulder, the loss of both legs so close to the hips that no effective artificial members can be used, complete and permanent paralysis, total and permanent loss of mental faculties; or*

(2) *any other injury which totally and permanently incapacitates the employee from working at an occupation which brings the employee an income constitutes total disability.*

(b) *For purposes of paragraph (a), clause (2), "totally and permanently incapacitated" means that the employee's physical disability, in combination with the employee's age, education and training, and experience, causes the employee to be unable to secure anything more than sporadic employment resulting in an insubstantial income. Local labor market conditions may not be considered in making the total and permanent incapacitation determination.*

Sec. 11. Minnesota Statutes 1990, section 176.101, subdivision 6, is amended to read:

Subd. 6. [MINORS.] *If any employee entitled to the benefits of this chapter is a minor or is an apprentice of any age and sustains a personal injury arising out of and in the course of employment resulting in permanent total or a compensable permanent partial disability, for the purpose of computing the compensation to which the employee is entitled for the injury, the compensation rate for temporary total, temporary partial, a permanent total disability or economic recovery compensation shall be 105 percent of the statewide average weekly wage.*

Sec. 12. Minnesota Statutes 1990, section 176.101, is amended by adding a subdivision to read:

Subd. 9. [MOVING EXPENSES.] *An injured employee who has reached maximum medical improvement and who is unable to find suitable gainful employment consistent with the individual's physical disability, in combination with the individual's age, education and training, and experience, due to local labor market conditions is eligible to receive up to \$5,000 for moving expenses, provided:*

(1) *90 days have passed after the individual has reached maximum medical improvement;*

(2) *the individual has actually moved in order to take a new job which constitutes suitable gainful employment; and*

(3) *the new job is located at a distance greater than 35 miles from the individual's current residence.*

Sec. 13. Minnesota Statutes 1990, section 176.102, subdivision 11, is amended to read:

Subd. 11. [RETRAINING; COMPENSATION.] (a) *Retraining is limited to 156 weeks. An employee who has been approved for retraining may petition the commissioner for additional compensation not to exceed 25*



percent of the compensation otherwise payable. If the commissioner or compensation judge determines that this additional compensation is warranted due to unusual or unique circumstances of the employee's retraining plan, the commissioner or compensation judge may award additional compensation in an amount the commissioner determines is appropriate, not to exceed the employee's request. This additional compensation shall cease at any time the commissioner or compensation judge determines the special circumstances are no longer present.

(b) If the employee is not working during a retraining plan that has been specifically approved under this section, temporary total compensation is payable for up to 90 days after the end of the retraining plan; except that, payment during the 90-day period is subject to cessation in accordance with section 176.101, subdivision 1, paragraph (d), clauses (1) to (5). If the employee is working during the retraining plan but earning less than at the time of injury, temporary partial compensation is payable at the rate of 80 percent of the difference between the employee's after-tax weekly wage at the time of injury and the after-tax weekly wage the employee is able to earn in the employee's partially disabled condition, subject to the maximum rate for temporary total compensation. Temporary partial compensation is not subject to either the 156-week or the 350-week limitation provided by section 176.101, subdivision 2, during the retraining plan, but is subject to those limitations before and after the plan.

(c) Retraining may not be approved if the employee has refused suitable gainful employment, as defined by rule.

Sec. 14. Minnesota Statutes 1990, section 176.105, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE; RULES.] (a) The commissioner of labor and industry shall by rule establish a schedule of degrees of disability resulting from different kinds of injuries. Disability ratings under the schedule for permanent partial disability must be based on objective medical evidence. The commissioner, in consultation with the medical services review board, shall periodically review the rules adopted under this paragraph to determine whether any injuries omitted from the schedule should be compensable and amend the rules accordingly.

(b) No permanent partial disability compensation shall be payable except in accordance with the disability ratings established under this subdivision. The schedule may provide that minor impairments receive a zero rating.

Sec. 15. Minnesota Statutes 1990, section 176.105, subdivision 4, is amended to read:

Subd. 4. [LEGISLATIVE INTENT; RULES; LOSS OF MORE THAN ONE BODY PART.] (a) For the purpose of establishing a disability schedule pursuant to clause (b), the legislature declares its intent that the commissioner establish a disability schedule which, assuming the same number and distribution of severity of injuries, the aggregate total of impairment compensation and economic recovery compensation benefits under section 176.101, subdivisions 3a to 3u be approximately equal to the total aggregate amount payable for permanent partial disabilities under section 176.101, subdivision 3; provided, however, that awards for specific injuries under the proposed schedule need not be the same as they were for the same injuries under the schedule pursuant to section 176.101, subdivision 3. The schedule shall be determined by sound actuarial evaluation and shall be based on the

benefit level which exists on January 1, 1983.

(b) The commissioner shall by rulemaking adopt procedures setting forth rules for the evaluation and rating of functional disability and the schedule for permanent partial disability and to determine the percentage of loss of function of a part of the body based on the body as a whole, including internal organs, described in section 176.101, subdivision 3, and any other body part not listed in section 176.101, subdivision 3, which the commissioner deems appropriate.

The rules shall promote objectivity and consistency in the evaluation of permanent functional impairment due to personal injury and in the assignment of a numerical rating to the functional impairment.

Prior to adoption of rules the commissioner shall conduct an analysis of the current permanent partial disability schedule for the purpose of determining the number and distribution of permanent partial disabilities and the average compensation for various permanent partial disabilities. The commissioner shall consider setting the compensation under the proposed schedule for the most serious conditions higher in comparison to the current schedule and shall consider decreasing awards for minor conditions in comparison to the current schedule.

The commissioner may consider, among other factors, and shall not be limited to the following factors in developing rules for the evaluation and rating of functional disability and the schedule for permanent partial disability benefits:

(1) the workability and simplicity of the procedures with respect to the evaluation of functional disability;

(2) the consistency of the procedures with accepted medical standards;

(3) rules, guidelines, and schedules that exist in other states that are related to the evaluation of permanent partial disability or to a schedule of benefits for functional disability provided that the commissioner is not bound by the degree of disability in these sources but shall adjust the relative degree of disability to conform to the expressed intent of clause (a);

(4) rules, guidelines, and schedules that have been developed by associations of health care providers or organizations provided that the commissioner is not bound by the degree of disability in these sources but shall adjust the relative degree of disability to conform to the expressed intent of clause (a);

(5) the effect the rules may have on reducing litigation;

(6) the treatment of preexisting disabilities with respect to the evaluation of permanent functional disability provided that any preexisting disabilities must be objectively determined by medical evidence; and

(7) symptomatology and loss of function and use of the injured member.

The factors in paragraphs (1) to (7) shall not be used in any individual or specific workers' compensation claim under this chapter but shall be used only in the adoption of rules pursuant to this section.

Nothing listed in paragraphs (1) to (7) shall be used to dispute or challenge a disability rating given to a part of the body so long as the whole schedule conforms with the expressed intent of clause (a).

(c) If an employee suffers a permanent functional disability of more than

one body part due to a personal injury incurred in a single occurrence, the percent of the whole body which is permanently partially disabled shall be determined by the following formula so as to ensure that the percentage for all functional disability combined does not exceed the total for the whole body:

$$A + B(1 - A)$$

where: A is the greater percentage whole body loss of the first body part; and B is the lesser percentage whole body loss otherwise payable for the second body part.  $A + B(1-A)$  is equivalent to  $A + B - AB$ .

For permanent partial disabilities to three body parts due to a single occurrence or as the result of an occupational disease, the above formula shall be applied, providing that A equals the result obtained from application of the formula to the first two body parts and B equals the percentage for the third body part. For permanent partial disability to four or more body parts incurred as described above, A equals the result obtained from the prior application of the formula, and B equals the percentage for the fourth body part or more in arithmetic progressions.

Sec. 16. Minnesota Statutes 1990, section 176.111, subdivision 6, is amended to read:

Subd. 6. [SPOUSE, NO DEPENDENT CHILD.] If the deceased employee leaves a dependent surviving spouse and no dependent child, there shall be paid to the spouse weekly workers' compensation benefits at ~~50~~ 80 percent of the *after-tax* weekly wage at the time of the injury for a period of ten years, including adjustments as provided in section 176.645.

Sec. 17. Minnesota Statutes 1990, section 176.111, subdivision 7, is amended to read:

Subd. 7. [SPOUSE, ONE DEPENDENT CHILD.] If the deceased employee leaves a surviving spouse and one dependent child, there shall be paid to the surviving spouse for the benefit of the spouse and child ~~60~~ 80 percent of the *daily after-tax weekly wage* at the time of the injury of the deceased until the child is no longer a dependent as defined in subdivision 1. At that time there shall be paid to the dependent surviving spouse weekly benefits at a *the same rate which is 16-2/3 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent,* for a period of ten years, including adjustments as provided in section 176.645.

Sec. 18. Minnesota Statutes 1990, section 176.111, subdivision 8, is amended to read:

Subd. 8. [SPOUSE, TWO DEPENDENT CHILDREN.] If the deceased employee leaves a surviving spouse and two dependent children, there shall be paid to the surviving spouse for the benefit of the spouse and children ~~66-2/3~~ 80 percent of the *daily after-tax weekly wage* at the time of the injury of the deceased until the last dependent child is no longer dependent. At that time the dependent surviving spouse shall be paid weekly benefits at a *the same rate which is 25 percent less than the last weekly workers' compensation benefit payment, as defined in subdivision 8a, while the surviving child was a dependent,* for a period of ten years, adjusted according to section 176.645.

Sec. 19. Minnesota Statutes 1990, section 176.111, subdivision 12, is amended to read:

Subd. 12. [ORPHANS.] If the deceased employee leaves a dependent orphan, there shall be paid ~~55~~ 80 percent of the *after-tax* weekly wage at the time of the injury of the deceased, for two or more orphans there shall be paid ~~66-2/3~~ 80 percent of the *wages after-tax weekly wage*.

Sec. 20. Minnesota Statutes 1990, section 176.111, subdivision 14, is amended to read:

Subd. 14. [PARENTS.] If the deceased employee ~~leave~~ *leaves* no surviving spouse or child entitled to any payment under this chapter, but leaves both parents wholly dependent on *the* deceased, there shall be paid to such parents jointly ~~45~~ 80 percent of the *after-tax* weekly wage at the time of the injury of the deceased. In case of the death of either of the wholly dependent parents the survivor shall receive ~~35~~ 80 percent of the *after-tax* weekly wage thereafter. If the deceased employee ~~leave~~ *leaves* one parent wholly dependent on the deceased, there shall be paid to such parent ~~35~~ 80 percent of the *after-tax* weekly wage at the time of the injury of the deceased employee. The compensation payments under this section shall not exceed the actual contributions made by the deceased employee to the support of the employee's parents for a reasonable time immediately prior to the injury which caused the death of the deceased employee.

Sec. 21. Minnesota Statutes 1990, section 176.111, subdivision 15, is amended to read:

Subd. 15. [REMOTE DEPENDENTS.] If the deceased employee leaves no surviving spouse or child or parent entitled to any payment under this chapter, but leaves a grandparent, grandchild, brother, sister, mother-in-law, or father-in-law wholly dependent on the employee for support, there shall be paid to such dependent, if but one, ~~30~~ 40 percent of the *after-tax* weekly wage at the time of injury of the deceased, or if more than one, ~~35~~ 45 percent of the *after-tax* weekly wage at the time of the injury of the deceased, divided among them share and share alike.

Sec. 22. Minnesota Statutes 1990, section 176.111, subdivision 18, is amended to read:

Subd. 18. [BURIAL EXPENSE.] In all cases where death results to an employee from a personal injury arising out of and in the course of employment, the employer shall pay the expense of burial, not exceeding in amount ~~\$2,500~~ \$7,500. In case any dispute arises as to the reasonable value of the services rendered in connection with the burial, its reasonable value shall be determined and approved by the commissioner, a compensation judge, or workers' compensation court of appeals, in cases upon appeal, before payment, after reasonable notice to interested parties as is required by the commissioner. If the deceased leaves no dependents, no compensation is payable, except as provided by this chapter.

Sec. 23. Minnesota Statutes 1990, section 176.111, subdivision 20, is amended to read:

Subd. 20. [ACTUAL DEPENDENTS, COMPENSATION.] Actual dependents are entitled to take compensation in the order named in subdivision 3 during dependency until ~~66-2/3~~ 80 percent of the *after-tax* weekly wage of the deceased at the time of injury is exhausted. The total weekly compensation to be paid to full actual dependents of a deceased employee shall not exceed in the aggregate an amount equal to the maximum weekly compensation for a temporary total disability.

Sec. 24. Minnesota Statutes 1990, section 176.111, subdivision 21, is amended to read:

Subd. 21. [DEATH, BENEFITS; COORDINATION WITH GOVERNMENTAL SURVIVOR BENEFITS.] The following provision shall apply to any dependent entitled to receive weekly compensation benefits under this section as the result of the death of an employee, and who is also receiving or entitled to receive benefits under any government survivor program:

The combined total of weekly government survivor benefits and workers' compensation death benefits provided under this section shall not exceed 100 percent of the *after-tax* weekly wage being earned by the deceased employee at the time of the injury causing death; provided, however, that no state workers' compensation death benefit shall be paid for any week in which the survivor benefits paid under the federal program, by themselves, exceed 100 percent of such weekly wage provided, however, the workers' compensation benefits payable to a dependent surviving spouse shall not be reduced on account of any governmental survivor benefits payable to decedent's children if the support of the children is not the responsibility of the dependent surviving spouse.

For the purposes of this subdivision "dependent" means dependent surviving spouse together with all dependent children and any other dependents. For the purposes of this subdivision, mother's or father's insurance benefits received pursuant to United States Code, title 42, section 402(g), are benefits under a government survivor program.

Sec. 25. Minnesota Statutes 1990, section 176.131, subdivision 8, is amended to read:

Subd. 8. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

"Physical impairment" means any physical or mental condition that is permanent in nature, whether congenital or due to injury, disease or surgery and which is or is likely to be a hindrance or obstacle to obtaining employment, except that physical impairment is limited to the following:

- (a) epilepsy,
- (b) diabetes,
- (c) hemophilia,
- (d) cardiac disease, provided that objective medical evidence substantiates at least the minimum permanent partial disability listed in the workers' compensation permanent partial disability schedule,
- (e) partial or entire absence of thumb, finger, hand, foot, arm, or leg,
- (f) lack of sight in one or both eyes or vision in either eye not correctable to 20/40,
- (g) residual disability from poliomyelitis,
- (h) cerebral palsy,
- (i) multiple sclerosis,
- (j) Parkinson's disease,
- (k) cerebral vascular accident,
- (l) chronic osteomyelitis,

- (m) muscular dystrophy,
- (n) thrombophlebitis,
- (o) brain tumors,
- (p) Pott's disease,
- (q) seizures,
- (r) cancer of the bone,
- (s) leukemia,
- (t) mental retardation or other related conditions,

(u) any other physical impairment resulting in a disability rating of at least ~~ten~~ 25 percent of the whole body if the physical impairment were evaluated according to standards used in workers' compensation proceedings, and

(v) any other physical impairments of a permanent nature which the commissioner may by rule prescribe.

"Compensation" has the meaning defined in section 176.011.

"Employer" includes insurer.

"Disability" means, unless otherwise indicated, any condition causing either temporary total, temporary partial, permanent total, permanent partial, death, medical expense, or rehabilitation.

"Mental retardation" means significantly subaverage intellectual functioning existing concurrently with demonstrated deficits in adaptive behavior that require supervision and protection for the person's welfare or the public welfare.

"Other related conditions" means severe chronic disabilities that are (i) attributable to cerebral palsy, epilepsy, autism, or any other condition, other than mental illness, found to be closely related to mental retardation because the condition results in impairment of general intellectual functioning or adaptive behavior similar to that of persons with mental retardation or requires treatment or services similar to those required for persons with mental retardation; (ii) likely to continue indefinitely; and (iii) result in substantial functional limitations in three or more of the following areas of major life activity: self-care, understanding and use of language, learning, mobility, self-direction, or capacity for independent living.

Sec. 26. Minnesota Statutes 1990, section 176.131, is amended by adding a subdivision to read:

*Subd. 13. [APPLICABLE LAW.] The right to reimbursement under this section is governed by the law in effect on the date of the subsequent injury.*

Sec. 27. Minnesota Statutes 1990, section 176.132, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBLE RECIPIENTS.] (a) An employee who has suffered personal injury prior to October 1, 1983 for which benefits are payable under section 176.101 and who has been totally disabled for more than 104 weeks shall be eligible for supplementary benefits as prescribed in this section after 104 weeks have elapsed and for the remainder of the total disablement. Regardless of the number of weeks of total disability, no totally disabled person is ineligible for supplementary benefits after four

years have elapsed since the first date of the total disability, ~~except as provided by clause (b)~~, provided that all periods of disability are caused by the same injury.

(b) An employee who has suffered personal injury after October 1, 1983, and before October 1, 1987, is eligible to receive supplementary benefits after the employee has been receiving temporary total or permanent total benefits for 208 weeks. Regardless of the number of weeks of total disability, no person who is receiving temporary total compensation shall be ineligible for supplementary benefits after four years have elapsed since the first date of the total disability, provided that all periods of disability are caused by the same injury.

(c) *An employee who has suffered a personal injury after October 1, 1987, and is permanently totally disabled as defined in section 176.101, subdivisions 4 and 5, is eligible to receive supplementary benefits after the employee has been receiving temporary total or permanent total benefits for 208 weeks. Regardless of the number of weeks of total disability, no person who is receiving permanent total compensation shall be ineligible for supplementary benefits after four years have elapsed since the first date of the total disability, provided that all periods of disability are caused by the same injury.*

Sec. 28. Minnesota Statutes 1990, section 176.132, subdivision 2, is amended to read:

Subd. 2. [AMOUNT.] (a) The supplementary benefit payable under ~~this section subdivision 1, paragraphs (a) and (b)~~, shall be the difference between the amount the employee receives on or after January 1, 1976, under section 176.101, subdivision 1 or 4, and 65 percent of the statewide average weekly wage as computed annually. *The supplementary benefit payable under subdivision 1, paragraph (c), shall be the difference between:*

*(1) the amount the employee receives on or after October 1, 1991, under section 176.101, subdivision 4; plus the amount of disability benefits being paid under any government disability benefit program, provided those benefits are a result of the same injury or injuries giving rise to payments under section 176.101, subdivision 4; plus the amount of any federal old age and survivors insurance benefits; and*

*(2) 50 percent of the statewide average weekly wage, as computed annually.*

(b) In the event an eligible recipient is currently receiving no compensation or is receiving a reduced level of compensation because of a credit being applied as the result of a third party liability or damages, the employer or insurer shall compute the offset credit as if the individual were entitled to the actual benefit or 65 50 percent of the statewide average weekly wage as computed annually, whichever is greater. If this results in the use of a higher credit than otherwise would have been applied and the employer or insurer becomes liable for compensation benefits which would otherwise not have been paid, the additional benefits resulting shall be handled according to this section.

(c) In the event an eligible recipient is receiving no compensation or is receiving a reduced level of compensation because of a valid agreement in settlement of a claim, no supplementary benefit shall be payable under this section. Attorney's fees shall be allowed in settlements of claims for supplementary benefits in accordance with this chapter.

(d) In the event an eligible recipient *under subdivision 1, paragraph (a) or (b)*, is receiving no compensation or is receiving a reduced level of compensation because of prior limitations in the maximum amount payable for permanent total disability or because of reductions resulting from the simultaneous receipt of old age or disability benefits, the supplementary benefit shall be payable for the difference between the actual amount of compensation currently being paid and 65 percent of the statewide average weekly wage as computed annually.

(e) In the event that an eligible recipient is receiving simultaneous benefits from any government disability program, the amount of supplementary benefits payable under this section shall be reduced by five percent. If the individual does not receive the maximum benefits for which the individual is eligible under other governmental disability programs due to the provisions of United States Code, title 42, section 424a(d), this reduction shall not apply.

(f) Notwithstanding any other provision in this subdivision to the contrary, if the ~~individual~~ *eligible recipient* does not receive the maximum benefits for which the individual is eligible under other governmental disability programs due to the provision of United States Code, title 42, section 424a(d), the calculation of supplementary benefits payable to the individual shall be as provided under this section in Minnesota Statutes ~~1988~~ 1990.

Sec. 29. Minnesota Statutes 1990, section 176.132, subdivision 3, is amended to read:

Subd. 3. [PAYMENT.] The payment of supplementary benefits shall be the responsibility of the employer or insurer currently paying total disability benefits *under subdivision 1, paragraph (a) or (b), or currently paying permanent total disability benefits under subdivision 1, paragraph (c)*, or any other payer of such benefits. When the eligible individual is not currently receiving benefits because the total paid has reached the maximum prescribed by law the employer and insurer shall, nevertheless, pay the supplementary benefits that are prescribed by law. The employer or insurer paying the supplementary benefit shall have the right of full reimbursement from the special compensation fund for the amount of such benefits paid.

Sec. 30. [176.178] [FRAUD.]

*Any person who, with intent to defraud, receives workers' compensation benefits to which the person is not entitled by knowingly misrepresenting, misstating, or failing to disclose any material fact is guilty of theft and shall be sentenced pursuant to section 609.52, subdivision 3.*

Sec. 31. Minnesota Statutes 1990, section 176.179, is amended to read:

176.179 [PAYMENTS OF COMPENSATION RECEIVED IN GOOD FAITH RECOVERY OF OVERPAYMENTS.]

Notwithstanding section 176.521, subdivision 3, or any other provision of this chapter to the contrary, except as provided in this section, no lump sum or weekly payment, or settlement, which is voluntarily paid to an injured employee or the survivors of a deceased employee in apparent or seeming accordance with the provisions of this chapter by an employer or insurer, or is paid pursuant to an order of the workers' compensation division, a compensation judge, or court of appeals relative to a claim by an injured employee or the employee's survivors, and received in good faith by the employee or the employee's survivors shall be refunded to the paying



employer or insurer in the event that it is subsequently determined that the payment was made under a mistake in fact or law by the employer or insurer. When the payments have been made to a person who is entitled to receive further payments of compensation for the same injury, the mistaken compensation may be taken as a full credit against future lump sum benefit entitlement and as a partial credit against future weekly benefits. The credit applied against further payments of temporary total disability, temporary partial disability, permanent total disability, retraining benefits, death benefits, or weekly payments of ~~economic recovery or impairment~~ permanent partial compensation shall not exceed 20 percent of the amount that would otherwise be payable.

*Where the commissioner or compensation judge determines that the mistaken compensation was not received in good faith, the commissioner or compensation judge may order reimbursement of the compensation or order a credit for the compensation against any future monetary benefits from the same injury. The credit may be up to 100 percent of the amount of monetary benefits otherwise payable. For purposes of this section, a payment is not received in good faith if it is obtained through fraud, or if the employee knew or should have known that the compensation was paid under mistake of fact or law, and the employee has not refunded the mistaken compensation.*

A credit may not be applied against medical expenses due or payable.

Sec. 32. Minnesota Statutes 1990, section 176.221, subdivision 6a, is amended to read:

Subd. 6a. [~~MEDICAL, REHABILITATION, ECONOMIC RECOVERY, AND IMPAIRMENT~~ PERMANENT PARTIAL COMPENSATION.] The penalties provided by this section apply in cases where payment for treatment under section 176.135, rehabilitation expenses under section 176.102, subdivisions 9 and 11, ~~economic recovery compensation or impairment~~ permanent partial compensation are not made in a timely manner as required by law or by rule adopted by the commissioner.

Sec. 33. Minnesota Statutes 1990, section 176.645, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] For injuries occurring after October 1, 1975 for which benefits are payable under section 176.101, subdivisions 1, 2 and 4, and section 176.111, subdivision 5, the total benefits due the employee or any dependents shall be adjusted in accordance with this section. On October 1, 1981, and thereafter on the anniversary of the date of the employee's injury the total benefits due shall be adjusted by multiplying the total benefits due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, of the year two years previous to the adjustment and the numerator of which is the statewide average weekly wage for December 31, of the year previous to the adjustment. For injuries occurring after October 1, 1975, all adjustments provided for in this section shall be included in computing any benefit due under this section. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section. No adjustment increase made on October 1, 1977 1991, or thereafter under this section shall exceed ~~six~~ four percent a year. In those instances where the adjustment under the formula of this section would exceed this maximum the increase shall be deemed to be ~~six~~ four percent.

Sec. 34. Minnesota Statutes 1990, section 176.645, subdivision 2, is

amended to read:

Subd. 2. [TIME OF FIRST ADJUSTMENT.] For injuries occurring on or after October 1, 1981, the initial adjustment made pursuant to subdivision 1 ~~shall be~~ is deferred until the first anniversary of the date of the injury. *For injuries occurring on or after October 1, 1991, the initial adjustment under subdivision 1 is deferred until the third anniversary of the date of injury.*

Sec. 35. Minnesota Statutes 1990, section 176.66, subdivision 11, is amended to read:

Subd. 11. [AMOUNT OF COMPENSATION.] The compensation for an occupational disease is ~~66-2/3~~ 80 percent of the employee's *after-tax* weekly wage on the date of injury subject to a maximum compensation equal to the maximum compensation in effect on the date of last exposure. The employee shall be eligible for supplementary benefits notwithstanding the provisions of section 176.132, after four years have elapsed since the date of last significant exposure to the hazard of the occupational disease if that employee's weekly compensation rate is less than the current supplementary benefit rate.

Sec. 36. Minnesota Statutes 1990, section 268.08, subdivision 3, is amended to read:

Subd. 3. [NOT ELIGIBLE.] An individual shall not be eligible to receive benefits for any week with respect to which the individual is receiving, has received, or has filed a claim for remuneration in an amount equal to or in excess of the individual's weekly benefit amount in the form of:

(1) termination, severance, or dismissal payment or wages in lieu of notice whether legally required or not; provided that if a termination, severance, or dismissal payment is made in a lump sum, the employer may allocate such lump sum payment over a period equal to the lump sum divided by the employee's regular pay while employed by such employer; provided any such payment shall be applied for a period immediately following the last day of work but not to exceed 28 calendar days; or

(2) vacation allowance paid directly by the employer for a period of requested vacation, including vacation periods assigned by the employer under the provisions of a collective bargaining agreement, or uniform vacation shutdown; or

(3) compensation for loss of wages under the workers' compensation law of this state or any other state or under a similar law of the United States, or under other insurance or fund established and paid for by the employer except that this does not apply to an individual who is receiving temporary partial compensation pursuant to section 176.101, subdivision 3~~k~~ 2; or

(4) 50 percent of the pension payments from any fund, annuity or insurance maintained or contributed to by a base period employer including the armed forces of the United States if the employee contributed to the fund, annuity or insurance and all of the pension payments if the employee did not contribute to the fund, annuity or insurance; or

(5) 50 percent of a primary insurance benefit under title II of the Social Security Act, as amended, or similar old age benefits under any act of congress or this state or any other state.

Provided, that if such remuneration is less than the benefits which would

otherwise be due under sections 268.03 to 268.231, the individual shall be entitled to receive for such week, if otherwise eligible, benefits reduced by the amount of such remuneration; provided, further, that if the appropriate agency of such other state or the federal government finally determines that the individual is not entitled to such benefits, this provision shall not apply. If the computation of reduced benefits, required by this subdivision, is not a whole dollar amount, it shall be rounded down to the next lower dollar amount.

Sec. 37. Minnesota Statutes 1990, section 353.33, subdivision 5, is amended to read:

Subd. 5. [BENEFITS PAID UNDER WORKERS' COMPENSATION LAW.] Disability benefits paid shall be coordinated with any amounts received or receivable under workers' compensation law, such as temporary total, permanent total, temporary partial, ~~or permanent partial; or economic recovery compensation~~ benefits, in either periodic or lump sum payments from the employer under applicable workers' compensation laws, after deduction of amount of attorney fees, authorized under applicable workers' compensation laws, paid by a disablitant. If the total of the single life annuity actuarial equivalent disability benefit and the workers' compensation benefit exceeds: (1) the salary the disabled member received as of the date of the disability or (2) the salary currently payable for the same employment position or an employment position substantially similar to the one the person held as of the date of the disability, whichever is greater, the disability benefit must be reduced to that amount which, when added to the workers' compensation benefits, does not exceed the greater of the salaries described in clauses (1) and (2).

Sec. 38. [176.90] [AFTER-TAX CALCULATION.]

*For purposes of sections 176.011, subdivisions 18 and 18a; 176.101, subdivisions 1, 2, 3, and 4; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 20, and 21; and 176.66, the commissioner shall publish by September 1 of each year tables or formulas for determining the after-tax weekly wage to take effect the following October 1. The tables or formulas must be based on the applicable federal income tax and social security laws and state income tax laws in effect on the preceding April 1. These tables or formulas are conclusive for the purposes of converting the weekly wage into after-tax weekly wage. The commissioner may contract with the department of revenue or any other person or organization in order to adopt the tables or formulas. The adoption of the tables or formulas is exempt from the administrative rulemaking provisions of chapter 14.*

Sec. 39. [REPEALER.]

*Minnesota Statutes 1990, sections 176.011, subdivision 26; 176.101, subdivisions 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u; and 176.111, subdivision 8a, are repealed.*

Sec. 40. [EFFECTIVE DATE.]

*This article is effective October 1, 1991; except that section 14, paragraph (b), is retroactively effective to January 1, 1984.*

## ARTICLE 3

## LEGAL, REHABILITATION, MEDICAL PROVIDERS/BENEFITS

Section 1. Minnesota Statutes 1990, section 175.007, is amended to read:

175.007 [ADVISORY COUNCIL ON WORKERS' COMPENSATION; CREATION.]

Subdivision 1. The commissioner shall appoint an advisory council on workers' compensation, which consists of five representatives of employers and five representatives of employees; ~~five nonvoting members representing the general public; two persons who have received or are currently receiving workers' compensation benefits under chapter 176 and the chairs of the rehabilitation review panel and the medical services review board. The council may consult with any party it desires. The commissioner shall appoint as nonvoting members three representatives of insurers, one representative of medical doctors, one representative of hospitals, two legislators from the house of representatives, and two legislators from the senate. The commissioner shall be a nonvoting member and is the chairperson.~~ The terms and removal of members shall be as provided in section 15.059. The council expires as provided in section 15.059, subdivision 5.

Subd. 2. The advisory council shall ~~study and present to the legislature and the governor, on or before November 15 of each even numbered year, its findings relative to the costs, methods of financing, and the formula to be used to provide supplementary compensation to workers who have been determined permanently and totally disabled prior to July 1, 1969, and its findings relative to alterations in the scheduled benefits for permanent partially disabled, and other aspects of the workers' compensation act. The council shall also study and present to the legislature and the governor on or before November 15 of 1981 and by November 15 of each even-numbered year thereafter a report on the financial, administrative and personnel needs of the workers' compensation division; advise the department in carrying out the purposes of chapter 176. The council shall submit its recommendations with respect to amendments to chapter 176 to each regular session of the legislature and shall report its views upon any pending bill relating to chapter 176 to the proper legislative committee. At the request of the chairpersons of the senate and house of representatives committees that hear workers' compensation matters, the department shall schedule a meeting of the council with the members of the committees to discuss matters of legislative concern arising under chapter 176.~~

Sec. 2. Minnesota Statutes 1990, section 176.011, subdivision 27, is amended to read:

Subd. 27. [ADMINISTRATIVE CONFERENCE.] An "administrative conference" is a meeting conducted by a commissioner's designee where parties can discuss on an expedited basis and in an informal setting their viewpoints concerning disputed issues arising under section ~~476.102, 476.103, 476.135, 476.136, or 176.239.~~ If the parties are unable to resolve the dispute, the commissioner's designee shall issue an administrative decision under ~~that section 476.106 or 176.239.~~

Sec. 3. Minnesota Statutes 1990, section 176.081, subdivision 1, is amended to read:

Subdivision 1. [APPROVAL.] (a) A fee for legal services of 25 percent of the first \$4,000 of compensation awarded to the employee and 20 percent

of the next ~~\$27,500~~ \$70,000 of compensation awarded to the employee is permissible and does not require approval by the commissioner, compensation judge, or any other party except as provided in ~~clause (b)~~ paragraph (d). All fees must be calculated according to the formula under this subdivision or earned in hourly fees for representation at dispute resolution conferences under section 176.239. Hourly fees must be determined according to the criteria set forth under subdivision 5.

(b) Fees for legal services related to the same injury are cumulative and may not exceed \$15,000, except as provided under subdivision 2. No other attorney fees for any proceeding under this chapter are allowed.

(c) If the employer or the insurer or the defendant is given written notice of claims for legal services or disbursements, the claim shall be a lien against the amount paid or payable as compensation. In no case shall fees be calculated on the basis of any undisputed portion of compensation awards. Allowable fees under this chapter shall be based solely upon genuinely disputed ~~claims or portions of claims, including disputes related to the payment of rehabilitation benefits or to other aspects of a rehabilitation plan. Fees for administrative conferences under section 176.239 shall be determined on an hourly basis, according to the criteria in subdivision 5.~~

~~(b)~~ (d) An attorney who is claiming legal fees under this section for representing an employee in a workers' compensation matter shall file a statement of ~~attorney's~~ attorney fees with the commissioner, compensation judge before whom the matter was heard, or workers' compensation court of appeals on cases before the court. A copy of the signed retainer agreement shall also be filed. The employee and insurer shall receive a copy of the statement. The statement shall be on a form prescribed by the commissioner, ~~shall report the number of hours spent on the case,~~ and shall clearly and conspicuously state that the employee or insurer has ten calendar days to object to the attorney fees requested. If no objection is timely made by the employee or insurer, the amount requested shall be conclusively presumed reasonable providing the amount does not exceed the limitation in subdivision 1. The commissioner, compensation judge, or court of appeals shall issue an order granting the fees and the amount requested shall be awarded to the party requesting the fee. If a timely objection is filed, or the fee is determined on an hourly basis, the commissioner, compensation judge, or court of appeals shall review the matter and make a determination based on the criteria in subdivision 5. If no timely objection is made by an employer or insurer, reimbursement under subdivision 7 shall be made if the statement of fees requested this reimbursement.

Sec. 4. Minnesota Statutes 1990, section 176.081, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] An application for attorney fees in excess of the amount authorized in subdivision 1 shall be made to the commissioner, compensation judge, or district judge, before whom the matter was heard. An appeal of a decision by the commissioner, a compensation judge, or district court judge on additional fees may be made to the workers' compensation court of appeals. The application shall set forth the fee requested ~~and, the number of hours spent on the case,~~ the basis for the request, and whether or not a hearing is requested. The application, with affidavit of service upon the employee, shall be filed by the attorney requesting the fee. If a hearing is requested by an interested party, a hearing shall be set with notice of the hearing served upon known interested parties. In all cases the

employee shall be served with notice of hearing.

Sec. 5. Minnesota Statutes 1990, section 176.081, subdivision 3, is amended to read:

Subd. 3. [REVIEW.] ~~An employee who~~ *A party that* is dissatisfied with ~~its~~ *the* attorney fees; may file an application for review by the workers' compensation court of appeals. ~~Such~~ *The* application shall state the basis for the need of review and whether or not a hearing is requested. A copy of ~~such~~ *the* application shall be served upon the ~~party's~~ *employee's* attorney ~~for the employee~~ by the court administrator and if a hearing is requested by either party, the matter shall be set for hearing. The notice of hearing shall be served upon known interested parties. ~~The attorney for the employee shall be served with a notice of the hearing.~~ The workers' compensation court of appeals shall have the authority to raise ~~the question of~~ the issue of the attorney fees at any time upon its own motion and shall have continuing jurisdiction over attorney fees.

Sec. 6. Minnesota Statutes 1990, section 176.102, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] *(a) This section only applies to vocational rehabilitation of injured employees and their spouses as provided under subdivision 1a. Physical rehabilitation of injured employees is considered treatment subject to section 176.135.*

*(b) Rehabilitation is intended to restore the injured employee, through physical and vocational rehabilitation, so the employee may return to a job related to the employee's former employment or to a job in another work area which produces an economic status as close as possible to that the employee would have enjoyed without disability. Rehabilitation to a job with a higher economic status than would have occurred without disability is permitted if it can be demonstrated that this rehabilitation is necessary to increase the likelihood of reemployment. Economic status is to be measured not only by opportunity for immediate income but also by opportunity for future income.*

Sec. 7. Minnesota Statutes 1990, section 176.102, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATORS.] The commissioner shall hire a director of rehabilitation services in the classified service. The commissioner shall monitor and supervise rehabilitation services, including, but not limited to, making determinations regarding the selection and delivery of rehabilitation services and the criteria used to approve qualified rehabilitation consultants and rehabilitation vendors. The commissioner may also make determinations regarding fees for rehabilitation services *and shall by rule, subject to chapter 14, establish a fee schedule or otherwise limit fees charged by qualified rehabilitation consultants and vendors. By March 1, 1993, the commissioner shall report to the legislature on the status of the commissioner's monitoring of rehabilitation services.* The commissioner may hire qualified personnel to assist in the commissioner's duties under this section and may delegate the duties and performance.

Sec. 8. Minnesota Statutes 1990, section 176.102, subdivision 3, is amended to read:

Subd. 3. [REVIEW PANEL.] There is created a rehabilitation review panel composed of the commissioner or a designee, who shall serve as an

ex officio member, and ~~two three~~ members ~~each from who shall represent both employers; and insurers, rehabilitation, and medicine;~~ one member representing chiropractors, ~~and four one~~ member representing medical doctors, ~~three~~ members representing labor, ~~two~~ members representing rehabilitation vendors, and ~~five~~ members representing qualified rehabilitation consultants. The members shall be appointed by the commissioner and shall serve four-year terms which may be renewed. Compensation for members shall be governed by section 15.0575. The panel shall select a chair. The panel shall review and make a determination with respect to appeals from orders of the commissioner regarding certification approval of qualified rehabilitation consultants and vendors. The hearings are de novo and initiated by the panel under the contested case procedures of chapter 14, and are appealable to the workers' compensation court of appeals in the manner provided by section 176.421.

Sec. 9. Minnesota Statutes 1990, section 176.102, subdivision 3a, is amended to read:

Subd. 3a. [DISCIPLINARY ACTIONS.] The panel has authority to discipline qualified rehabilitation consultants and vendors and may impose a penalty of up to \$1,000 per violation, and may suspend or revoke certification. Complaints against registered qualified rehabilitation consultants and vendors shall be made to the commissioner who shall investigate all complaints. If the investigation indicates a violation of this chapter or rules adopted under this chapter, the commissioner may initiate a contested case proceeding under the provisions of chapter 14. In these cases, the rehabilitation review panel shall make the final decision following receipt of the report of an administrative law judge. The decision of the panel is appealable to the workers' compensation court of appeals in the manner provided by section 176.421. The panel shall continuously study rehabilitation services and delivery, develop and recommend rehabilitation rules to the commissioner, and assist the commissioner in accomplishing public education.

The commissioner may appoint alternates for one-year terms to serve as a member when a member is unavailable. The number of alternates shall not exceed one labor member, one employer or insurer member, and one member representing medicine, chiropractic, or rehabilitation.

Sec. 10. Minnesota Statutes 1990, section 176.102, subdivision 4, is amended to read:

Subd. 4. [REHABILITATION PLAN; DEVELOPMENT.] (a) An employer or insurer shall provide rehabilitation consultation by a qualified rehabilitation consultant or by another person permitted by rule to provide consultation to an injured employee within five days after the employee has 60 days of lost work time due to the personal injury, except as otherwise provided in this subdivision. Where an employee has incurred an injury to the back, the consultation shall be made within five days after the employee has 30 days of lost work time due to the injury. The lost work time in either case may be intermittent lost work time. If an employer or insurer has medical information at any time prior to the time specified in this subdivision that the employee will be unable to return to the job the employee held at the time of the injury rehabilitation consultation shall be provided immediately after receipt of this information.

For purposes of this section "lost work time" means only those days during which the employee would actually be working but for the injury. In the case of the construction industry, mining industry, or other industry where the

hours and days of work are affected by seasonal conditions, "lost work time" shall be computed by using the normal schedule worked when employees are working full time. A rehabilitation consultation must be provided by the employer to an injured employee upon request of the employee, the employer, or the commissioner. If a rehabilitation consultation is requested, the employer shall provide a qualified rehabilitation consultant. If the injured employee objects to the employer's selection, the employee may select a qualified rehabilitation consultant of the employee's own choosing within 30 days following the first in-person contact between the employee and the original qualified rehabilitation consultant. If the consultation indicates that rehabilitation services are appropriate under subdivision 1, the employer shall provide the services. If the consultation indicates that rehabilitation services are not appropriate under subdivision 1, the employer shall notify the employee of this determination within 14 days after the consultation.

(b) In order to assist the commissioner in determining whether or not to request rehabilitation consultation for an injured employee, an employer shall notify the commissioner whenever the employee's temporary total disability will likely exceed 13 weeks. The notification must be made within 90 days from the date of the injury or when the likelihood of at least a 13-week disability can be determined, whichever is earlier, and must include a current physician's report.

(c) The qualified rehabilitation consultant appointed by the employer or insurer shall disclose in writing at the first meeting or written communication with the employee any ownership interest or affiliation between the firm which employs the qualified rehabilitation consultant and the employer, insurer, adjusting or servicing company, including the nature and extent of the affiliation or interest.

The consultant shall also disclose to all parties any affiliation, business referral or other arrangement between the consultant or the firm employing the consultant and any other party to, attorney, or health care provider involved in the case, including any attorneys, doctors, or chiropractors.

If the employee objects to the employer's selection of a qualified rehabilitation consultant, the employee shall notify the employer and the commissioner in writing of the objection. The notification shall include the name, address, and telephone number of the qualified rehabilitation consultant chosen by the employee to provide rehabilitation consultation.

(d) After the initial provision or selection of a qualified rehabilitation consultant as provided under paragraph (a), the employee may choose request a different qualified rehabilitation consultant as follows:

(1) once during the first 60 days following the first in-person contact between the employee and the original consultant;

(2) once after the 60-day period referred to in clause (1); and

(3) subsequent requests which shall be determined granted or denied by the commissioner or compensation judge according to the best interests of the parties.

(e) The employee and employer shall enter into a program if one is prescribed in develop a rehabilitation plan within 30 days of the rehabilitation consultation if the qualified rehabilitation consultant determines that rehabilitation is appropriate. A copy of the plan, including a target date for



return to work, shall be submitted to the commissioner *within 15 days after the plan has been developed.*

~~(b)~~ (f) If the employer does not provide rehabilitation consultation, *or the employee does not select a qualified rehabilitation consultant, as required by this section provided in paragraph (a),* the commissioner or compensation judge shall notify the employer that if the employer fails to ~~appoint~~ *provide, or the employee fails to select, whichever is applicable,* a qualified rehabilitation consultant ~~or other persons as permitted by clause (a)~~ within 15 days to conduct a rehabilitation consultation, the commissioner or compensation judge shall appoint a qualified rehabilitation consultant to provide the consultation at the expense of the employer unless the commissioner or compensation judge determines the consultation is not required.

(e) (g) In developing a rehabilitation plan consideration shall be given to the employee's qualifications, including but not limited to age, education, previous work history, interest, transferable skills, and present and future labor market conditions.

~~(d)~~ (h) The commissioner or compensation judge may waive rehabilitation services under this section if the commissioner or compensation judge is satisfied that the employee will return to work in the near future or that rehabilitation services will not be useful in returning an employee to work.

Sec. 11. Minnesota Statutes 1990, section 176.102, subdivision 6, is amended to read:

Subd. 6. [PLAN, ELIGIBILITY FOR REHABILITATION, APPROVAL AND APPEAL.] The commissioner or a compensation judge shall determine eligibility for rehabilitation services and shall review, approve, modify, or reject rehabilitation plans developed under subdivision 4. The commissioner or a compensation judge shall also make determinations regarding rehabilitation issues not necessarily part of a plan including, but not limited to, determinations regarding whether an employee is eligible for further rehabilitation and the benefits under subdivisions 9 and 11 to which an employee is entitled. *A plan that is not completed within six months or after \$3,000 has been paid in rehabilitation benefits must be specifically approved by the commissioner. This approval may not be waived by the parties.*

Sec. 12. Minnesota Statutes 1990, section 176.102, subdivision 7, is amended to read:

Subd. 7. [PLAN IMPLEMENTATION; REPORTS.] (a) Upon request by the commissioner, insurer, employer or employee, medical and rehabilitation reports shall be made by the provider of the medical and rehabilitation service to the commissioner, insurer, employer, or employee.

(b) *If a rehabilitation plan has not already been filed under subdivision 4, an employer shall report to the commissioner after 90 days and before 120 days from the date of the injury, as to what rehabilitation consultation and services have been provided to the injured employee or why rehabilitation consultation and services have not been provided.*

Sec. 13. Minnesota Statutes 1990, section 176.102, subdivision 9, is amended to read:

Subd. 9. [PLAN, COSTS.] An employer is liable for the following rehabilitation expenses under this section:

(a) Cost of rehabilitation evaluation and preparation of a plan;

(b) Cost of all rehabilitation services and supplies necessary for implementation of the plan;

(c) Reasonable cost of tuition, books, travel, and custodial day care; and, in addition, reasonable costs of board and lodging when rehabilitation requires residence away from the employee's customary residence;

(d) Reasonable costs of travel and custodial day care during the job interview process;

(e) Reasonable cost for moving expenses of the employee and family if a job is found in a geographic area beyond reasonable commuting distance after a diligent search within the present community. Relocation shall not be paid more than once during any rehabilitation program, and relocation shall not be required if the new job is located within the same standard metropolitan statistical area as the employee's job at the time of injury. An employee shall not be required to relocate and a refusal to relocate shall not result in a suspension or termination of compensation under this chapter; and

(f) Any other expense agreed to be paid.

*Charges for services provided by a rehabilitation consultant or vendor must be submitted on a billing form prescribed by the commissioner. No payment for the services shall be made until the charges are submitted on the prescribed form.*

#### Sec. 14. [176.107] [MEDICAL AND REHABILITATION DISPUTES.]

*Any dispute for benefits under section 176.102, 176.103, 176.135, or 176.136 may be referred to the mediation services section of the department for consideration. All health care providers, qualified rehabilitation consultants, intervenors or potential intervenors, or any other third parties who have or may have an interest in the resolution of the dispute must be notified of the proceeding and requested to be in attendance. Any agreement by the parties who attend the hearing or appear by telephone conference is binding on any other party who had notice and did not participate in the hearing.*

Sec. 15. Minnesota Statutes 1990, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, PSYCHOLOGICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] (a) The employer shall furnish any medical, psychological, ~~chiropractic~~, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. ~~This treatment shall include treatments necessary to physical rehabilitation.~~ An employer may fulfill its obligation under this section by utilizing a certified managed care plan as provided in this chapter.

(b) *The employer shall furnish reasonably required chiropractic treatment for a maximum of 30 days from the date the employee first seeks the treatment, or 15 chiropractic treatment visits, whichever occurs first. The employer shall furnish reasonably required physical therapy treatment for a maximum of 30 days from the date the employee first seeks the treatment. Chiropractic or physical therapy treatment is compensable thereafter only with the consent*

*of the employer or insurer, or after a specific determination by the commissioner or a compensation judge, pursuant to paragraph (f), that treatment for an additional specified period of time is reasonably required. This paragraph is effective for treatment provided after July 1, 1992.*

*(c) The employer shall pay for the reasonable value of nursing services provided by a member of the employee's family in cases of permanent total disability.*

*(d) Exposure to rabies is an injury and an employer shall furnish preventative treatment to employees exposed to rabies.*

*(e) The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or refusal seasonably to ~~do so~~ provide the items required to be provided under this paragraph, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 476.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability.*

*~~(b) (f)~~ Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 476.106 and section 176.305 and to issue orders approving mediated settlements in accordance with section 176.107.*

Sec. 16. Minnesota Statutes 1990, section 176.135, subdivision 1a, is amended to read:

Subd. 1a. [NONEMERGENCY SURGERY; SECOND SURGICAL OPINION.] The employer is required to furnish surgical treatment pursuant to subdivision 1 when the surgery is reasonably required to cure and relieve the effects of the personal injury or occupational disease. An employee may not be compelled to undergo surgery. If an employee desires a second opinion on the necessity of the surgery, the employer shall pay the costs of obtaining the second opinion. Except in cases of emergency surgery, the employer or insurer may require the employee to obtain a second opinion on the necessity of the surgery, at the expense of the employer, before the employee undergoes surgery. Failure to obtain a second surgical opinion, *if required by the employer or insurer*, shall not be reason for nonpayment of the charges for the surgery. ~~The employer is required to pay the reasonable value of the surgery,~~ unless the commissioner or compensation judge determines that the surgery is not reasonably required.

Sec. 17. Minnesota Statutes 1990, section 176.135, subdivision 5, is amended to read:

Subd. 5. [OCCUPATIONAL DISEASE MEDICAL ELIGIBILITY.] Notwithstanding section 176.66, an employee who has contracted an occupational disease is eligible to receive compensation under this section even

if the employee is not disabled from earning full wages at the work at which the employee was last employed.

*Payment of compensation under this section shall be made by the employer and insurer on the date of the employee's last exposure to the hazard of the occupational disease. Reimbursement for medical benefits paid under this subdivision or subdivision 1a is allowed from the employer and insurer liable under section 176.66, subdivision 10, only in the case of disablement.*

Sec. 18. Minnesota Statutes 1990, section 176.135, subdivision 6, is amended to read:

Subd. 6. [COMMENCEMENT OF PAYMENT.] As soon as reasonably possible, and no later than 30 calendar days after receiving the bill, the employer or insurer shall pay the charge or any portion of the charge which is not denied, ~~or deny all or a part of the charge on the basis of excessiveness or noncompensability, or specify the additional data needed;~~ with written notification to the employee and the provider, ~~explaining the basis for denial.~~ All or part of a charge must be denied if any of the following conditions exist:

- (1) the injury or condition is not compensable under this chapter;
- (2) the charge or service is excessive under this section or section 176.136;
- (3) the provider is not enrolled with or certified by the department in accordance with rules adopted under section 176.183;
- (4) the charges are not submitted on the prescribed billing form; or
- (5) additional medical records or reports are required under subdivision 7 to substantiate the nature of the charge and its relationship to the work injury.

*If payment is denied under clause (3), (4), or (5), the employer or insurer shall reconsider the charges in accordance with this subdivision within 30 calendar days after receiving additional medical data, a prescribed billing form, or documentation of enrollment or certification as a provider.*

Sec. 19. Minnesota Statutes 1990, section 176.135, subdivision 7, is amended to read:

Subd. 7. [MEDICAL BILLS AND RECORDS.] Health care providers shall submit to the insurer an itemized statement of charges *on a billing form prescribed by the commissioner.* Health care providers ~~other than hospitals~~ shall also submit copies of medical records or reports that substantiate the nature of the charge and its relationship to the work injury, ~~provided, however, that hospitals must submit any copies of records or reports requested under subdivision 6.~~ Health care providers may charge for copies of any records or reports that are in existence and directly relate to the items for which payment is sought under this chapter. ~~Charges for copies provided under this subdivision shall be reasonable.~~ The commissioner shall adopt a schedule of reasonable charges by ~~emergency rules rule.~~

A health care provider shall not collect, attempt to collect, refer a bill for collection, or commence an action for collection against the employee, employer, or any other party until the information required by this section has been furnished.

Sec. 20. [176.1351] [MANAGED CARE.]

*Subdivision 1. [APPLICATION.] Any health care provider, health care*

providers, or business entities providing health care services may make written application to the commissioner to become certified to provide managed care to injured workers for injuries and diseases compensable under this chapter. Each application for certification shall be accompanied by a reasonable fee prescribed by the commissioner. A certificate is valid for the period the commissioner prescribes unless revoked or suspended. Application for certification shall be made in the form and manner and shall set forth information regarding the proposed plan for providing services as the commissioner may prescribe. The information shall include, but not be limited to:

(a) a list of the names of all health care providers who will provide services under the managed care plan, together with appropriate evidence of compliance with any licensing or certification requirements for those providers to practice in this state;

(b) a description of the places and manner of providing services under the plan;

(c) a description of the places and manner of providing other related optional services the applicants wish to provide; and

(d) satisfactory evidence of ability to comply with any financial requirements to ensure delivery of service in accordance with the plan which the commissioner may prescribe.

*Subd. 2. [CERTIFICATION.] The commissioner shall certify a health care provider, health care providers, or business entities providing health care services to provide managed care under a plan if the commissioner finds that the plan:*

(a) proposes to provide services that meet quality, continuity, and other treatment standards prescribed by the commissioner and will provide all medical and health care services that may be required by this chapter in a manner that is timely, effective, and convenient for the worker;

(b) provides appropriate financial incentives to reduce service costs and utilization without sacrificing the quality of service;

(c) provides adequate methods of peer review, utilization review, and dispute resolution to prevent inappropriate or not medically necessary treatment, to exclude from participation in the plan those individuals who violate these treatment standards, and to provide for the resolution of such medical disputes as the commissioner considers appropriate;

(d) provides a program for early return to work for injured workers involving, where appropriate, cooperative efforts by the workers, the employer, and the managed care organizations to promote workplace health and safety consultative and other services;

(e) provides a timely and accurate method of reporting to the commissioner necessary information regarding medical and health care service cost and utilization to enable the commissioner to determine the effectiveness of the plan;

(f) authorizes workers to receive compensable medical treatment from a health care provider who is not a member of the managed care organization, but who maintains the worker's medical records and with whom the worker has a documented history of treatment, if that health care provider agrees to refer the worker to the managed care organization for any specialized

*treatment, including physical therapy, to be furnished by another provider that the worker may require and if that health care provider agrees to comply with all the rules, terms, and conditions regarding services performed by the managed care organization. Nothing in this paragraph is intended to limit the worker's right to change health care providers prior to the filing of a workers' compensation claim; and*

*(g) complies with any other requirement the commissioner determines is necessary to provide quality medical services and health care to injured workers.*

*Subd. 3. [REVOCATION, SUSPENSION, AND REFUSAL TO CERTIFY.] The commissioner shall refuse to certify or shall revoke or suspend the certification of any health care provider or group of medical service providers to provide managed care if the commissioner finds that the plan for providing medical or health care services fails to meet the requirements of this section, or service under the plan is not being provided in accordance with the terms of a certified plan.*

*Subd. 4. [REVIEW.] (a) Utilization review, quality assurance, and peer review activities pursuant to this section and authorization of medical services to be provided by other than an attending physician pursuant to this chapter shall be subject to review by the commissioner or the commissioner's designated representatives. Data generated by or received in connection with these activities, including written reports, notes or records of any such activities, or of the commissioner's review shall be confidential, and shall not be disclosed except as considered necessary by the commissioner in the administration of this section. The commissioner may report professional misconduct to an appropriate licensing board.*

*(b) No data generated by utilization review, quality assurance, or peer review activities pursuant to this section or the commissioner's review thereof shall be used in any action, suit, or proceeding except to the extent considered necessary by the commissioner in the administration of this chapter.*

*(c) A person participating in utilization review, quality assurance, or peer review activities pursuant to this section shall not be examined as to any communication made in the course of such activities or the findings thereof, nor shall any person be subject to an action for civil damages for affirmative actions taken or statements made in good faith.*

*(d) No person who participates in forming managed care plans, collectively negotiating fees, or otherwise solicits or enters into contracts in a good faith effort to provide medical or health care services according to the provisions of this section shall be examined or subject to administrative or civil liability regarding any such participation except pursuant to the commissioner's active supervision of such activities and the managed care organization. Before engaging in such activities, the person shall provide notice of intent to the commissioner on a prescribed form.*

*(e) The provisions of this section shall not affect the confidentiality or admission in evidence of a claimant's medical treatment records.*

*Subd. 5. [RULES.] The commissioner in cooperation with the commissioners of the department of health, department of commerce, and department of human services, shall adopt such rules as may be necessary to carry out the provisions of this section.*

Sec. 21. Minnesota Statutes 1990, section 176.136, subdivision 1, is

amended to read:

Subdivision 1. [SCHEDULE.] (a) The commissioner shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups.

(b) The procedures established by the commissioner ~~shall~~ *must* limit, in accordance with subdivisions 1a and 1b, the charges allowable for medical, chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and compensable under section 176.135, ~~based upon billings for each class of health care provider during all of the calendar year preceeding the year in which the determination is made of the amount to be paid the health care provider for the billing.~~ The procedures established by the commissioner for determining whether or not the charge for a health service is excessive ~~shall~~ *must* be structured to encourage providers to develop and deliver services for rehabilitation of injured workers. The procedures ~~shall~~ *must* incorporate the provisions of sections 144.701, 144.702, and 144.703 to the extent that the commissioner finds that these provisions effectively accomplish the intent of this section or are otherwise necessary to insure that quality hospital care is available to injured employees.

Sec. 22. Minnesota Statutes 1990, section 176.136, is amended by adding a subdivision to read:

*Subd. 1a. [RELATIVE VALUE FEE SCHEDULE.] The liability of an employer for services included in the medical fee schedule is limited to the maximum fee allowed by the schedule in effect on the date of the medical service, or the provider's actual fee, whichever is lower. The medical fee schedule effective on October 1, 1990, shall remain in effect until the commissioner adopts a new schedule by permanent rule, but shall remain in effect no later than June 1, 1993. The commissioner shall adopt permanent rules regulating fees, except fees limited by subdivision 1b, by implementing a relative value fee schedule to be effective on October 1, 1992, or as soon thereafter as possible. The conversion factors for the relative value fee schedule shall reasonably reflect a 15 percent overall reduction from 1991 charges, based on a sample of the most common services billed in the first six months of 1991 that is large enough to be statistically valid.*

*After permanent rules have been adopted to implement this section, the conversion factors must be adjusted annually on October 1, by the percentage change in the statewide average weekly wage as set forth in section 176.645, subdivision 1. The commissioner shall annually give notice in the State Register of the adjusted conversion factors. This notice shall be in lieu of the requirements of chapter 14.*

Sec. 23. Minnesota Statutes 1990, section 176.136, is amended by adding a subdivision to read:

*Subd. 1b. [LIMITATION OF LIABILITY.] (a) The liability of the employer for treatment, articles, and supplies provided to an employee while an inpatient or outpatient at a hospital or an outpatient at a same-day surgical facility or emergency room shall be limited to 85 percent of the amount charged.*

*(b) For the services rendered under paragraph (a) by a hospital with 100 or fewer licensed acute care beds, the liability of employers shall be the*

*actual hospital charges.*

*(c) The liability of the employer for the treatment, articles, and supplies that are not limited by subdivision 1a or paragraph (a) shall be limited to the provider's actual charge, or the charges that prevail in the same community for similar treatment, articles, and supplies furnished to an injured person when paid for by the injured person, whichever is lower. On this basis, the commissioner or compensation judge may determine the reasonable value of all treatment, services, and supplies, and the liability of the employer is limited to that amount.*

Sec. 24. Minnesota Statutes 1990, section 176.136, subdivision 2, is amended to read:

Subd. 2. [EXCESSIVE FEES.] If the employer or insurer determines that the charge for a health service or medical service is excessive, no payment in excess of the reasonable charge for that service shall be made under this chapter nor may the provider collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable under this chapter unless the commissioner, compensation judge, or court of appeals determines otherwise. In such a case, the health care provider may initiate an action under this chapter for recovery of the amounts deemed excessive by the employer or insurer, but the employer or insurer shall have the burden of proving excessiveness.

*A charge for a health service or medical service is excessive if it:*

*(1) exceeds the maximum permissible charge pursuant to subdivision 1 or section 176.135, subdivision 1a;*

*(2) is for a service provided at a level, duration, or frequency that is excessive, based upon accepted medical standards for quality health care and accepted rehabilitation standards;*

*(3) is for a service that is outside the scope of practice of the particular provider or is not generally recognized within the particular profession of the provider as of therapeutic value for the specific injury or condition treated; or*

*(4) is otherwise deemed excessive or inappropriate pursuant to rules adopted pursuant to this chapter.*

*Where the sole issue in dispute is whether medical fees are excessive, the only parties to the proceeding shall be the health care provider and employer or insurer. The rights of an employee shall not be affected by a determination under this subdivision.*

Sec. 25. Minnesota Statutes 1990, section 176.305, subdivision 1, is amended to read:

Subdivision 1. [HEARINGS ON PETITIONS.] The petitioner shall serve a copy of the petition on each adverse party personally or by first class mail. The original petition shall then be filed with the commissioner together with an appropriate affidavit of service. When any petition has been filed with the workers' compensation division, the commissioner shall, within ten days, refer the matter presented by the petition for a settlement conference under this section, for an administrative mediation conference under section ~~176.106~~ 176.107, or for hearing to the office.

Sec. 26. Minnesota Statutes 1990, section 176.351, subdivision 2a, is amended to read:



Subd. 2a. [SUBPOENAS NOT PERMITTED.] A member of the rehabilitation review panel or medical services board or an employee of the department who has conducted an administrative, *mediation*, or settlement conference, or hearing under section ~~176.106~~ 176.107 or 176.239, shall not be subpoenaed to testify regarding the conference, hearing, or concerning a mediation session. A member of the rehabilitation review panel, medical services board, or an employee of the department may be required to answer written interrogatories limited to the following questions:

(a) Were all statutory and administrative procedural rules adhered to in reaching the decision?

(b) If the answer to question (a) is no, what deviations took place?

(c) Did the person making the decision consider all the information presented prior to rendering a decision?

(d) Did the person making the decision rely on information outside of the information presented at the conference or hearing in making the decision?

(e) If the answer to question (d) is yes, what other information was relied upon in making the decision?

In addition, for a hearing with a compensation judge and with the consent of the compensation judge, an employee of the department who conducted an administrative conference, hearing, or mediation session, may be requested to answer written interrogatories relating to statements made by a party at the prior proceeding. These interrogatories shall be limited to affirming or denying that specific statements were made by a party.

Sec. 27. Minnesota Statutes 1990, section 176.421, subdivision 7, is amended to read:

Subd. 7. [RECORD OF PROCEEDINGS.] At the division's own expense, the commissioner shall make a complete record of all proceedings before the commissioner and shall provide a stenographer or an audio magnetic recording device to make the record of the proceedings.

The commissioner shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge which shall be set by the commissioner. Upon a showing of cause, the commissioner may direct that a transcript be prepared without expense to the person requesting the transcript, in which case the cost of the transcript shall be paid by the division. Transcript fees received under this subdivision shall be paid to the workers' compensation division account in the state treasury and shall be annually appropriated to the division for the sole purpose of providing a record and transcripts as provided in this subdivision. This subdivision does not apply to any administrative conference or other proceeding before the commissioner which may be heard de novo in another proceeding including but not limited to proceedings under section ~~176.106~~ 176.107 or 176.239.

Sec. 28. Minnesota Statutes 1990, section 176.442, is amended to read:

176.442 [APPEALS FROM DECISIONS OF COMMISSIONER.]

Except for a commissioner's decision which may be heard de novo in another proceeding including but not limited to a decision from an administrative conference under section ~~176.102~~, ~~176.103~~, ~~176.106~~, 176.239, or a summary decision under section 176.305, any decision or determination

of the commissioner affecting a right, privilege, benefit, or duty which is imposed or conferred under this chapter is subject to review by the workers' compensation court of appeals. A person aggrieved by the determination may appeal to the workers' compensation court of appeals by filing a notice of appeal with the commissioner in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals.

Sec. 29. Minnesota Statutes 1990, section 176.82, is amended to read:

**176.82 [ACTION FOR CIVIL DAMAGES FOR OBSTRUCTING EMPLOYEE SEEKING BENEFITS.]**

*Subdivision 1. [GENERALLY.] Any person discharging or threatening to discharge an employee for seeking workers' compensation benefits or in any manner intentionally obstructing an employee seeking workers' compensation benefits is liable in a civil action for damages incurred by the employee including any diminution in workers' compensation benefits caused by a violation of this section including costs and reasonable attorney fees, and for punitive damages not to exceed three times the amount of any compensation benefit to which the employee is entitled. Damages awarded under this section shall not be offset by any workers' compensation benefits to which the employee is entitled.*

*Subd. 2. [REFUSAL TO REHIRE.] Any employer who without reasonable cause refuses to rehire an employee who is injured in the course of employment, where suitable employment is available within the employee's physical and mental limitations, upon order of the department and in addition to other benefits, has exclusive liability to pay to the employee the wages lost during the period of the refusal, not exceeding six months wages or a maximum of \$15,000. In determining the availability of suitable employment, the continuance in business of the employer shall be considered and any written rules promulgated by the employer with respect to seniority or the provisions of any collective bargaining agreement with respect to seniority shall govern.*

Sec. 30. Minnesota Statutes 1990, section 176.83, subdivision 5, is amended to read:

**Subd. 5. [EXCESSIVE MEDICAL SERVICES.]** In consultation with the medical services review board or the rehabilitation review panel, rules establishing standards and procedures for determining whether a provider of health care services and rehabilitation services, including a provider of medical, chiropractic, podiatric, surgical, hospital or other services, is performing procedures or providing services at a level or with a frequency that is excessive, based upon accepted medical standards for quality health care and accepted rehabilitation standards.

If it is determined by the payer that the level, frequency or cost of a procedure or service of a provider is excessive according to the standards established by the rules, the provider shall not be paid for the excessive procedure, service, or cost by an insurer, self-insurer, or group self-insurer, and the provider shall not be reimbursed or attempt to collect reimbursement for the excessive procedure, service, or cost from any other source, including the employee, another insurer, the special compensation fund, or any government program unless the commissioner or compensation judge determines at a hearing or administrative conference that the level, frequency, or cost was not excessive in which case the insurer, self-insurer, or group

self-insurer shall make the payment deemed reasonable.

A health or rehabilitation provider who is determined by the rehabilitation review panel or medical services review board, after hearing, to be consistently performing procedures or providing services at an excessive level or cost may be prohibited from receiving any further reimbursement for procedures or services provided under this chapter. A prohibition imposed on a provider under this subdivision may be grounds for revocation or suspension of the provider's license or certificate of registration to provide health care or rehabilitation service in Minnesota by the appropriate licensing certifying body.

~~The rules adopted under this subdivision shall require insurers, self-insurers, and group self-insurers to report medical and other data necessary to implement the procedures required by this clause.~~

Sec. 31. Minnesota Statutes 1990, section 176.83, is amended by adding a subdivision to read:

*Subd. 5a. [REPORTING.] Rules requiring insurers, self-insurers, and group self-insurers to report medical and other data necessary to implement the procedures required by this section and chapter 176.*

Sec. 32. Minnesota Statutes 1990, section 176.83, subdivision 6, is amended to read:

*Subd. 6. [CERTIFICATION OF MEDICAL PROVIDERS.] Rules establishing procedures and standards for the certification or enrollment of physicians, chiropractors, osteopaths, podiatrists, and other health care providers, which may include hospitals and other business entities providing health care services, in order to assure the coordination of treatment, rehabilitation, and other services and requirements of chapter 176 for carrying out the purposes and intent of this chapter.*

*After the rules for provider enrollment have been promulgated, a provider must be enrolled in accordance with the rules to receive payment for services rendered under section 176.135. An unenrolled provider may not receive payment or attempt to collect from any source, including the employee, any insurer or self-insured employer, the special compensation fund, or any government program. Retroactive enrollment must be permitted pursuant to guidelines established by rule. A list of currently enrolled providers must be given to all self-insured employers and insurers. The list must be made available to others upon request.*

Sec. 33. [REPEALER.]

*Minnesota Statutes 1990, sections 176.106; 176.135, subdivision 3; and 176.136, subdivision 5, are repealed.*

Sec. 34. [EFFECTIVE DATE.]

*This article is effective October 1, 1991; except that section 1 is effective January 1, 1992.*

## ARTICLE 4

### COURTS/JURISDICTION

Section 1. Minnesota Statutes 1990, section 15A.083, subdivision 7, is amended to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND

COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals are the same as the salary for district judges as set under section 15A.082, subdivision 3. Salaries of compensation judges are 75 to 80 percent of the salary of district court judges. The chief workers' compensation settlement judge at the department of labor and industry may be paid an annual salary that is up to five percent greater than the salary of workers' compensation settlement judges at the department of labor and industry. *The assistant chief administrative law judge for workers' compensation at the office of administrative hearings shall be paid in conformity with the salary provisions of the managerial plan under section 43A.18, but the minimum salary shall be equal to the salary of a compensation judge.*

Sec. 2. Minnesota Statutes 1990, section 176.061, is amended by adding a subdivision to read:

*Subd. 6a. [JURISDICTION.] Notwithstanding section 573.02 or any other law to the contrary, the commissioner or compensation judge has jurisdiction to order the distribution of proceeds in accordance with subdivision 6 in all cases except where the district court has awarded a specific amount in satisfaction of the employer's subrogation interest or has specifically denied the employer's subrogation interest.*

Sec. 3. [176.2615] [SMALL CLAIMS COURT.]

*Subdivision 1. [PURPOSE.] There is established in the department of labor and industry a small claims court, to be presided over by settlement judges for the purpose of settling small claims.*

*Subd. 2. [ELIGIBILITY.] The claim is eligible for determination in the small claims court if referred by the commissioner or if all parties agree to submit to its jurisdiction; and*

*(1) the claim is for rehabilitation benefits only under section 176.102 or medical benefits only under section 176.135; or*

*(2) the claim in its total amount does not equal more than \$5,000; and*

*(3) where the claim is for apportionment or for contribution or reimbursement, no counterclaim in excess of \$5,000 is asserted.*

*Subd. 3. [TESTIMONY; EXHIBITS.] At the hearing a settlement judge shall hear the testimony of the parties and consider any exhibits offered by them and may also hear any witnesses introduced by either party.*

*Subd. 4. [APPEARANCE OF PARTIES.] A party may appear on the party's own behalf without an attorney, or may retain and be represented by a duly admitted attorney who may participate in the hearing to the extent and in the manner that the settlement judge considers helpful. Attorney fees awarded under this subdivision are included in the overall limit allowed under section 176.081, subdivision 1.*

*Subd. 5. [EVIDENCE ADMISSIBLE.] At the hearing the settlement judge shall receive evidence admissible under the rules of evidence. In addition, in the interest of justice and summary determination of issues before the court, the settlement judge may receive, in the judge's discretion, evidence not otherwise admissible. The settlement judge, on the judge's own motion, may receive into evidence any documents which have been filed with the department.*

*Subd. 6. [SETTLEMENT.] A settlement judge may attempt to conciliate*

*the parties. If the parties agree on a settlement, the judge shall issue an order in accordance with that settlement.*

*Subd. 7. [DETERMINATION.] If the parties do not agree to a settlement, the settlement judge shall summarily hear and determine the issues and issue an order in accordance with section 176.305, subdivision 1a. Any determination by a settlement judge is not res judicata with respect to any other proceeding between or among the parties under this chapter, nor may it be considered as evidence in any other proceeding.*

*Subd. 8. [COSTS.] The prevailing party is entitled to costs and disbursements as in any other workers' compensation case.*

Sec. 4. Minnesota Statutes 1990, section 176.461, is amended to read:

**176.461 [SETTING ASIDE AWARD.]**

Except when a writ of certiorari has been issued by the supreme court and the matter is still pending in that court or if as a matter of law the determination of the supreme court cannot be subsequently modified, the workers' compensation court of appeals, for cause, at any time after an award, upon application of either party and not less than five working days after written notice to all interested parties, may set the award aside and grant a new hearing and refer the matter for a determination on its merits to the chief administrative law judge for assignment to a compensation judge, who shall make findings of fact, conclusions of law, and an order of award or disallowance of compensation or other order based on the pleadings and the evidence produced and as required by the provisions of this chapter or rules adopted under it.

*As used in this section, the phrase "for cause" is limited to the following grounds:*

*(1) a mutual mistake of fact that was not discoverable at the time of the award;*

*(2) newly discovered evidence that was not discoverable at the time of the award;*

*(3) fraud; or*

*(4) a substantial change in medical condition since the time of the award that was clearly not anticipated and could not reasonably have been anticipated at the time of the award.*

Sec. 5. Minnesota Statutes 1990, section 480A.06, subdivision 3, is amended to read:

Subd. 3. [CERTIORARI REVIEW.] The court of appeals shall have jurisdiction to issue writs of certiorari to all agencies, public corporations and public officials, except the tax court ~~and the workers' compensation court of appeals~~. The court of appeals shall have jurisdiction to review decisions of the commissioner of jobs and training, pursuant to section 268.10.

Sec. 6. Minnesota Statutes 1990, section 480A.06, subdivision 4, is amended to read:

Subd. 4. [ADMINISTRATIVE REVIEW.] The court of appeals shall have jurisdiction to review on the record: the validity of administrative rules, as provided in sections 14.44 and 14.45; ~~and~~; the decisions of administrative agencies in contested cases, as provided in sections 14.63 to 14.69;

and workers' compensation cases and peace officer death benefits cases, as provided under chapters 176 and 176A.

Sec. 7. [TRANSFER OF JURISDICTION AND PERSONNEL.]

*The jurisdiction of the workers' compensation court of appeals, as provided under Minnesota Statutes, section 175A.01, subdivision 5, is transferred to the court of appeals. All contracts, books, plans, papers, records, and property of every description of the workers' compensation court of appeals relating to its transferred responsibilities and within its jurisdiction or control are transferred to the court of appeals; except that all case files are transferred to the clerk of the appellate courts. All classified employees and staff attorneys of the workers' compensation court of appeals must be given preference in the employment of personnel required to staff the increased caseload of the court of appeals as a result of transfer of jurisdiction under this section.*

Sec. 8. [INCREASED JUDGES.]

*The number of judges on the court of appeals as of January 1, 1992, shall be increased by five.*

Sec. 9. [INSTRUCTION TO REVISOR.]

*In every instance in Minnesota Statutes in which the term "workers' compensation court of appeals" appears, the revisor of statutes shall change that reference to the "court of appeals."*

Sec. 10. [REAPPROPRIATION.]

*\$ . . . . . is reappropriated from the special compensation fund, as a result of the savings to that fund in fiscal years 1992 and 1993 due to the abolition of the workers' compensation court of appeals, to the court of appeals for the purposes of this article.*

Sec. 11. [REPEALER.]

*Minnesota Statutes 1990, sections 175A.01; 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; and 175A.10, are repealed.*

Sec. 12. [EFFECTIVE DATE.]

*This article is effective January 1, 1992; except that section 1 is effective July 1, 1991.*

## ARTICLE 5

### WORKERS' COMPENSATION INSURANCE

Section 1. Minnesota Statutes 1990, section 79.095, is amended to read:  
79.095 [APPOINTMENT OF ACTUARY.]

*The commissioner ~~shall~~ may employ the services of a casualty ~~actuary~~ <sup>actuaries</sup> experienced in ~~worker's~~ <sup>workers'</sup> workers' compensation whose duties shall include but not be limited to investigation of complaints by insured parties relative to rates, rate classifications, or discriminatory practices of an insurer. The salary of ~~the an~~ <sup>an</sup> ~~actuary~~ employed pursuant to this section is not subject to the provisions of section 43A.17, subdivision 1.*

Sec. 2. Minnesota Statutes 1990, section 79.251, subdivision 1, is amended to read:

Subdivision 1. [ASSIGNED RISK PLAN; PARTICIPATION.] ~~(4) An assigned risk plan review board is created for the purposes of review of the operation of section 79.252 and this section. The state fund mutual insurance company and all insurers authorized to write workers' compensation and employers' liability insurance in this state shall participate in a plan providing for the equitable apportionment of insurance coverage to employers who have been rejected for insurance coverage by a licensed insurer in the manner set forth in section 79.252.~~

*Subd. 1a. [BOARD OF GOVERNORS.] (1) The operation of the assigned risk plan is subject to the supervision of the board of governors of the plan. The board shall have all the usual powers and authorities necessary for the discharge of its duties under this section and may contract with individuals in discharge of those duties.*

(2) The board shall consist of six members to be appointed by the commissioner of commerce. ~~Three members shall be insureds holding policies or contracts. One member shall be an insured holding a policy or contract of coverage issued pursuant to subdivision 4. Two~~ Five members shall be insurers pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b). ~~The commissioner shall be the sixth member and shall vote.~~

Initial appointments to the board shall be made by ~~September~~ January 1, 1981-1992, and terms shall be for three years duration. Removal, the filling of vacancies and compensation of the members ~~other than the commissioner~~ shall be as provided in section 15.059.

(3) ~~The assigned risk plan review board shall audit the reserves established~~ (a) for individual cases arising under policies and contracts of coverage issued under subdivision 4 and (b) for the total book of business issued under subdivision 4.

(4) ~~The assigned risk plan review board shall monitor the operations of section 79.252 and this section and shall periodically make recommendations to the commissioner, and to the governor and legislature when appropriate, for improvement in the operation of those sections prepare a plan of operation for the assigned risk plan subject to the approval of the commissioner. The policy forms, rates, merit rating, rating plans, and classification and rating systems of the assigned risk plan shall be those filed for use by the Minnesota workers' compensation insurers rating association, and approved by the commissioner, subject to the requirements of this chapter.~~

*The board shall meet quarterly, or more frequently if necessary, to review plan enrollment, plan administration, rate adequacy, loss ratios, and reserving practices. No later than June 30 of each year, the board shall file an annual report with the legislature and the workers' compensation insurers association. The report must be signed by each member of the board. The report must include an actuarial evaluation of the plan by a fellow of the casualty actuarial society who shall be retained and paid by the board.*

(5) ~~All insurers and self-insurance administrators issuing policies or contracts under subdivision 4 shall pay to the commissioner a .25 percent assessment on premiums for policies and contracts of coverage issued under subdivision 4 for the purpose of defraying the costs of the assigned risk plan review board. Proceeds of the assessment shall be deposited in the state treasury and credited to the general fund.~~

~~(6) The assigned risk plan and the assigned risk plan review board of governors shall not be deemed a state agency.~~

Sec. 3. Minnesota Statutes 1990, section 79.251, subdivision 2, is amended to read:

Subd. 2. [APPROPRIATE MERIT RATING PLAN.] *The board of governors, subject to approval by the commissioner of commerce, shall develop an appropriate merit rating plan which shall be applicable to all nonexperience rated insureds holding policies or contracts of coverage issued pursuant to subdivision 4, and to the insurers or self-insurance administrators issuing those policies or contracts. The plan shall must provide a maximum merit credit or debit adjustment equal to ten percent of earned premium. The actual adjustment may vary with insured's loss experience.*

Sec. 4. Minnesota Statutes 1990, section 79.251, subdivision 3, is amended to read:

Subd. 3. [RATES.] ~~Insureds served by the assigned risk plan shall be charged premiums based upon a rating plan, including a merit rating plan adopted by the commissioner by rule. (a) The commissioner board of governors shall annually, not later than January 1 of each year, establish the file with the commissioner a schedule of rates applicable to for use in determining premiums charged employers in the assigned risk plan business at least 30 days prior to their effective date. Assigned risk premiums shall rates must not be lower than rates generally charged by insurers for the business. The commissioner shall fix the compensation received by the agent of record. The establishment of the assigned risk plan rates and agent fees are not subject to chapter 14.~~

*(b) The rates filed by the board shall be deemed to meet the requirements of this chapter unless disapproved by the commissioner within 30 days after the filing is made. In disapproving a filing made pursuant to this section, the commissioner shall have the same authority, and follow the same procedure, as in disapproving a filing pursuant to section 79.58.*

*(c) The board shall fix the compensation received by the agent of record. Agent compensation shall be established at a level that is neither an incentive nor a disincentive to place an employer in the assigned risk plan. The establishment of the assigned risk plan rates and agent fees are not subject to chapter 14.*

Sec. 5. Minnesota Statutes 1990, section 79.251, subdivision 4, is amended to read:

Subd. 4. [ADMINISTRATION.] ~~The commissioner board of governors shall enter into service contracts as necessary or beneficial for accomplishing the purposes of the assigned risk plan. Services related to the administration of policies or contracts of coverage shall be performed by one or more qualified insurance companies licensed pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b), or self-insurance administrators licensed pursuant to section 176.181, subdivision 2, clause (2), paragraph (a). A qualified insurer or self-insurance administrator shall possess sufficient financial, professional, administrative, and personnel resources to provide the services contemplated in the contract. Services related to assignments, data management, assessment collection, and other services shall be performed by a licensed data service organization. The cost of those services is an obligation of the assigned risk plan.~~

*Each insurer or self-insured administrator who performs services pursuant to this subdivision shall be required to report loss experience data to the Minnesota workers' compensation insurers association in accordance*



*with the statistical plan and rules of the organization as approved by the commissioner, and shall keep a record of the premium and losses paid under each workers' compensation policy written in Minnesota in the form required by the commissioner.*

Sec. 6. Minnesota Statutes 1990, section 79.251, subdivision 5, is amended to read:

Subd. 5. [ASSESSMENTS.] ~~The commissioner shall assess~~ All insurers licensed pursuant to section 60A.06, subdivision 1, clause (5), paragraph (b), *shall be assessed* an amount sufficient to fully fund the obligations of the assigned risk plan, ~~if the commissioner determines that the assets of the assigned risk plan are insufficient to meet its obligations~~ *annual report of the board of governors reveals a deficit in the plan. The assessment must be made within 30 days of the date the annual report of the board is filed.* The assessment of each insurer shall be in a proportion equal to the proportion which the amount of compensation insurance written in this state during the preceding calendar year by that insurer bears to the total compensation insurance written in this state during the preceding calendar year by all licensed insurers.

Sec. 7. Minnesota Statutes 1990, section 79.252, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The purpose of the assigned risk plan is to provide workers' compensation coverage to employers rejected by a *two nonaffiliated* licensed insurance ~~company~~ *companies*, pursuant to subdivision 2. *One of these two rejections must come from the insurance company that most recently provided workers' compensation coverage to the employer, unless the employer had no previous coverage. Each rejection must be in writing and must be obtained within 60 days before the date of application to the assigned risk plan. In addition, the rejections must also show the name of the insurance company and the representative contacted.*

Sec. 8. Minnesota Statutes 1990, section 79.252, subdivision 3, is amended to read:

Subd. 3. [COVERAGE.] (a) Policies and contracts of coverage issued pursuant to section 79.251, subdivision 4, shall contain the usual and customary provisions of workers' compensation insurance policies, and shall be deemed to meet the mandatory workers' compensation insurance requirements of section 176.181, subdivision 2.

*(b) Policies issued by the assigned risk plan pursuant to this chapter may also provide workers' compensation coverage required under the laws of states other than Minnesota, including coverages commonly known as "all states coverage." The board of governors may apply for and obtain any licensure required in any other state to issue that coverage.*

Sec. 9. Minnesota Statutes 1990, section 79.252, subdivision 5, is amended to read:

Subd. 5. [RULES.] The commissioner may adopt rules, including ~~emergency~~ *temporary* rules, as may be necessary to implement section 79.251 and this section.

Sec. 10. Minnesota Statutes 1990, section 79.55, subdivision 2, is amended to read:

Subd. 2. [EXCESSIVENESS.] ~~No premium is excessive in a competitive~~

~~market. In the absence of a competitive market,~~ Premiums are excessive if the expected underwriting profit, together with expected income from invested reserves for the market in question, that would accrue to an insurer would be unreasonably high in relation to the risk undertaken by the insurer in transacting the business.

Sec. 11. Minnesota Statutes 1990, section 79.56, is amended by adding a subdivision to read:

*Subd. 5. [RATE REGULATION.] (a) Whenever an insurer files a change in its existing rate level or rating plan, the commissioner may hold a hearing to determine if the rate level or rating plan is excessive, inadequate, or unfairly discriminatory. The hearing must be conducted pursuant to chapter 14. The commissioner shall give notice of intent to hold a hearing within 90 days of the filing of the change. It is the responsibility of the insurer to show that the rate level or rating plan is not excessive, inadequate, or unfairly discriminatory. The rate level or rating plan is effective unless it is determined as a result of the hearing that the rate level or rating plan is excessive, inadequate, or unfairly discriminatory. Upon such a finding, the rate level or rating plan is retroactively rescinded and any premiums collected under it must be refunded. This subdivision does not apply to any changes resulting from assessments for the assigned risk plan, reinsurance association, guarantee fund, special compensation fund, or statutory benefit level changes to sections 176.101, subdivisions 1, 2, and 4, 176.111, 176.132, and 176.645 as a result of annual adjustments in the statewide average weekly wage. The disapproval of a rate level or rating plan under this subdivision must be done in the same manner as under section 70A.11, except that the standards of section 79.55 apply.*

*(b) Notwithstanding paragraph (a), if the commissioner of labor and industry petitions the commissioner for a hearing pursuant to this subdivision, the commissioner must hold a hearing if the commissioner of labor and industry certifies that the hearing is necessary because a decision of the supreme court or enactment of a statute has effected a substantial change in the basis upon which the existing rate levels or rating plan was filed. The commissioner of labor and industry must make a prima facie showing that law change has effected a substantial change in the basis upon which the existing rate levels or rating plan was filed.*

*(c) Notwithstanding paragraph (a), the commissioner may hold a hearing if the commissioner determines that the hearing is necessary because of circumstances which result in a substantial change in the basis upon which the existing rate levels or rating plan was filed. The commissioner must make a prima facie showing that the circumstances resulted in a substantial change in the basis upon which the existing rate levels or rating plan was filed.*

Sec. 12. [79.565] [PARTICIPATION.]

*An employer, or person representing a group of employers, that will be directly affected by a change in an insurer's existing rate level or rating plan filed under section 79.56, subdivision 5, and the commissioner of labor and industry, must be allowed to participate in any hearing under that subdivision challenging the change in rate level or rating plan as being excessive, inadequate, or unfairly discriminatory.*

Sec. 13. Minnesota Statutes 1990, section 79.58, subdivision 2, is amended to read:

Subd. 2. [RATING PLANS.] The commissioner may disapprove a rating plan of a data service organization if, after a hearing *conducted pursuant to chapter 14*, the commissioner finds that it is *excessive, inadequate, or unfairly discriminatory*. *The rating plan is effective until disapproved. It is the responsibility of the data service organization to show that the rating plan is not excessive, inadequate, or unfairly discriminatory.* Any order of disapproval shall require the data service organization to use an alternative rating plan until approval of a rating plan by the commissioner. The commissioner shall not approve any rating plan based upon any data other than Minnesota data, except that other data may be utilized as a supplement to Minnesota data when the commissioner determines that an exceptional case requires such data to establish the statistical credibility of an occupational classification.

Sec. 14. Minnesota Statutes 1990, section 79.61, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED ACTIVITY.] Any data service organization shall perform the following activities:

(a) File statistical plans, including classification definitions, amendments to the plans, and definitions, with the commissioner for approval, and assign each compensation risk written by its members to its approved classification for reporting purposes;

(b) Establish requirements for data reporting and monitoring methods to maintain a high quality data base;

(c) Prepare and distribute a periodic report, in a form prescribed by the commissioner, on ratemaking including, but not limited to the following elements:

(i) development factors and alternative derivations;

(ii) trend factors and alternative derivations and applications;

(iii) pure premium relativities for the approved classification system for which data are reported, provided that the relativities for insureds engaged in similar occupations and presenting substantially similar risks shall, if different, differ by at least ten percent; and

(iv) an evaluation of the effects of changes in law on loss data.

The report shall also include explicit discussion and explanation of methodology, alternatives examined, assumptions adopted, and areas of judgment and reasoning supporting judgments entered into, and the effect of various combinations of these elements on indications for modification of an overall pure premium rate level change. The pure premium relativities and rate level indications shall not include a loading for expenses or profit and no expense or profit data or recommendations relating to expense or profit shall be included in the report or collected by a data service organization;

(d) Collect, compile, summarize, and distribute data from members or other sources pursuant to a statistical plan approved by the commissioner;

(e) Prepare merit rating plan and calculate any variable factors necessary for utilization of the plan. Such a plan may be used by any of its members, at the option of the member provided that the application of a plan shall not result in rates that are unfairly discriminatory;

(f) Provide loss data specific to an insured to the insured at a reasonable

cost;

(g) Distribute information to an insured or interested party that is filed with the commissioner and is open to public inspection; ~~and~~

(h) Assess its members for operating expenses on a fair and equitable basis;

(i) *Separate the incurred but unreported losses of its members;*

(j) *Separate paid and outstanding losses of its members;*

(k) *Provide information indicating cases in which its members have established a reserve in excess of \$50,000;*

(l) *File information based solely on Minnesota data concerning its members' premium income, indemnity, and medical benefits paid.*

Sec. 15. [79.65] [DATA SERVICE ORGANIZATIONS; COVERAGE.]

*Subdivision 1. [EXAMINATION BY COMMISSIONER.] Data service organizations are subject to all the provisions of this chapter. The commissioner or an authorized representative of the commissioner may visit the rating association at any reasonable time and examine, audit, or evaluate the rating association's operations, records, and practices. For purposes of this section, "authorized representative of the commissioner" includes employees of the department of commerce or labor and industry or other parties retained by the commissioner. An examination under this section may be done of any member of data service organizations for purposes of workers' compensation insurance regulation.*

*Subd. 2. [COSTS AND EXPENSES.] The commissioner may order and the data service organization shall pay the costs and expenses of any examination, audit, or evaluation conducted pursuant to subdivision 1. If no order is issued, a sum sufficient to pay these costs and expenses is appropriated from the special compensation fund to the commissioner of commerce.*

Sec. 16. [79.70] [INVESTIGATIONS AND SUBPOENAS.]

*Subdivision 1. [GENERAL POWERS.] In connection with the administration of this chapter, the commissioner of commerce may:*

*(1) make public or private investigations within or without this state as the commissioner considers necessary to determine whether any person has violated or is about to violate this chapter or any rule or order under this chapter, or to aid in the enforcement of this chapter, or in the prescribing of rules or forms under this chapter;*

*(2) require or permit any person to file a statement in writing, under oath or otherwise as the commissioner determines, as to all the facts and circumstances concerning the matter being investigated;*

*(3) hold hearings, upon reasonable notice, in respect to any matter arising out of the administration of this chapter;*

*(4) conduct investigations and hold hearings for the purpose of compiling information with a view to recommending changes in this chapter to the legislature;*

*(5) examine the books, accounts, records, and files of every licensee under this chapter and of every person who is engaged in any activity*

*regulated under this chapter; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers, records, files, safes, and vaults maintained in the place of business;*

*(6) publish information which is contained in any order issued by the commissioner; and*

*(7) require any person subject to this chapter to report all sales or transactions that are regulated under this chapter. The reports must be made within ten days after the commissioner has ordered the report. The report is accessible only to the respondent and other governmental agencies unless otherwise ordered by a court of competent jurisdiction.*

**Subd. 2. [POWER TO COMPEL PRODUCTION OF EVIDENCE.]** *For the purpose of any investigation, hearing, or proceeding under this chapter, the commissioner or a designated representative may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of books, papers, correspondence, memoranda, agreements, or other documents or records that the commissioner considers relevant or material to the inquiry.*

**Subd. 3. [COURT ORDERS.]** *In case of a refusal to appear or a refusal to obey a subpoena issued to any person, the district court, upon application by the commissioner, may issue to any person an order directing that person to appear before the commissioner, or the officer designated by the commissioner, to produce documentary evidence if so ordered or to give evidence relating to the matter under investigation or in question. Failure to obey the order of the court may be punished by the court as a contempt of court.*

**Subd. 4. [SCOPE OF PRIVILEGE.]** *No person is excused from attending and testifying or from producing any document or record before the commissioner, or from obedience to the subpoena of the commissioner or any officer designated by the commissioner or in a proceeding instituted by the commissioner, on the ground that the testimony or evidence required may tend to incriminate that person or subject that person to a penalty or forfeiture. No person may be prosecuted or subjected to a penalty or forfeiture for a transaction, matter, or thing concerning which the person is compelled, after claiming the privilege against self-incrimination, to testify or produce documentary or other evidence except that the individual is not exempt from prosecution and punishment for perjury or contempt committed in testifying.*

**Subd. 5. [LEGAL ACTIONS; INJUNCTIONS; CEASE AND DESIST ORDERS.]** *(a) Whenever it appears to the commissioner that any person has engaged in or is about to engage in any act or practice constituting a violation of this chapter, or any rule or order adopted under this chapter, the commissioner has the powers indicated under paragraphs (b) and (c).*

*(b) The commissioner may bring an action in the name of the state in the district court of the appropriate county to enjoin the acts or practices and to enforce compliance with this chapter, or any rule or order adopted or issued under this chapter, or the commissioner may refer the matter to the attorney general or the county attorney of the appropriate county. Upon a proper showing, a permanent or temporary injunction, restraining order, or other appropriate relief must be granted.*

*(c) The commissioner may issue and serve an order requiring a person to cease and desist from violations of this chapter, or any rule or order adopted or issued under this chapter. The order must give reasonable notice*

*of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner. Within 20 days after receiving the administrative law judge's report, the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If a person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this paragraph.*

*Subd. 6. [VIOLATIONS AND PENALTIES.] The commissioner may impose a civil penalty not to exceed \$2,000 per violation upon a person who violates this chapter, unless a different penalty is specified under this chapter.*

*Subd. 7. [ACTIONS AGAINST LICENSEES.] In addition to any other actions authorized by this section, the commissioner may, by order, deny, suspend, or revoke the authority or license of a person subject to this chapter, or censure that person if the commissioner finds that the order is in the public interest or the person has violated this chapter.*

*Subd. 8. [POWERS ADDITIONAL.] The powers contained in subdivisions 1 to 8 are in addition to all other powers of the commissioner.*

**Sec. 17. [79.75] [ACCESS TO INSURER.]**

*The commissioner, or the designated person, shall have free access during normal business hours to all books, records, securities, documents, and any or all papers relating to the property, assets, business, and affairs of any company, applicant, association, or person that may be examined pursuant to this chapter for the purpose of ascertaining, appraising, and evaluating the assets, conditions, affairs, operations, ability to fulfill obligations, and compliance with all the provisions of law of the company or person insofar as any of the above pertain to the business of insurance of a person, organization, or corporation transacting, having transacted, or being organized to transact business in this state. Every company or person being examined including officers, directors, and agents, shall provide to the commissioner or the designated person convenient and free access at all reasonable hours at its office to all books, records, securities, documents, and any or all papers relating to the property, assets, business, and affairs of the company or person. The officers, directors, and agents of the company or person shall facilitate the examination and aid in the examination so far as it is in their power to do so.*

**Sec. 18. Minnesota Statutes 1990, section 176A.03, is amended by adding a subdivision to read:**

*Subd. 3. [COVERAGE OUTSIDE STATE.] Policies issued by the fund pursuant to this chapter may also provide workers' compensation coverage required under the laws of states other than Minnesota, including coverages commonly known as "all states coverage." The fund may apply for and obtain any licensure required in any other state in order to issue the coverage.*

Sec. 19. Minnesota Statutes 1990, section 221.141, subdivision 1, is amended to read:

Subdivision 1. [FINANCIAL RESPONSIBILITY OF CERTAIN CARRIERS.] No motor carrier and no interstate carrier shall operate a vehicle until it has obtained and has in effect the minimum amount of financial responsibility required by this section. Policies of insurance, surety bonds, other types of security, and endorsements must be continuously in effect and must remain in effect until canceled. Before providing transportation, the motor carrier or interstate carrier shall secure and cause to be filed with the commissioner and maintain in full effect, *both* a certificate of insurance in a form required by the commissioner, evidencing public liability insurance in the amount prescribed, *and acceptable evidences of compliance with the workers' compensation insurance coverage requirements of section 176.181, subdivision 2, by providing the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure.* The insurance must cover injuries and damage to persons or property resulting from the operation or use of motor vehicles, regardless of whether each vehicle is specifically described in the policy. This insurance does not apply to injuries or death to the employees of the motor carrier or to property being transported by the carrier. The commissioner shall require cargo insurance for certificated carriers, except those carrying passengers exclusively. The commissioner may require a permit carrier to file cargo insurance when the commissioner deems necessary to protect the users of the service.

Sec. 20. [NOTICE OF INTENT TO CHALLENGE RATE LEVEL CHANGE.]

*Notwithstanding Minnesota Statutes, section 79.56, subdivision 5, the commissioner shall have an additional 90 days to give notice of intent to hold a hearing pursuant to that section. This section applies only to challenges to an insurer's change in existing rate levels or rating plan filed between the date the 1992 report required under Minnesota Statutes, section 79.60, is approved by the commissioner of commerce and six months thereafter.*

Sec. 21. [MANDATED REDUCTIONS.]

*(a) As a result of the workers' compensation law changes in articles 1 to 4 and the resulting savings to the costs of Minnesota's workers' compensation system, an insurer's approved schedule of rates in effect on October 1, 1991, must be reduced by 17 percent and applied by the insurer to all policies issued, renewed, or outstanding on or after that date. An insurer may not adjust its filed rating plan to recoup the 17 percent mandated rate reduction under this section. The reduction must be computed on the basis of a 17 percent premium reduction prorated to the expiration of that policy. An insurer shall provide a written notice by November 1, 1991, to all employers having an outstanding policy with the insurer as of October 1, 1991, that reads as follows: "As a result of the changes in the workers' compensation insurance system enacted by the 1991 legislature, you are entitled to a credit or refund to your current premium in an amount of \$ . . . . . which reflects a 17 percent mandated premium reduction prorated to the expiration of your policy."*

*(b) No rate increases may be filed between April 1, 1991, and January 1, 1992.*

*(c) The commissioner of labor and industry shall survey Minnesota*

*employers to determine if the mandated workers' compensation insurance rate reductions required under this section have been implemented by insurers, both as to amount and in a manner that is uniform and nondiscriminatory between employers having similar risks with respect to a particular occupational classification. The commissioner shall present a report detailing the findings and conclusions to the legislature by March 1, 1992.*

Sec. 22. [ADJUSTMENT.]

*Within 60 days of final enactment of this legislation, the board shall determine whether any adjustment in the assigned risk rates in effect as of the date of enactment are required by this section.*

Sec. 23. [REPEALER.]

*Minnesota Statutes 1990, sections 79.54; 79.57; and 79.58, subdivision 1, are repealed.*

Sec. 24. [EFFECTIVE DATE.]

*This article is effective January 1, 1992; except that section 21, paragraphs (a) and (c), are effective October 1, 1991; and section 21, paragraph (b), is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to workers' compensation; regulating benefits, providers, dispute resolution, and insurance; appropriating money; imposing penalties; amending Minnesota Statutes 1990, sections 15A.083, subdivision 7; 79.095; 79.251, subdivisions 1, 2, 3, 4, and 5; 79.252, subdivisions 1, 3, and 5; 79.55, subdivision 2; 79.56, by adding a subdivision; 79.58, subdivision 2; 79.61, subdivision 1; 175.007; 176.011, subdivisions 3, 11a, 18, 27, and by adding a subdivision; 176.021, subdivision 3; 176.041, subdivision 1a; 176.061, subdivision 10, and by adding a subdivision; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 4, 5, 6, and by adding subdivisions; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 7, 9, and 11; 176.105, subdivisions 1 and 4; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 18, 20, and 21; 176.131, subdivision 8, and by adding a subdivision; 176.132, subdivisions 1, 2, and 3; 176.135, subdivisions 1, 1a, 5, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.179; 176.183, subdivision 1; 176.215, by adding a subdivision; 176.221, subdivision 6a; 176.305, subdivision 1; 176.351, subdivision 2a; 176.421, subdivision 7; 176.442; 176.461; 176.645, subdivisions 1 and 2; 176.66, subdivision 11; 176.82; 176.83, subdivisions 5, 6, and by adding a subdivision; 176A.03, by adding a subdivision; 221.141, subdivision 1; 268.08, subdivision 3; 353.33, subdivision 5; and 480A.06, subdivisions 3 and 4; proposing coding for new law in Minnesota Statutes, chapters 79; and 176; repealing Minnesota Statutes 1990, sections 79.54; 79.57; 79.58, subdivision 1; 175A.01; 175A.02; 175A.03; 175A.04; 175A.05; 175A.06; 175A.07; 175A.08; 175A.09; 175A.10; 176.011, subdivision 26; 176.101, subdivisions 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, 3j, 3k, 3l, 3m, 3n, 3o, 3p, 3q, 3r, 3s, 3t, and 3u; 176.106; 176.111, subdivision 8a; 176.135, subdivision 3; and 176.136, subdivision 5."

Mr. Waldorf questioned whether the amendment was germane.

The Chair ruled that the amendment was not germane.

Mr. Gustafson appealed the decision of the Chair.

The question was taken on "Shall the decision of the Chair be the judgment



of the Senate?"

There were yeas 33 and nays 19, as follows:

Those who voted in the affirmative were:

Adkins	Flynn	Lessard	Morse	Solon
Beckman	Hottinger	Luther	Novak	Stumpf
Belanger	Hughes	Marty	Pappas	Traub
Chmielewski	Johnson, D.J.	Merriam	Price	Vickerman
Cohen	Johnson, J.B.	Metzen	Ranum	Waldorf
Davis	Kelly	Moe, R.D.	Reichgott	
Finn	Kroening	Mondale	Sams	

Those who voted in the negative were:

Benson, D.D.	Day	Johnson, D.E.	Larson	Olson
Benson, J.E.	Frederickson, D.R.	Johnston	McGowan	Pariseau
Bernhagen	Gustafson	Knaak	Mehrkens	Storm
Brataas	Halberg	Laidig	Neuville	

The decision of the Chair was sustained.

On motion of Mr. Moe, R.D., the report of the Committee of the Whole, as kept by the Secretary, was adopted.

### 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 Senate 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. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 598: A bill for an act relating to transportation; establishing state transportation goals and requiring periodic revisions of the state transportation plan; directing a study of rail-highway grade crossings; establishing penalties for violations of grade crossing safety laws; directing the commissioner to take certain actions relating to grade crossings; authorizing the commissioner of transportation to make grants and loans for the improvement of commercial navigation facilities; establishing special categories of roads and highways; authorizing local units of government to advance funds for the completion of highway projects; authorizing road authorities to enter into agreements for the construction, maintenance, and operation of toll facilities; creating a transportation services fund; specifying percentage of unrefunded motor fuel tax revenue that is attributable to use on forest roads; authorizing the commissioner of transportation to plan, acquire, construct, and equip light rail transit facilities; authorizing regional rail authorities to seek federal funds and construct a demonstration project; authorizing transportation research; directing a study of highway corridors; extending the transportation study board and specifying duties; appropriating money; amending Minnesota Statutes 1990, sections 162.02, subdivision 3a; 162.09, subdivision 3a; 162.14, subdivision 6; 168.54, subdivisions 5 and 6; 169.09, subdivision 13; 169.14, by adding a subdivision; 169.26; 170.23; 171.13, subdivision 1, and by adding a subdivision; 171.185; 171.26; 171.36; 173.13, subdivision 4; 173.231; 174.01; 174.03, subdivision 2,

and by adding a subdivision; 219.074, by adding a subdivision; 219.402; 221.036, subdivision 14; 222.50, subdivision 7; 296.16, subdivision 1a; 296.421, subdivision 8; 297A.02, by adding a subdivision; 297.44, subdivision 1; 299D.03, subdivision 5; 473.373, subdivision 4a; 473.3993, subdivisions 2 and 3, and by adding a subdivision; 473.3994; and 473.3996; proposing coding for new law in Minnesota Statutes, chapters 3; 160; 161; 162; 174; 219; and 221; proposing coding for new law as Minnesota Statutes, chapter 457A; repealing Laws 1988, chapter 603, section 6.

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

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### TRANSPORTATION PLANNING

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

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

*Subd. 2.* [TRANSPORTATION GOALS.] *The goals of the state transportation system are as follows:*

- (1) to provide safe transportation for users throughout the state;*
- (2) to provide multimodal transportation that enhances mobility and economic development and provides access to all persons and businesses in Minnesota while ensuring that there is no undue burden placed on any community;*
- (3) to provide a reasonable travel time for commuters;*
- (4) to provide for the economical, efficient, and safe movement of goods to and from markets by rail, highway, and waterway;*
- (5) to encourage tourism by providing appropriate transportation to Minnesota facilities designed to attract tourists;*
- (6) to provide transit services throughout the state to meet the needs of transit users;*
- (7) to promote productivity through system management and the utilization of technological advancements;*
- (8) to maximize the benefits received for each state transportation investment;*
- (9) to provide funding for transportation that, at a minimum, preserves the transportation infrastructure;*
- (10) to ensure that the planning and implementation of all modes of transportation are consistent with the environmental and energy goals of the state;*

(11) to increase high occupancy vehicle use;

(12) to provide an air transportation system sufficient to encourage economic growth and allow all regions of the state the ability to participate in the global economy while limiting the environmental impacts to the fewest number of people practicable; and

(13) to increase transit use in the metropolitan area by giving highest priority to the transportation modes with the greatest people moving capacity.

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

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

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

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

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

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

## ARTICLE 2

### RAILROAD CROSSINGS

#### Section 1. [RAIL-HIGHWAY CROSSING IMPROVEMENT.]

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

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

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

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

*(3) grade crossing safety research needs;*

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

*(5) the adequacy of existing and proposed methods of grade crossing safety, including:*

*(i) train visibility;*

*(ii) signal and warning device design;*

*(iii) a public reporting system for malfunctioning warning devices;*

*(iv) improved systems of crossing warnings; and*

*(v) recommendations for additional funds for rail crossing safety education; and*

*(6) methods for establishing statewide priorities for grade crossing safety and for implementing these priorities.*

*Subd. 3. [REPORT.] The commissioner shall report to the governor and legislature no later than February 1, 1992, on the results of the study.*

Sec. 2. Minnesota Statutes 1990, section 169.26, is amended to read:  
169.26 [SPECIAL STOPS AT RAILROADS.]

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

(1) a clearly visible electric or mechanical signal device warns of the immediate approach of a railroad train;

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

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

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

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

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

*Subd. 2. [PENALTY.] (a) A ~~person~~ driver who violates ~~this section~~ subdivision 1 is guilty of a misdemeanor.*

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

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

*Subd. 4. [APPROPRIATION.] The fines collected for a violation of subdivision 1 must be deposited in the state treasury and credited to the transportation services fund.*

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

Subdivision 1. [APPLICANTS.] Except as otherwise provided in this section, the commissioner shall examine each applicant for a driver's license by such agency as the commissioner directs. This examination must include a test of applicant's eyesight; ability to read and understand highway signs regulating, warning, and directing traffic; knowledge of traffic laws; knowledge of the effects of alcohol and drugs on a driver's ability to operate a motor vehicle safely and legally; *knowledge of railroad grade crossing safety*; an actual demonstration of ability to exercise ordinary and reasonable control in the operation of a motor vehicle; and other physical and mental examinations as the commissioner finds necessary to determine the applicant's fitness to operate a motor vehicle safely upon the highways, provided, further however, no driver's license shall be denied an applicant on the exclusive grounds that the applicant's eyesight is deficient in color perception. Provided, however, that war veterans operating motor vehicles especially equipped for handicapped persons, shall, if otherwise entitled to a license, be granted such license. The commissioner shall make provision for giving these examinations either in the county where the applicant resides or at a place adjacent thereto reasonably convenient to the applicant.

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

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

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

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

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

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

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

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

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

Sec. 8. Minnesota Statutes 1990, section 219.402, is amended to read:  
219.402 [ADEQUATE CROSSING PROTECTION.]

Crossing safety devices or improvements installed or maintained under this chapter as approved by the board, or the commissioner, whether by order or otherwise, are adequate and appropriate protection for the crossing.

### ARTICLE 3

#### PORT DEVELOPMENT ASSISTANCE

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

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

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

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

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

*Subd. 5. [COMMERCIAL NAVIGATION SYSTEM.] "Commercial navigation system" means (1) the commercially navigable waters of the Mississippi, the Minnesota, and the St. Croix rivers, (2) the commercial harbors on Minnesota's Lake Superior shoreline, and (3) the commercial navigation facilities on those waterways.*

*Subd. 6. [PERSON.] "Person" means an individual, a partnership, a corporation, an association, or other organization or entity that applies for assistance under this chapter.*

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

*The commissioner shall administer the port development assistance program and may make grants and loans to and enter into assistance agreements with eligible recipients under section 3, subdivision 1.*

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

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

*Subd. 2. [TYPES OF ASSISTANCE.] The commissioner may make loans for a project that will (1) expedite the movement of commodities and passengers on the commercial navigation system; or (2) enhance the commercial vessel construction and repair industry in Minnesota. The commissioner may make grants, or a combination of grants and loans for a project that additionally enhances economic development in and around the commercial navigation facility being assisted.*

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

**Sec. 4. [457A.04] [ASSISTANCE AGREEMENTS.]**

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

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

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

*(b) The following costs may not be paid under this chapter:*

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

*Subd. 3. [INSURANCE; LIABILITY.] The recipient must provide a comprehensive general liability insurance policy that names the commissioner and officers, employees, and agents of the department as additional insureds and saves and holds the commissioner harmless from and against all liability, damage, loss, claims, demands, and actions related to the project.*

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

*Subd. 5. [REPAYMENT.] An assistance agreement must require the recipient to repay all or part of any money received, as determined by the commissioner, if the project is not completed according to the terms of the assistance agreement or the project is converted, during the period of time*

*specified in the assistance agreement, to a use that is inconsistent with the purposes of this chapter or with the terms of the assistance agreement or is not approved in writing by the commissioner.*

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

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

*(1) procedures for establishing application deadlines and for notifying potential applicants of the deadlines;*

*(2) project eligibility criteria;*

*(3) information required to be submitted with applications;*

*(4) contents of assistance agreements; and*

*(5) any other requirement the commissioner deems necessary for the administration of this chapter.*

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

*A port development revolving fund is established in the state treasury. The fund consists of all money appropriated to the commissioner for the purposes of this chapter and all money received by the commissioner from repayment of loans made under this chapter.*

**Sec. 7. [EFFECTIVE DATE.]**

*Sections 1 to 6 are effective July 1, 1991.*

**ARTICLE 4**

**LOCAL HIGHWAYS**

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

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

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

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

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



*Subd. 3. [LIABILITY.] Where a county state-aid highway has been designated a natural preservation route and signs have been posted under subdivision 2, the state and the county with jurisdiction over the road and their officers and employees are exempt from liability for any tort claim for injury to persons or property arising from travel on the highway and related to its design standards for construction or reconstruction, if the design standards comply with the standards established by the commissioner under subdivision 1.*

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

*Subd. 5. [DESIGNATION OF ROUTE.] A county state-aid highway may be designated as a natural preservation route only by resolution of the county board. The county board shall act within 60 days after receiving a written request to designate a county state-aid highway a natural preservation route. A county board may designate a natural preservation route notwithstanding whether construction or reconstruction is proposed for the highway.*

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

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

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

*Subd. 3. [LIABILITY.] A road authority making changes in a park road described in subdivision 1, and its officers and employees, are exempt from liability for any tort claim for injury to persons or property arising from travel on that park road and related to the design of that park road, if the design is adopted to conform to this section, the design complies with the minimum state-aid standard applicable to the road, and the design is not grossly negligent.*

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

*Subdivision 1. [DEFINITION.] A "rustic road" is a road that is not on the state-aid system that has the following characteristics: outstanding natural features or scenic beauty; an average daily traffic volume of less than 150 vehicles per day; year-round use as a local access road; and maximum allowable speed of 45 miles per hour.*

*Subd. 2. [LOCAL AUTHORITY.] A road authority other than the commissioner may, by resolution, designate a road or highway under its jurisdiction a rustic road and the road authority may designate the type and character of vehicles that may be operated on the rustic road; designate the road or a portion of the road as a pedestrian way or bicycle way, or both; and establish priority of right-of-way, paint lines, and construct dividers to physically separate vehicular, bicycle, or pedestrian traffic.*

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

*Subd. 4. [COSTS.] A rustic road must be maintained by the road authority having jurisdiction over the road and is not eligible for state-aid funding. State money must not be spent to construct, reconstruct, maintain, or improve a rustic road.*

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

*Subdivision 1. [ADVANCE FUNDING.] A road authority other than the commissioner may by agreement with the commissioner make advances from any available funds to the commissioner to expedite construction of all or part of a trunk highway. Money may be advanced under this section only for projects already included in the commissioner's highway work program.*

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

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

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

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

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

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

Subd. 6. [ADVANCES.] Any such city, except cities of the first class, may make advances from any funds available to it for the purpose of expediting the construction, reconstruction, improvement, or maintenance of its municipal state-aid street system; provided that such advances shall not exceed ~~40 percent of its last apportionment~~ *the city's total estimated apportionment for the three years following the year the advance is made.* Advances made by any such city shall be repaid out of subsequent apportionments made to such city in accordance with the commissioner's rules.

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

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

## ARTICLE 5

### TOLL FACILITIES

#### Section 1. [160.83] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] The terms used in sections 1 to 7 have the meanings given them in this section and section 160.02.*

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

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

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

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

*Subd. 6. [PRIVATE OPERATOR.] "Private operator" means an individual, a corporation, a partnership, a cooperative or unincorporated association, a joint venture, or a consortium that constructs, improves, rehabilitates, owns, leases, operates, or manages a toll facility subject to sections 1 to 7.*

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

*Subd. 8. [TOLL FACILITY.] "Toll facility" means a bridge, causeway, or tunnel, and its approaches; a road, street, or highway; an appurtenant building, structure, or other improvement; land lying within applicable rights-of-way; and other appurtenant rights or hereditaments that together comprise a project for which a private operator is authorized to operate and impose tolls under sections 1 to 7.*

**Sec. 2. [160.84] [AUTHORITY.]**

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

*Subd. 2. [PRIVATE OPERATORS.] Private operators are authorized to construct, improve, rehabilitate, own, lease, manage, and operate toll facilities subject to the terms of sections 1 to 7. Private operators may mortgage, grant security interests in, and pledge their interests in: (1) toll facilities and their components; (2) development, lease, toll concessions, and other related agreements; and (3) income, profits, and proceeds of the toll facility.*

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

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

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

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

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

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

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

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

*Subd. 7. [TOLL FACILITY ACQUIRED BY ROAD AUTHORITY.] A development agreement that requires transfer or reversion of a toll facility to a road authority may provide the terms of the transfer or reversion. The private operator shall provide the security agreed upon in the development agreement to ensure that, upon reversion, the facility meets construction and maintenance standards of the road authority applicable at the time of construction.*

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

**Sec. 3. [160.85] [DEVELOPMENT AGREEMENTS; MANDATORY PROVISIONS.]**

*A development agreement must include the following provisions:*

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

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

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

(d) *The toll facility is subject to regular inspections by the road authority*

and the commissioner.

(e) The road authority shall provide maintenance, snow removal, and police services to the toll facility and the private operator shall pay the road authority an amount agreed upon in the development agreement for the services provided.

#### Sec. 4. [160.86] [COST RECOVERY.]

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

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

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

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

#### Sec. 5. [160.87] [LAW ENFORCEMENT.]

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

#### Sec. 6. [160.88] [JOINT AUTHORITY.]

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

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

#### Sec. 7. [160.89] [TOLL FACILITY REPLACEMENT PROJECTS.]

*When a highway project in the metropolitan area, as defined in Minnesota Statutes, section 473.121, subdivision 2, has been scheduled in the department's six-year work program but is designated as a toll facility, the commissioner shall substitute in the work program a similar highway project in the metropolitan area.*

## ARTICLE 6

### TRANSPORTATION FUNDING

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

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

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

Sec. 2. Minnesota Statutes 1990, section 173.13, subdivision 4, is amended to read:

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

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

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

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

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

Sec. 3. Minnesota Statutes 1990, section 296.02, subdivision 1b, is amended to read:

Subd. 1b. [RATES IMPOSED.] The gasoline excise tax is imposed at the following rate:

For the period on and after ~~May 1, 1988~~ July 1, 1991, gasoline is taxed at the rate of 29 23 cents per gallon.

Sec. 4. Minnesota Statutes 1990, section 296.16, subdivision 1a, is amended to read:

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

Sec. 5. Minnesota Statutes 1990, section 296.421, subdivision 8, is amended to read:

Subd. 8. [COMPUTATION AND DISTRIBUTION OF UNREFUNDED

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

Sec. 6. Minnesota Statutes 1990, section 299D.03, subdivision 5, is amended to read:

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

(b) Notwithstanding any other provisions of law, all fines and forfeited bail money from violations of statutes governing the maximum weight of motor vehicles, collected from persons apprehended or arrested by employees of the state of Minnesota, by means of stationary or portable scales operated by these employees, shall be paid by the person or officer collecting the fines or forfeited bail money, on or before the tenth day after the last day of the month in which the collections were made, to the county treasurer of the county where the violation occurred. Five-eighths of these receipts shall be transmitted by that officer to the state treasurer and shall be credited ~~to the highway user tax distribution fund~~ *as follows: \$600,000 annually to the transportation services fund and the balance of the receipts to the highway user tax distribution fund.* Three-eighths of these receipts shall be credited to the general revenue fund of the county.

Sec. 7. Laws 1990, chapter 610, article 1, section 13, subdivision 5, is amended to read:

Subd. 5. Local Bridge Replacement  
and Rehabilitation

5,600,000

This appropriation is from the state transportation fund.



(a) This appropriation shall be distributed by the commissioner of transportation as grants to political subdivisions for the construction and reconstruction of key bridges on highways and streets under their jurisdiction. The grants shall not exceed the following aggregate amounts:

(1) To counties	\$3,304,000
(2) To home rule charter and statutory cities	\$ 784,000
(3) To towns	\$1,512,000

(b) The grants may be used by a political subdivision to:

(1) Construct and reconstruct key bridges under their jurisdiction;

(2) Match federal-aid grants for construction and reconstruction of the bridges;

(3) Pay the costs of preliminary engineering and environmental studies for the bridges;

(4) Pay the costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement is made; ~~and~~

(5) Pay the cost of constructing a road or street that would facilitate the abandonment of an existing deficient bridge. The construction of the road or street must be judged by the commissioner to be more cost-efficient than the reconstruction or replacement of the existing bridge; *and*

(6) *Pay the cost of constructing a water retention structure that replaces an existing deficient bridge and is included in a county comprehensive water plan approved by the board of water and soil resources and the department of natural resources. The participating cost is limited to the cost of drainage structures and roadway grading other than surfacing and is limited to an amount that does not exceed the cost of constructing a replacement bridge.*

#### Sec. 8. [APPROPRIATION.]

*Subdivision 1. [GENERAL APPROPRIATION.] \$1,200,000 is appropriated from the transportation services fund as provided in subdivision 2.*

	1992	1993
<i>Subd. 2. Department of Transportation</i>		
<i>(a) Conduct railroad crossing protection study</i>	\$ 60,000	\$ -0-
<i>(b) Inventory railroad grade crossings</i>	293,000	363,000
<i>(c) Develop public education program</i>	20,000	20,000
<i>(d) Promulgate railroad crossing rules and standards</i>	24,000	24,000
<i>(e) Promulgate port improvement assistance rules and document projects</i>	-0-	75,000
<i>Subd. 3. Transportation Study Board</i>	150,000	150,000

Sec. 9. [EFFECTIVE DATE.]

*Section 3 is effective July 1, 1991, and applies to gasoline and special fuel in distributor storage on that date. Section 6 is effective the day after final enactment. The remaining sections are effective July 1, 1991.*

ARTICLE 7

METROPOLITAN TRANSPORTATION DEVELOPMENT

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

*The commissioner of transportation may plan, acquire, construct, and equip light rail transit facilities in the metropolitan area as provided in sections 473.399 to 473.3996 and sections 1 and 3 to 11 and may exercise the powers granted in chapter 174 as necessary for this purpose. The commissioner shall review and approve all preliminary design, preliminary engineering, and final design plans for light rail transit facilities.*

Sec. 2. Minnesota Statutes 1990, section 473.373, subdivision 4a, is amended to read:

Subd. 4a. [MEMBERSHIP.] (a) The board consists of 11 members with governmental or management experience. Appointments are subject to the advice and consent of the senate. Terms of members are four years commencing on the first Monday in January of the first year of the term.

(b) The council shall appoint eight members, ~~one from each of the following agency districts:~~

- (1) district A, consisting of council districts 1 and 2;
- (2) district B, consisting of council districts 3 and 7;
- (3) district C, consisting of council districts 4 and 5;
- (4) district D, consisting of council districts 6 and 11;
- (5) district E, consisting of council districts 8 and 10;
- (6) district F, consisting of council districts 9 and 13;
- (7) district G, consisting of council districts 12 and 14; and
- (8) district H, consisting of council districts 15 and 16 as provided in section 473.141, subdivision 2, paragraph (d).

At least Six must be elected officials of statutory or home rule charter

cities, towns, or counties. Two of these officials must be county board members, each from a different county, and four must be elected officials of cities or towns. Service on the board of a person who is appointed as an elected official may continue only as long as the person holds the office. At least 30 days before the expiration of a term or upon the occurrence of a vacancy, the council shall request nominations for the position from relevant organizations of local elected officials, such as the association of metropolitan municipalities, the metropolitan intercounty association, the association of urban counties, and where applicable, the association of townships. Each relevant organization shall nominate at least two persons for each position. A local governmental unit that is not a member of an organization may submit nominations independently. The council shall make its appointments from the nominations submitted to it to the extent possible consistent with the other requirements of this paragraph and with the appointment of a board that fairly reflects the diverse areas and constituencies affected by transit.

(c) The governor shall appoint, in addition to the chair, two persons, one who is age 65 or older at the time of appointment, and one with a disability. These appointments must be made following the procedures of section 15.0597. In addition, at least 30 days before the expiration of a term or upon the occurrence of a vacancy in the office held by a senior citizen or a person with a disability, the governor shall request nominations from organizations of senior citizens and persons with disabilities. Each organization shall nominate at least two persons. The governor shall consider the nominations submitted.

(d) No more than three of the members appointed under paragraphs (b) and (c) may be residents of the same statutory or home rule city or town, and none may be a member of the joint light rail transit advisory committee established under section 473.3991.

Sec. 3. Minnesota Statutes 1990, section 473.3993, subdivision 2, is amended to read:

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

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

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

Sec. 4. Minnesota Statutes 1990, section 473.3993, is amended by adding a subdivision to read:

Subd. 2a. [PRELIMINARY ENGINEERING PLAN.] “Preliminary engineering plan” means a light rail transit engineering plan that includes plans for the physical design of the facilities at approximately the 30 percent engineering level; a funding plan for final design, construction, and operation; and an implementation method.

Sec. 5. Minnesota Statutes 1990, section 473.3993, subdivision 3, is

amended to read:

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

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

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

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

Sec. 6. Minnesota Statutes 1990, section 473.3994, is amended to read:

473.3994 [LIGHT RAIL TRANSIT; ~~DESIGN~~ FACILITY PLANS.]

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

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

Subd. 3. [PRELIMINARY DESIGN AND PRELIMINARY ENGINEERING PLANS; LOCAL APPROVAL.] At least 30 days before the hearing under subdivision 2, the proposer shall submit the physical design component of the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town shall hold a public hearing, except that a county board need not hold a hearing if the county board membership is identical to the membership of the regional railroad authority submitting the plan for review. Within 45 days after the hearing under subdivision 2, the city, county, or town shall review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of

government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45 days after the hearing is deemed to be approval, unless an extension of time is agreed to by the city, county, or town and the proposer.

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

Subd. 5. [FINAL DESIGN PLANS.] (a) Before beginning construction, the proposer shall submit the physical design component of final design plans to the governing body of each statutory and home rule city, county, and town in which the route is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town shall review and approve or disapprove the plans for the route located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within the time period is deemed to be approval, unless an extension is agreed to by the city, county, or town and the proposer.

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

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

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

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

Sec. 7. Minnesota Statutes 1990, section 473.3996, is amended to read:

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

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

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

Sec. 8. [473.3997] [COUNCIL APPROVAL OF FEDERAL FUNDING.]

*No political subdivision or regional rail authority in the metropolitan area may seek or receive federal financial assistance for design or construction of light rail transit facilities without prior approval of the metropolitan council.*

Sec. 9. [473.3998] [LIGHT RAIL TRANSIT JOINT POWERS BOARD.]

*A light rail transit joint powers board shall be formed under section 471.59 to implement light rail transit final design and construction of the corridors funded solely with federal and county funds. The board shall consist of a voting member from the metropolitan transit commission, the department of transportation, the regional transit board, the metropolitan council, and the regional rail authorities of Hennepin, Ramsey, Anoka, Washington, Dakota, Scott, and Carver counties, plus an additional voting member from a county regional rail authority with a corridor in which final design has begun.*

Sec. 10. [CENTRAL CORRIDOR FACILITIES.]

*Subdivision 1. [CONSTRUCTION.] The commissioner of transportation shall review and approve preliminary engineering plans, prepare final design plans, and construct light rail transit facilities in the central corridor. The commissioner shall submit final design plans for review in the manner provided under Minnesota Statutes, sections 473.3994 and 473.3996.*

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

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

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

Sec. 11. [REPEALER.]

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

Sec. 12. [APPLICATION.]

*Sections 1 to 11 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.*

## ARTICLE 8

### TRANSPORTATION STUDIES

Section 1. [161.53] [RESEARCH ACTIVITIES.]

*The commissioner may set aside for transportation research in each fiscal year up to one percent of the total amount of all funds appropriated to the commissioner other than county state-aid and municipal state-aid highway funds. The commissioner shall spend this money for (1) research to improve the design, construction, maintenance, management, and environmental compatibility of transportation systems; (2) research on transportation policies that enhance energy efficiency and economic development; (3) programs for implementing and monitoring research results; and (4) development of transportation education and outreach activities. Of all funds*

*appropriated to the commissioner other than state-aid funds, the commissioner shall spend 0.1 percent, but not exceeding \$800,000 in any fiscal year, for research and related activities performed by the center for transportation studies of the University of Minnesota. The center shall establish a technology transfer and training center for Minnesota transportation professionals.*

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

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

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

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

*(2) improvements needed to bring the highways to expressway standards and the cost of the improvements;*

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

*(4) a schedule for completing the improvements.*

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

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

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

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

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

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

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



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

**Sec. 4. [3.863] [DUTIES.]**

*The transportation study board shall perform the following duties:*

*(1) review and participate with the house of representatives and senate transportation committees in developing recommendations for state transportation policies;*

*(2) monitor state transportation programs, expenditures, and activities;*

*(3) review and participate in the coordination of legislative initiatives that affect state and local transportation agencies; and*

*(4) propose special studies to the legislature and conduct studies at the direction of the legislature.*

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

*Subdivision 1. [STUDIES.] The board shall conduct the studies in subdivisions 2 to 8 by January 1, 1993. The board may request the commissioner of transportation to conduct any of the studies and report to the board and the legislature.*

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

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

*(1) development of a state jurisdiction plan, including:*

*(i) criteria for determining the functional class of every street and highway in the state;*

*(ii) identification of the appropriate jurisdiction of every street and highway, based on functional class; and*

*(iii) criteria for determining when jurisdiction should be based on factors other than functional class;*

*(2) recommendations for implementing the jurisdiction plan; and*

*(3) recommendations for changes in law to facilitate future jurisdiction transfers, including establishment of a highway jurisdiction board.*

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

*Subd. 4. [LIGHT RAIL TRANSIT.] The board shall review and report to the legislature on preliminary engineering plans for light rail transit*

*adopted by the commissioner of transportation under article 7.*

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

- (1) formulas for distributing money;*
- (2) methods of measuring and quantifying the factors used in the formulas;*
- (3) the role of screening boards in the distribution of state-aid funds;*
- (4) methods to mitigate reductions in state aid resulting from changes in state-aid formulas and distribution procedures; and*
- (5) appropriate levels of state participation in the cost of constructing and maintaining county state-aid highways and municipal state-aid streets.*

*Subd. 6. [LOCAL PARTICIPATION IN TRUNK HIGHWAY PROJECTS.] The board shall study the role of local units of government in funding trunk highway construction or reconstruction projects. The study must recommend guidelines for local participation and the types of projects for which participation is feasible and desirable.*

*Subd. 7. [INCREASED USE OF HIGH-OCCUPANCY VEHICLES.] The board shall study incentives for increasing the use of high-occupancy vehicles and shall evaluate:*

- (1) tax incentives to employees;*
- (2) tax incentives and other incentives to employers;*
- (3) parking charges designed to discourage single-occupant vehicles and promote high-occupancy vehicles;*
- (4) road pricing on freeways and other commuting routes;*
- (5) staggered work hours;*
- (6) expanded availability and reduced cost of regular-route transit; and*
- (7) increased use of demand-responsive transit to meet the needs of persons otherwise automobile dependent.*

*Subd. 8. [LOCAL FINANCING STUDY.] Before the 1992 legislative session, the board and the legislature shall study the use and effect of methods other than property tax revenues to finance local transportation improvements, including impact fees, transportation utility fees, and similar methods.*

**Sec. 6. [EFFECTIVE DATE.]**

*Sections 1 to 5 are effective June 1, 1991."*

Delete the title and insert:

"A bill for an act relating to transportation; establishing state transportation goals and requiring periodic revisions of the state transportation plan; directing a study of rail-highway grade crossings; establishing penalties for violations of grade crossing safety laws; authorizing the commissioner of transportation to make grants and loans for the improvement of commercial navigation facilities; establishing special categories of roads and highways; authorizing local units of government to advance funds for the completion of highway projects; authorizing road authorities to enter into agreements

for the construction, maintenance, and operation of toll facilities; creating a transportation services fund; specifying percentage of unrefunded motor fuel tax revenue that is attributable to use on forest roads; authorizing the use of local bridge grant funds to construct drainage structures; authorizing the commissioner of transportation to plan, acquire, construct, and equip light rail transit facilities; creating a light rail transit joint powers board; authorizing transportation research; directing a study of highway corridors; extending the transportation study board and specifying duties; appropriating money; amending Minnesota Statutes 1990, sections 162.02, subdivision 3a; 162.09, subdivision 3a; 162.14, subdivision 6; 169.14, by adding a subdivision; 169.26; 171.13, subdivision 1, and by adding a subdivision; 173.13, subdivision 4; 174.01; 174.03, subdivision 2, and by adding a subdivision; 219.074, by adding a subdivision; 219.402; 296.02, subdivision 1b; 296.16, subdivision 1a; 296.421, subdivision 8; 299D.03, subdivision 5; 473.373, subdivision 4a; 473.3993, subdivisions 2 and 3, and by adding a subdivision; 473.3994; and 473.3996; Laws 1990, chapter 610, article 1, section 13, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 3; 160; 161; 162; 174; 219; and 473; proposing coding for new law as Minnesota Statutes, chapter 457A; repealing Laws 1989, chapter 339, section 21."

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

Mr. Merriam from the Committee on Finance, to which was re-referred

S.F. No. 1182: A bill for an act relating to state buildings; requiring the commissioner of finance to prepare a debt capacity forecast covering the next six fiscal years and all types of debt instruments; requiring capital facilities notes; requiring the commissioner of administration to review capital budget requests for state buildings; requiring a report; amending Minnesota Statutes 1990, section 16A.11, subdivisions 1 and 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters 16A and 16B.

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

Page 2, line 7, strike "April" and insert "*June*"

Page 3, after line 22, insert:

"Sec. 6. Minnesota Statutes 1990, section 16A.662, subdivision 2, is amended to read:

Subd. 2. [BONDS AUTHORIZED.] When authorized by law enacted in accordance with the constitution, article XI, sections 5 and 7, the commissioner may by order sell and issue ~~infrastructure development~~ bonds of the state evidencing public debt incurred for any purpose stated in the law. The bonds are general obligations of the state, and the full faith and credit of the state are pledged for their payment.

Sec. 7. Minnesota Statutes 1990, section 16A.662, subdivision 4, is amended to read:

Subd. 4. [ESTABLISHMENT OF DEBT SERVICE ACCOUNT; APPROPRIATION OF DEBT SERVICE ACCOUNT MONEY.] There is established within the state bond fund a separate and special account designated as the

infrastructure development bond debt service account. ~~There must be transferred to this debt service account in each fiscal year from money in the infrastructure development fund, other than bond proceeds and interest earned on bond proceeds, an amount sufficient to increase the balance on hand in the debt service account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding infrastructure development bonds to and including the second following July 1. The amount necessary to make the transfer is appropriated from the infrastructure development fund. The money on hand in the debt service account must be used solely for the payment of the principal of, and interest on, the bonds issued under Laws 1990, chapter 610, article 1, section 30, subdivision 2, and is appropriated for this purpose. This appropriation does not cancel as long as any of the bonds remain outstanding.~~

Sec. 8. Minnesota Statutes 1990, section 16A.662, subdivision 5, is amended to read:

Subd. 5. [ASSESSMENT TO HIGHER EDUCATION SYSTEMS.] (a) In order to reduce the amount otherwise required to be transferred ~~under subdivision 4 to the state bond fund with respect to bonds heretofore or hereafter issued under Laws 1990, chapter 610, article 1, section 30, subdivision 2,~~ the commissioner of finance shall assess each higher education system for one-third the amount that would otherwise need to be transferred with respect to ~~infrastructure development~~ those bonds sold to finance capital improvement projects at institutions under the control of the system; provided that, to the extent that the amount to be transferred is for payment of principal and interest on bonds sold to finance life safety improvements, the commissioner must not assess the higher education systems for the transfer.

(b) After each sale of ~~infrastructure development~~ the bonds, the commissioner of finance shall notify the state board for vocational technical education, the state board for community colleges, the state university board, and the regents of the University of Minnesota of the amounts for which each system is responsible for each year for the life of the bonds. The amounts payable each year are reduced by one-third of the net income from investment of ~~infrastructure development~~ those bond proceeds that must be allocated among the systems in proportion to the amount of principal and interest otherwise required to be paid by each. Each higher education system shall pay its annual share of debt service payments to the commissioner of finance by December 1 each year. If a higher education system fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise payable to the system to cover the amount of the missed debt service payment. The commissioner of finance shall credit the payments received from the higher education systems to the infrastructure development bond debt service account in the state bond fund each December 1 before the transfer is made under subdivision 4."

Page 3, line 36, after the period, insert "*For state building proposals in the capitol area, as defined in section 15.50, subdivision 2, paragraph (a), the commissioner shall consult with the capitol area architectural and planning board regarding building sites and design standards. The board shall provide to the governor and legislature a statement on the request's impact upon the capitol area and its compatibility with the comprehensive plan for the capitol area.*"

*Subd. 3. [CONSULTATION REQUIRED.] State agencies and other public bodies considering capitol area projects shall consult with the capitol area architectural and planning board before developing plans for capital improvements or capital budget proposals for submission to the legislature and governor. The board shall provide to the governor and legislature a statement on the request's impact upon the capitol area and its compatibility with the comprehensive plan for the capitol area.*

Sec. 10. Minnesota Statutes 1990, section 349A.10, subdivision 5, is amended to read:

*Subd. 5. [DEPOSIT OF NET PROCEEDS.] Within 30 days after the end of each month, the director shall deposit in the state treasury the net proceeds of the lottery, which is the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account. Of the net proceeds, 40 percent must be credited to the Minnesota environment and natural resources trust fund, ~~28.3 percent must be credited to the infrastructure development fund for capital improvement projects at state institutions of higher education, 6.7 percent must be credited to the infrastructure development fund for capital improvement projects to develop or protect the state's environment and natural resources, and,~~ through the first ten full fiscal years during which proceeds from the lottery are received, 25 percent must be credited to the Greater Minnesota account in the special revenue fund, ~~and the balance must be credited to the general fund.~~*

Sec. 11. [INFRASTRUCTURE DEVELOPMENT BOND DEBT SERVICE.]

*In order to enable debt service on infrastructure development bonds to be paid from the general fund rather than from the infrastructure development fund, the commissioner of finance shall transfer accounts in the infrastructure development fund that contain proceeds from the state lottery from the infrastructure development fund to the general fund."*

Page 4, line 2, delete "administration" and insert "finance"

Page 4, line 3, delete "ways to make" and insert "how"

Page 4, line 5, delete ", as a way" and insert "and strategies"

Page 4, after line 6, insert:

"Sec. 13. [DEBT SERVICE LIMIT.]

*The commissioner of finance shall schedule the sale of state general obligation bonds so that, during the biennium ending June 30, 1993, no more than \$390,000,000 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. Before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641.*

Sec. 14. [APPROPRIATIONS.]

*\$15,061,000 is appropriated from the general fund to the commissioner*

*of administration for the purposes specified in this section, to be available until expended.*

(a) Parking lot security	\$961,000
(b) Agency relocation expenses	13,500,000
(c) Reform capital budget process	600,000

*This appropriation includes money to develop standards for the capital budget planning process.*

*The approved complement of the department of administration is increased by four positions."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "notes;" insert "discontinuing sale of infrastructure development bonds, consolidating debt service for infrastructure development bonds in the general fund; requiring consultation with the capitol area architectural and planning board on building projects in the capitol area;"

Page 1, line 8, after "report;" insert "setting the debt service limit for the biennium ending June 30, 1991; appropriating money;"

Page 1, line 9, delete "section" and insert "sections"

Page 1, line 10, after the semicolon, insert "16A.662, subdivisions 2, 4, and 5; and 349A.10, subdivision 5;"

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

## **SECOND READING OF SENATE BILLS**

S.F. No. 1182 was read the second time.

Without objection, the Senate proceeded to the Order of Business of Introduction and First Reading of Senate Bills.

## **INTRODUCTION AND FIRST READING OF SENATE BILLS**

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

Messrs. Solon and Gustafson introduced—

S.F. No. 1558: A bill for an act relating to retirement; public employees police and fire retirement fund local relief association consolidation accounts; providing for the establishment of a single local relief consolidation account for all consolidating relief associations located in the municipality; amending Minnesota Statutes 1990, section 353A.09, subdivision 1.

Referred to the Committee on Governmental Operations.

Mr. Price introduced—

S.F. No. 1559: A bill for an act relating to education; establishing missions for public post-secondary systems; requiring joint administrative appointments; clarifying the powers and duties of the higher education coordinating board; creating a commission to develop a master plan and a new funding formula; providing incentives for quality; requiring policies for credit transfer; establishing an intersystem council; creating technical college districts; requiring a study of uses of Waseca campus; appropriating money; amending Minnesota Statutes 1990, section 136A.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 135A and 136C.

Referred to the Committee on Education.

Messrs. Knaak, Chmielewski, Dahl, Price and Benson, D.D. introduced—

S.F. No. 1560: A bill for an act relating to natural resources; providing for enforcement of sanctions for hunting while under the influence of alcohol or a controlled substance; amending Minnesota Statutes 1990, section 97B.065; proposing coding for new law in Minnesota Statutes, chapter 97B.

Referred to the Committee on Environment and Natural Resources.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

### CALENDAR

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.

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 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 753: A bill for an act relating to traffic safety; permitting evidence of DWI convictions to be admitted as evidence in certain civil proceedings; amending Minnesota Statutes 1990, sections 169.121, subdivision 6, and by adding a subdivision; and 169.94.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Hottinger and Neuville voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 478: A bill for an act relating to elections; changing requirement of absentee ballot applications for deer hunters; facilitating voting by certain students; defining certain terms; providing for use of certain facilities for elections; clarifying uses to be made of lists of registered voters; requiring commissioner of health to report deaths to secretary of state; authorizing facsimile applications for absentee ballots; authorizing certain experimental procedures for absentee ballots and mail balloting; requiring notarized affidavits of candidacy; providing for voting methods in combined local elections; providing order of counting gray box ballots; changing time for issuance of certificates of election; clarifying effect of changing the year of municipal elections; changing certain deadlines; authorizing an experimental school board election; changing procedures for hospital district elections; amending Minnesota Statutes 1990, sections 97A.485, subdivision 1a; 200.02, by adding a subdivision; 201.061, subdivision 3; 201.091, subdivisions 1 and 4; 201.13, subdivision 1; 203B.02, by adding a subdivision; 203B.04, subdivision 1; 204B.09, subdivision 1; 204B.16, subdivision 6, and by adding a subdivision; 204B.32; 204B.35, by adding a subdivision; 204B.45, by adding a subdivision; 204C.19, subdivision 2; 204C.40, subdivision 2; 205.07, subdivision 1, and by adding a subdivision; 205.16, subdivision 4; 205A.04; 205A.07, subdivision 3; and 447.32, subdivisions 2, 3, and 4; proposing coding for new law in Minnesota Statutes, chapters 135A and 201.

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

Ms. Reichgott voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 525: A bill for an act relating to crimes; expanding the definition of drug free zones to include public housing property; increasing the area affected from within 300 feet to within 1,000 feet of a school or park boundary for purposes of increasing penalties for sale or possession of controlled substances; increasing penalties for sale or possession of methamphetamine ("ice"), amphetamine, and sale of marijuana, within a school zone, park zone, or public housing zone; changing the name and duties of the drug abuse prevention resource council; requiring chemical use assessments of persons convicted of felonies; amending Minnesota Statutes 1990, sections 152.01, subdivisions 12a, 14a, and by adding a subdivision; 152.021, subdivision 1; 152.022, subdivision 1; 152.023, subdivision 2; 152.024, subdivision 1; 152.029; 299A.29, subdivisions 3, 5, and by adding subdivisions; 299A.30; 299A.31, subdivision 1; 299A.32; 299A.34, subdivision 2; 299A.35; 299A.36; and 609.115, by adding a subdivision; repealing Minnesota Statutes 1990, sections 244.095; and 299A.29, subdivisions 2 and 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 357: A bill for an act relating to highways; authorizing political subdivisions to require notice before constructing or repairing utility structures or equipment in, along, over, or under a road, street, or highway right-of-way; requiring subsequent restoration to a town road; amending Minnesota Statutes 1990, sections 164.36; and 222.37, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 1201: A bill for an act relating to local government; permitting police and fire civil service commissions to expand certified lists in certain circumstances; amending Minnesota Statutes 1990, sections 419.06; and 420.07.

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

So the bill passed and its title was agreed to.

S.F. No. 269: A bill for an act relating to liquor; requiring posting of certain signs in licensed premises; amending Minnesota Statutes 1990, section 340A.410, by adding a subdivision.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 520: A bill for an act relating to legal services; requesting the supreme court to study the feasibility of adopting rules governing the delivery of legal services by specialized legal assistants; amending Minnesota Statutes 1990, section 481.02, subdivision 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Halberg and Neuville voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 924: A bill for an act relating to utilities; authorizing the public utilities commission to allow recovery of expenses associated with economic and community development; amending Minnesota Statutes 1990, section 216B.16, 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 56 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson, D.D.	Berglin	Halberg	McGowan	Merriam
Benson, J.E.	Davis	Knaak		

So the bill passed and its title was agreed to.

H.F. No. 178: A bill for an act relating to occupations and professions; increasing minimum insurance coverage required for abstracters; abolishing requirement of seals by impression; repealing an obsolete provision; amending Minnesota Statutes 1990, sections 386.66 and 386.67; repealing Minnesota Statutes 1990, section 386.65, subdivision 3.

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 1, as follows:

Those who voted in the affirmative were:

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

Mr. Halberg voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 276: A bill for an act relating to insurance; accident and health; prohibiting the nondiagnostic use of X-rays; proposing coding for new law in Minnesota Statutes, chapter 62A.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 621: A bill for an act relating to the environment; clarifying and correcting provisions relating to the legislative commission on Minnesota resources and the Minnesota environmental and natural resources trust fund; amending Minnesota Statutes 1990, sections 116P.04, subdivision 5; 116P.05; 116P.06; 116P.07; 116P.08, subdivisions 3 and 4; 116P.09, subdivisions 2, 4, and 7.

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

So the bill passed and its title was agreed to.

S.F. No. 1091: A bill for an act relating to waste; extending the date for incinerator ash to be considered special waste; amending Minnesota Statutes 1990, section 115A.97, subdivision 4.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 192: A bill for an act relating to the Duluth transit authority; providing for the transportation of students; repealing Laws 1988, chapter 573, section 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 239: A bill for an act relating to crime; clarifying the application of felony penalties to the act of intentionally disarming a peace officer; amending Minnesota Statutes 1990, section 609.50, subdivision 2.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 782: A bill for an act relating to jobs and training; requiring the commissioner of jobs and training to contract for the provision of comprehensive adjustment-to-blindness training services; amending Minnesota Statutes 1990, section 248.07, 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 59 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson, J.E.	Mehrkens	Olson	Pariseau	Waldorf
Halberg				

So the bill passed and its title was agreed to.

H.F. No. 74: A bill for an act relating to municipal tort liability; specifying liability for injuries caused by beach and swimming pool equipment; amending Minnesota Statutes 1990, section 466.03, 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 62 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Finn and Halberg voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 200: A bill for an act relating to courts; allowing counties with chambered judges to retain the judicial position; recognizing adequate access to the courts as a factor in determining whether a judicial position should remain or be abolished or transferred; amending Minnesota Statutes 1990,

section 2.722, subdivision 4.

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 50 and nays 12, as follows:

Those who voted in the affirmative were:

Adkins	Day	Johnston	Mondale	Ranum
Beckman	Finn	Laidig	Morse	Reichgott
Belanger	Flynn	Langseth	Neuville	Renneke
Benson, J.E.	Frederickson, D.J.	Larson	Novak	Riveness
Bernhagen	Frederickson, D.R.	Lessard	Olson	Sams
Bertram	Hottinger	Luther	Pappas	Solon
Brataas	Hughes	McGowan	Pariseau	Storm
Chmielewski	Johnson, D.E.	Mehrkens	Piper	Stumpf
Dahl	Johnson, D.J.	Metzen	Pogemiller	Traub
Davis	Johnson, J.B.	Moe, R.D.	Price	Vickerman

Those who voted in the negative were:

Benson, D.D.	Dicklich	Knaak	Merriam	Spear
Berglin	Halberg	Kroening	Samuelson	Waldorf
Cohen	Kelly			

So the bill passed and its title was agreed to.

H.F. No. 414: A bill for an act relating to peace officers; requiring reports on the discharge of firearms by peace officers to be sent to the board of peace officer standards and training; requiring law enforcement agencies to adopt written policies governing the use of deadly force; requiring initial and continuing peace officer training on deadly force and the use of firearms; amending Minnesota Statutes 1990, section 626.553, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 626.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 65 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 808: A bill for an act relating to child care; permitting variances from certain staffing requirements for parent cooperative programs; amending Minnesota Statutes 1990, sections 245A.02, by adding a subdivision; and 245A.14, subdivision 6.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.



The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 671: A bill for an act relating to human services; child care providers; allowing an extension for installing interior vertical access in child care facilities in churches; amending Minnesota Statutes 1990, section 16B.61, subdivision 3.

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

So the bill passed and its title was agreed to.

H.F. No. 90: A bill for an act relating to health; requiring geographic representation on the board of medical examiners; amending Minnesota Statutes 1990, section 147.01, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 36: A bill for an act relating to occupations and professions; changing requirements for reciprocal licensing of physicians from other states and foreign medical school graduates; authorizing physicians to cancel licenses in good standing; requiring the cancellation of physicians' licenses for nonrenewal; changing licensing requirements for midwifery; changing the name of the board of medical examiners; amending Minnesota Statutes 1990, sections 147.03; 147.037, subdivision 1; and 148.31; proposing coding for new law in Minnesota Statutes, chapter 147.

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

So the bill passed and its title was agreed to.

H.F. No. 282: A bill for an act relating to public utilities; exempting from prior rate regulation gas utilities that have 650 or fewer customers in any one municipality and a total of 2,000 or fewer customers; amending Minnesota Statutes 1990, section 216B.16, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	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.	Frederickson, D.J.	Laidig	Novak	Spear
Berglin	Frederickson, D.R.	Langseth	Olson	Storm
Bernhagen	Gustafson	Larson	Pappas	Stumpf
Bertram	Halberg	Lessard	Pariseau	Traub
Brataas	Hottinger	Luther	Piper	Vickerman
Chmielewski	Hughes	Marty	Pogemiller	Waldorf
Cohen	Johnson, D.E.	McGowan	Ranum	
Dahl	Johnson, D.J.	Mehrkens	Reichgott	
Davis	Johnson, J.B.	Metzen	Renneke	

So the bill passed and its title was agreed to.

H.F. No. 1405: A bill for an act relating to charitable organizations; changing distribution requirements for charitable organizations; amending Minnesota Statutes 1990, section 309.501, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 195: A bill for an act relating to drivers' licenses; making technical changes; clarifying procedure for review of driver's license revocation or disqualification under implied consent law; defining hazardous materials, commercial motor vehicle, and farm truck; allowing holder of a limited license to obtain a Minnesota identification card; allowing class C driver's license holder to tow when the gross weight of the vehicles is 26,000 pounds or less; requiring holder of class A, B, or CC driver's license to have medical examiner's certificate in possession; restricting exemption for drivers of certain federal vehicles from requirement to possess commercial driver's license; clarifying offenses for which driver may be disqualified from holding commercial driver's license; requiring person whose driver's license has been revoked to pass examination under certain circumstances; permitting qualified driver to obtain limited license following revocation for failure to have vehicle insurance; amending Minnesota Statutes 1990, sections 169.01, subdivision 75, and by adding a subdivision; 169.121, subdivision 8; 169.123, subdivisions 5c and 8; 171.01, subdivision 22, and by adding subdivisions; 171.02, subdivisions 1 and 2; 171.03; 171.07, subdivision 3; 171.165, subdivision 3; 171.29, subdivision 1; and 171.30, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 456: A bill for an act relating to adoption; clarifying the requirements for consents; amending Minnesota Statutes 1990, section 259.24, subdivision 5.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 236: A bill for an act relating to eminent domain; allowing entry onto land for environmental testing before beginning eminent domain proceedings; amending Minnesota Statutes 1990, section 117.041.

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 58 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Belanger	Johnston	Olson	Pariseau	Storm
Halberg				

So the bill passed and its title was agreed to.

H.F. No. 726: A bill for an act relating to real property; providing for cause of action on an interest in real property of a married person when the property was conveyed by the person's spouse before March 1, 1977; amending Minnesota Statutes 1990, section 519.101.

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

So the bill passed and its title was agreed to.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Samuelson moved that the following members be excused for a Conference Committee on H.F. No. 719 from 4:30 to 5:30 p.m.:

Messrs. Samuelson, Spear, Renneke, Solon and Ms. Berglin. The motion prevailed.

### CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Stumpf moved that the following members be excused for a Conference Committee on S.F. No. 1535 at 2:30 p.m.:

Messrs. Stumpf, Dicklich, Waldorf, Mrs. Brataas and Ms. Piper. The motion prevailed.

**RECESS**

Mr. Moe, R.D. moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

**APPOINTMENTS**

Mr. Moe, R.D. from the Subcommittee on Committees recommends that the following Senators be and they hereby are appointed as a Conference Committee on:

H.F. No. 1422: Messrs. Chmielewski, Finn, Halberg, Riveness and Ms. Flynn.

H.C.R. No. 1: Messrs. Pogemiller, Luther and Storm.

H.C.R. No. 2: Messrs. Pogemiller, Luther and Storm.

S.F. No. 800: Messrs. Price, Merriam and Lessard.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

**MEMBERS EXCUSED**

Mr. Frank was excused from the Session of today. Mr. DeCramer was excused from the Session of today at 5:20 p.m. Mr. Sams was excused from the Session of today from 3:00 to 3:45 p.m. and from 4:30 to 5:10 p.m. Mr. Larson was excused from the Session of today from 3:00 to 3:45 p.m. Mr. Dahl was excused from the Session of today from 2:00 to 5:40 p.m.

**ADJOURNMENT**

Mr. Moe, R.D. moved that the Senate do now adjourn until 12:30 p.m., Thursday, May 9, 1991. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate