

FIFTY-FIFTH DAY

St. Paul, Minnesota, Thursday, May 16, 1991

The Senate met at 12:00 noon and was called to order by the President.

CALL OF THE SENATE

Mr. DeCramer 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. Marilyn S. Breckenridge.

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

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

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 14, 1991

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

The Honorable Jerome M. Hughes
President of the Senate

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

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1991	Date Filed 1991
	807	75	11:40 a.m. May 13	May 13
	1282	76	11:50 a.m. May 13	May 13
	173	77	1:59 p.m. May 13	May 13
	248	78	1:55 p.m. May 13	May 13
	584	79	11:55 a.m. May 13	May 13
	479	80	11:55 a.m. May 13	May 13
	623	81	2:04 p.m. May 13	May 13
1074		82	2:09 p.m. May 13	May 13
593		83	11:57 a.m. May 13	May 13
	1208	84	11:59 a.m. May 13	May 13

Sincerely,
Joan Anderson Growe
Secretary of State

MESSAGES FROM THE HOUSE

Mr. President:

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

S.F. No. 510: A bill for an act relating to agriculture; changing the egg law; imposing a penalty; amending Minnesota Statutes 1990, sections 29.21, by adding subdivisions; 29.23; 29.235; 29.26; and 29.27; proposing coding for new law in Minnesota Statutes, chapter 29.

Senate File No. 510 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

CONCURRENCE AND REPASSAGE

Mr. Berg moved that the Senate concur in the amendments by the House to S.F. No. 510 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 510: A bill for an act relating to agriculture; changing the egg law; imposing a penalty; requiring the commissioner of agriculture to survey certain meat processors to determine interest in a state meat inspection program; requiring a report; appropriating money; amending Minnesota Statutes 1990, sections 29.21, by adding subdivisions; 29.23; 29.235; 29.26; and 29.27; proposing coding for new law in Minnesota Statutes, chapter 29.

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 52 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Kelly	Mondale	Rivenness
Beckman	Flynn	Knaak	Morse	Sams
Belanger	Frank	Kroening	Neuville	Spear
Benson, J.E.	Frederickson, D.J.	Laidig	Olson	Storm
Berg	Frederickson, D.R.	Langseth	Pappas	Stumpf
Bertram	Gustafson	Larson	Pariseau	Traub
Brataas	Hottinger	Lessard	Piper	Vickerman
Chmielewski	Hughes	Marty	Pogemiller	Waldorf
Davis	Johnson, D.E.	Mehrkens	Price	
Day	Johnson, J.B.	Merriam	Ranum	
DeCramer	Johnston	Metzen	Renneke	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

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.

Senate File No. 525 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Mr. Spear moved that the Senate do not concur in the amendments by the House to S.F. No. 525, 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 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. 588: A bill for an act relating to crime; providing penalties for intentional damage to timber processing, manufacturing, or transportation equipment; providing penalties for possessing certain devices to damage

timber processing, manufacturing, or transportation equipment; proposing coding for new law in Minnesota Statutes, chapter 609.

Senate File No. 588 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

CONCURRENCE AND REPASSAGE

Mr. Finn moved that the Senate concur in the amendments by the House to S.F. No. 588 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 588 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 47 and nays 0, as follows:

Those who voted in the affirmative were:

Beckman	Frank	Kroening	Moe, R.D.	Renneke
Belanger	Frederickson, D.J.	Laidig	Mondale	Sams
Benson, J.E.	Frederickson, D.R.	Langseth	Morse	Samuelson
Berg	Gustafson	Larson	Neuville	Spear
Berglin	Hottinger	Lessard	Olson	Stumpf
Bertram	Hughes	Marty	Pappas	Traub
Davis	Johnson, D.E.	McGowan	Piper	Waldorf
Day	Johnston	Mehrkens	Pogemiller	
DeCramer	Kelly	Merriam	Price	
Finn	Knaak	Metzen	Ranum	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

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.

Senate File No. 520 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Mr. Kelly moved that S.F. No. 520 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. 765: A bill for an act relating to transportation; clarifying parking provisions for physically disabled persons; authorizing special license plates for motorcycles; authorizing tinted windshields for medical reasons; abolishing requirement to impound vehicle registration certificates; making technical changes; amending Minnesota Statutes 1990, sections 168.021, subdivision 1; 168.041; 169.123, subdivision 5b; 169.345, subdivision 1; 169.346, subdivisions 1 and 2; 169.71, subdivision 4; 169.795; and 171.29, subdivision 3.

Senate File No. 765 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Mr. Marty moved that the Senate do not concur in the amendments by the House to S.F. No. 765, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the 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. 1034: A bill for an act relating to civil actions; increasing penalties for retaliation by employers under the child abuse and vulnerable adults reporting acts; amending Minnesota Statutes 1990, sections 626.556, subdivision 4a; and 626.557, subdivision 17.

Senate File No. 1034 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

CONCURRENCE AND REPASSAGE

Mr. Spear moved that the Senate concur in the amendments by the House to S.F. No. 1034 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 1034 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

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

S.F. No. 1295: A bill for an act relating to Ramsey county; creating a Ramsey county local services study commission; setting its duties.

Senate File No. 1295 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Mr. Cohen moved that the Senate do not concur in the amendments by the House to S.F. No. 1295, 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. 950: A bill for an act relating to public safety; requiring tenants to covenant not to allow any controlled substances on rental property; allowing the closing of an alleged disorderly house during pretrial release of owner; lowering the threshold amount of seized controlled substance necessary to warrant unlawful detainer action; providing that certain weapons offenses and controlled substance seizures and arrests may form the basis for a nuisance action; amending Minnesota Statutes 1990, sections 504.181, subdivision 1; 609.33, by adding a subdivision; 609.5317, subdivision 4; 617.80, subdivision 8; and 617.81, subdivisions 2 and 3, and by adding a subdivision.

Senate File No. 950 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Ms. Berglin moved that S.F. No. 950 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. 783: A bill for an act relating to health; infectious waste control; transferring responsibility for infectious waste from the pollution control agency to the department of health; clarifying that veterinarians are also covered by the act; clarifying requirements for management and generators' plans; allowing certain medical waste to be mixed with other waste under certain conditions; creating a medical waste task force; appropriating money; amending Minnesota Statutes 1990, sections 116.76, subdivision 5; 116.77; 116.78, subdivision 4; 116.79, subdivisions 1, 3, and 4; 116.80, subdivisions 2 and 3; 116.81, subdivision 1; 116.82, subdivision 3; and 116.83; repealing Minnesota Statutes 1990, sections 116.76, subdivision 2; and 116.81, subdivision 2.

Senate File No. 783 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Mr. Moe, R.D. moved that S.F. No. 783 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. 764: A bill for an act relating to public safety; regulating amusement rides; requiring insurance and inspections; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 184B.

Senate File No. 764 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 15, 1991

Mr. Moe, R.D. moved that S.F. No. 764 be laid on the table. 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. Moe, R.D. from the Committee on Rules and Administration, to which was referred

H.F. No. 1009 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1009	966

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1009 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1009 and insert the language after the enacting clause of S.F. No. 966, the third engrossment; further, delete the title of H.F. No. 1009 and insert the title of S.F. No. 966, the third engrossment.

And when so amended H.F. No. 1009 will be identical to S.F. No. 966, and further recommends that H.F. No. 1009 be given its second reading and substituted for S.F. No. 966, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 322 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
322	257				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 322 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 322 and insert the language after the enacting clause of S.F. No. 257, the second engrossment; further, delete the title of H.F. No. 322 and insert the title of S.F. No. 257, the second engrossment.

And when so amended H.F. No. 322 will be identical to S.F. No. 257, and further recommends that H.F. No. 322 be given its second reading and substituted for S.F. No. 257, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1129 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1129	1194				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1129 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1129 and insert the language after the enacting clause of S.F. No. 1194, the first engrossment; further, delete the title of H.F. No. 1129 and insert the title of S.F. No. 1194, the first engrossment.

And when so amended H.F. No. 1129 will be identical to S.F. No. 1194, and further recommends that H.F. No. 1129 be given its second reading and substituted for S.F. No. 1194, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1246 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1246	944				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1246 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1246 and insert the language after the enacting clause of S.F. No. 944, the second engrossment; further, delete the title of H.F. No. 1246 and insert the title of S.F. No. 944, the second engrossment.

And when so amended H.F. No. 1246 will be identical to S.F. No. 944, and further recommends that H.F. No. 1246 be given its second reading and substituted for S.F. No. 944, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 628 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
628	542				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 628 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 628 and insert the language after the enacting clause of S.F. No. 542, the second engrossment; further, delete the title of H.F. No. 628 and insert the title of S.F. No. 542, the second engrossment.

And when so amended H.F. No. 628 will be identical to S.F. No. 542, and further recommends that H.F. No. 628 be given its second reading and substituted for S.F. No. 542, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 303 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				303	256

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 303 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 303 and insert the language after the enacting clause of S.F. No. 256, the second engrossment; further, delete the title of H.F. No. 303 and insert the title of S.F. No. 256, the second engrossment.

And when so amended H.F. No. 303 will be identical to S.F. No. 256, and further recommends that H.F. No. 303 be given its second reading and substituted for S.F. No. 256, and that the Senate File be indefinitely postponed.

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

SECOND READING OF HOUSE BILLS

H.F. Nos. 1009, 322, 1129, 1246, 628 and 303 were read the second time.

MOTIONS AND RESOLUTIONS

Mr. Price moved that the name of Mr. Luther be added as a co-author to S.F. No. 800. The motion prevailed.

Mr. Spear moved that S.F. No. 526 be taken from the table. The motion prevailed.

S.F. No. 526: A bill for act relating to crime; sentencing; clarifying and revising the intensive community supervision program; amending Minnesota Statutes 1990, sections 244.05, subdivision 6; 244.12; 244.13; 244.14; and 244.15.

Mr. Spear moved that the Senate do not concur in the amendments by the House to S.F. No. 526, 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. Mondale moved that S.F. No. 350 be taken from the table. The motion prevailed.

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

CONCURRENCE AND REPASSAGE

Mr. Mondale moved that the Senate concur in the amendments by the House to S.F. No. 350 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 350 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 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1179, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1179 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 15, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 1179

A bill for an act relating to metropolitan government; directing the metropolitan council to conduct a study.

May 9, 1991

The Honorable Robert Vanasek
Speaker of the House of Representatives

The Honorable Jerome M. Hughes
President of the Senate

We, the undersigned conferees for H.F. No. 1179, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H.F. No. 1179 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. [FULLY DEVELOPED AREA; STUDY.]

The metropolitan council must conduct a study of the development patterns and needs in the council-defined fully developed area. The council must direct its staff to:

(1) examine both the development patterns and the migration patterns in the fully developed area that have occurred in the last 20 years with special attention to household composition;

(2) compare the relative public costs of redevelopment in the fully developed area with the costs of development within the council-defined developing area. This work should include, but is not limited to, transportation and transit, wastewater treatment, public safety services, housing, and education;

(3) examine the changing demographics of the fully developed area and other areas within the metropolitan region, and make projections regarding

the economic and social condition of the fully developed area;

(4) examine the anticipated effects of a light rail transit system on the economic and social condition of the fully developed area; and

(5) recommend changes that would encourage the economic and social strengthening of the fully developed area.

In conducting its study, the council must use, along with other information, any available data from the 1990 census. The council must present its findings to the legislature by February 15, 1994. The council must also present interim briefings to the legislature on work in progress at least annually between the effective date of this act and the completion of the study.

Sec. 2. [473.1631] [LEGISLATIVE REVIEW.]

All metropolitan agencies shall file their budgets with the secretary of the senate and the clerk of the house of representatives on January 15 of the first year of each biennium for review by the committees of each body that have jurisdiction over the metropolitan agencies.

Sec. 3. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

Delete the title and insert:

"A bill for an act relating to metropolitan government; providing for legislative review of metropolitan agency budgets; directing the metropolitan council to conduct a study; proposing coding for new law in Minnesota Statutes, chapter 473."

We request adoption of this report and repassage of the bill.

House Conferees: (Signed) Myron W. Orfield, Edwina Garcia, Peggy Leppik

Senate Conferees: (Signed) Ted A. Mondale, Jane B. Ranum, Terry D. Johnston

Mr. Mondale moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1179 be now adopted, and that the bill be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 1179 was read the third time, as amended by the Conference Committee, and placed on its repassage.

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

The roll was called, and there were yeas 60 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

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. 398: A bill for an act relating to elections; providing for high school students 16 years old or more to act as election judges; clarifying the right to take time off from work without penalty to serve as an election judge; amending Minnesota Statutes 1990, sections 204B.19, subdivision 1, and by adding a subdivision; and 204B.195.

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 3, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.J.	Mehrckens	Reichgott
Beckman	Day	Johnson, J.B.	Merriam	Renneke
Belanger	DeCramer	Johnston	Metzen	Riveness
Benson, D.D.	Flynn	Kelly	Moe, R.D.	Sams
Benson, J.E.	Frank	Kroening	Mondale	Samuelson
Berg	Frederickson, D.J.	Laidig	Morse	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	Price	Vickerman
Cohen	Johnson, D.E.	McGowan	Ranum	Waldorf

Messrs. Finn, Knaak and Neuville voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 1440: A bill for an act relating to motor vehicles; providing for certain indemnities in lease agreements; proposing coding for new law in Minnesota Statutes, chapter 168.

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

So the bill passed and its title was agreed to.

H.F. No. 887: A bill for an act relating to game and fish; setting conditions under which a hunter may take two deer; amending Minnesota Statutes 1990, section 97B.301, 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 38 and nays 26, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Gustafson	Lessard	Sams
Beckman	Chmielewski	Hottinger	McGowan	Samuelson
Belanger	Davis	Johnson, D.E.	Mehrkens	Solon
Benson, D.D.	Day	Johnston	Morse	Storm
Benson, J.E.	DeCramer	Kroening	Neuville	Stumpf
Berg	Frank	Laidig	Olson	Vickerman
Bernhagen	Frederickson, D.J.	Langseth	Piper	
Bertram	Frederickson, D.R.	Larson	Renneke	

Those who voted in the negative were:

Berglin	Halberg	Luther	Pariseau	Traub
Cohen	Hughes	Marty	Price	Waldorf
Dahl	Johnson, D.J.	Merriam	Ranum	
Dicklich	Johnson, J.B.	Metzen	Reichgott	
Finn	Kelly	Mondale	Riveness	
Flynn	Knaak	Pappas	Spear	

So the bill passed and its title was agreed to.

H.F. No. 218: A bill for an act relating to occupations and professions; requiring residential building contractors, remodelers, and specialty contractors to be licensed by the state; establishing a builders state advisory council; providing penalties; appropriating money; amending Minnesota Statutes 1990, section 45.027, subdivisions 1, 2, 5, 6, 7, and 8; proposing coding for new law in Minnesota Statutes, chapter 326.

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 36 and nays 28, as follows:

Those who voted in the affirmative were:

Belanger	Flynn	Kroening	Olson	Spear
Benson, J.E.	Frank	Laidig	Pappas	Storm
Berglin	Hottinger	Larson	Pariseau	Traub
Brataas	Hughes	Luther	Piper	Waldorf
Dahl	Johnson, D.J.	Marty	Ranum	
Davis	Johnston	McGowan	Reichgott	
Dicklich	Kelly	Merriam	Samuelson	
Finn	Knaak	Metzen	Solon	

Those who voted in the negative were:

Adkins	Chmielewski	Halberg	Moe, R.D.	Riveness
Beckman	Cohen	Johnson, D.E.	Mondale	Sams
Benson, D.D.	Day	Johnson, J.B.	Morse	Stumpf
Berg	DeCramer	Langseth	Neuville	Vickerman
Bernhagen	Frederickson, D.J.	Lessard	Price	
Bertram	Frederickson, D.R.	Mehrkens	Renneke	

So the bill passed and its title was agreed to.

H.F. No. 1542: A bill for an act relating to motor vehicles; clarifying that engines may be replaced under certain conditions; amending Minnesota Statutes 1990, sections 116.63, subdivision 3; and 325E.0951, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 116.

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

So the bill passed and its title was agreed to.

H.F. No. 345: A bill for an act relating to sexual abuse; extending the statute of limitations for intentional torts involving the sexual abuse of a minor; expanding the statute of limitations in criminal sexual conduct cases involving a minor victim and in certain criminal sexual conduct cases involving an adult victim; amending Minnesota Statutes 1990, sections 541.073; and 628.26.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 55 and nays 7, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Benson, J.E.	Halberg	Neuville	Pariseau	Stumpf
Chmielewski	Knaak			

So the bill passed and its title was agreed to.

S.F. No. 607: A bill for an act relating to highways; permitting the inclusion of certain city streets in the county state-aid street system; amending Minnesota Statutes 1990, section 162.02, subdivision 12.

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

So the bill passed and its title was agreed to.

S.F. No. 511: A bill for an act relating to natural resources; expanding the coverage and purposes of the watercraft surcharge; providing for informational materials; amending Minnesota Statutes 1990, sections 86B.415, subdivision 7; and 103G.617, 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 58 and nays 6, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Chmielewski	Day	Johnston	McGowan	Samuelson
Davis				

So the bill passed and its title was agreed to.

S.F. No. 716: A bill for an act relating to domestic abuse; requiring domestic abuse petitions to state whether there is an existing order for protection; providing for verification of terms of orders; requiring notice to court with jurisdiction over a dissolution or legal separation; increasing the penalty for violation of an order for protection after a previous conviction; clarifying and conforming arrest provisions; authorizing arrests without a warrant for violation of orders for protection relating to the petitioner's place of employment; increasing the period of probation for misdemeanor domestic assaults; amending Minnesota Statutes 1990, sections 518B.01, subdivisions 4, 6, and 14; 609.135, subdivision 2; and 629.72, 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	Johnson, D.J.	Merriam	Reichgott
Beckman	Day	Johnston	Metzen	Renneke
Belanger	DeCramer	Kelly	Moe, R.D.	Riveness
Benson, D.D.	Dicklich	Knaak	Mondale	Sams
Benson, J.E.	Finn	Kroening	Morse	Samuelson
Berg	Flynn	Laidig	Neuville	Solon
Berglin	Frank	Langseth	Novak	Spear
Bernhagen	Frederickson, D.J.	Larson	Olson	Storm
Bertram	Frederickson, D.R.	Lessard	Pappas	Stumpf
Brataas	Halberg	Luther	Pariseau	Traub
Chmielewski	Hottinger	Marty	Piper	Vickerman
Cohen	Hughes	McGowan	Price	Waldorf
Dahl	Johnson, D.E.	Mehrkins	Ranum	

So the bill passed and its title was agreed to.

H.F. No. 702: A bill for an act relating to agriculture; transferring the rural finance authority to the department of agriculture; changing the makeup and certain duties and procedures of the authority; providing for an agricultural development bond program to finance agricultural business enterprises and beginning farmers; establishing a dairy upgrading program; appropriating funds; amending Minnesota Statutes 1990, sections 41B.025, subdivisions 1, 3, 5, and 6; 41B.211; 474A.02, subdivisions 13a and 23a; 474A.03, subdivision 1; 474A.061, subdivisions 1, 2b, 3, and 4; 474A.091; 474A.14; proposing coding for new law in Minnesota Statutes, chapter 41B; proposing coding for new law as Minnesota Statutes, chapter 41C.

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

So the bill passed and its title was agreed to.

H.F. No. 977: A bill for an act relating to the environment; prescribing who must prevent, prepare for, and respond to worst case discharges of oil and hazardous substances; describing response plans; authorizing the commissioners of the pollution control agency and departments of agriculture and public safety to order compliance; providing for good samaritan assistance; authorizing cooperation between public and private responders; requiring the establishment of a single answering point system; authorizing citizens advisory groups; providing penalties; amending Minnesota Statutes 1990, section 116.072, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 115E.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 694: A bill for an act relating to the environment; establishing an environmental enforcement account; establishing a field citation pilot project for unauthorized disposal of solid waste; authorizing background investigations of environmental permit applicants; expanding current authority to impose administrative penalties for air and water pollution and solid waste management violations; imposing criminal penalties for knowing violations of standards related to hazardous air pollutants and toxic pollutants

in water; providing that certain property is subject to forfeiture in connection with convictions for water pollution and air pollution violations; imposing criminal penalties for unauthorized disposal of solid waste; authorizing prosecution of environmental crimes by the attorney general; providing for environmental restitution as part of a sentence; increasing criminal penalties for false statements on documents related to permits and record keeping; requiring reports; appropriating money; amending Minnesota Statutes 1990, sections 18D.331, subdivision 4; 115.071, by adding a subdivision; 115.072; 115C.05; 116.07, subdivision 4d; 116.072, subdivisions 1, 2, 6, 10, and 11; 609.531, subdivision 1; and 609.671; proposing coding for new law in Minnesota Statutes, chapters 115 and 116.

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

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Dahl moved that S.F. No. 764 be taken from the table. The motion prevailed.

S.F. No. 764: A bill for an act relating to public safety; regulating amusement rides; requiring insurance and inspections; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 184B.

Mr. Dahl moved that the Senate do not concur in the amendments by the House to S.F. No. 764, 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. Dahl moved that S.F. No. 783 be taken from the table. The motion prevailed.

S.F. No. 783: A bill for an act relating to health; infectious waste control; transferring responsibility for infectious waste from the pollution control agency to the department of health; clarifying that veterinarians are also covered by the act; clarifying requirements for management and generators' plans; allowing certain medical waste to be mixed with other waste under certain conditions; creating a medical waste task force; appropriating money; amending Minnesota Statutes 1990, sections 116.76, subdivision 5; 116.77;

116.78, subdivision 4; 116.79, subdivisions 1, 3, and 4; 116.80, subdivisions 2 and 3; 116.81, subdivision 1; 116.82, subdivision 3; and 116.83; repealing Minnesota Statutes 1990, sections 116.76, subdivision 2; and 116.81, subdivision 2.

Mr. Dahl moved that the Senate do not concur in the amendments by the House to S.F. No. 783, 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.

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:

S.F. No. 525: Messrs. Spear, Cohen, Kelly, McGowan and Marty.

S.F. No. 1295: Messrs. Cohen, Kelly and Knaak.

S.F. No. 526: Mr. Spear, Ms. Ranum and Mr. Neuville.

S.F. No. 765: Mr. Marty, Ms. Flynn and Mrs. Benson, J.E.

S.F. No. 208: Messrs. DeCramer, Langseth and Mehrkens.

H.F. No. 551: Mr. Finn, Ms. Ranum, Messrs. Marty, Neuville and McGowan.

H.F. No. 1197: Messrs. Luther, Hottinger and Day.

Mr. Moe, R.D. moved that the foregoing appointments be approved. 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:

S.F. No. 764: Messrs. Dahl, Dicklich and Metzen.

S.F. No. 783: Messrs. Dahl, Lessard and Larson.

Mr. Moe, R.D. moved that the foregoing appointments be approved. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate 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. No. 860, which the committee recommends to pass.

S.F. No. 768, which the committee recommends to pass with the following amendments offered by Mr. Hottinger, Ms. Pappas and Mr. Kroening:

Mr. Hottinger moved to amend S.F. No. 768 as follows:

Page 1, line 9, after "agency" insert "*whose vacancies are filled under this section*"

Page 1, line 10, after the period, insert "*In determining gender balance, ex officio membership positions must be excluded.*"

Page 1, after line 20, insert:

"Sec. 2. Minnesota Statutes 1990, section 15.0597, is amended by adding a subdivision to read:

Subd. 5b. [DEVIATION.] Notwithstanding section 1, persons of an under-represented gender may constitute less than half of the membership of an agency if the agency certifies to the secretary of state that:

(1) the agency serves the needs or addresses the concerns of a specific gender-defined population; or

(2) after a good faith effort to achieve gender balance in accordance with section 1, the appointing authority has been unable to find enough persons of the underrepresented gender who are qualified and willing to accept appointment.

The secretary of state's annual report on the open appointments act must include information on certifications under this subdivision.

Sec. 3. [TOTAL AGENCY MEMBERSHIP.]

Appointing authorities, in cooperation with one another, shall make a good faith effort to ensure that, to the greatest extent possible, the membership of all agencies, considered together, is gender balanced.

Sec. 4. [REPEALER.]

Sections 2 and 3 are repealed on June 30, 1995."

Page 1, line 23, delete "*Section 1 does*" and insert "*Sections 1, 2, and 3 do*"

Page 1, line 25, delete "*date*" and insert "*dates*" and delete "*section 1*" and insert "*those sections*"

Renumber the sections in sequence

Amend the title accordingly

Mr. Knaak requested division of the amendment as follows:

First portion:

Page 1, line 9, after "agency" insert "*whose vacancies are filled under this section*"

Page 1, line 10, after the period, insert "*In determining gender balance, ex officio membership positions must be excluded.*"

Page 1, after line 20, insert:

"Sec. 2. Minnesota Statutes 1990, section 15.0597, is amended by adding a subdivision to read:

Subd. 5b. [DEVIATION.] Notwithstanding section 1, persons of an under-represented gender may constitute less than half of the membership of an agency if the agency certifies to the secretary of state that:

(1) the agency serves the needs or addresses the concerns of a specific gender-defined population; or

(2) after a good faith effort to achieve gender balance in accordance with section 1, the appointing authority has been unable to find enough persons of the underrepresented gender who are qualified and willing to accept appointment.

The secretary of state's annual report on the open appointments act must include information on certifications under this subdivision.

Sec. 3. [REPEALER.]

Sections 2 is repealed on June 30, 1995."

Page 1, line 23, delete "Section 1 does" and insert "Sections 1 and 2 do"

Page 1, line 25, delete "date" and insert "dates" and delete "section 1" and insert "those sections"

Renumber the sections in sequence

Amend the title accordingly

Second portion:

Page 1, after line 20, insert:

"Sec. 2. [TOTAL AGENCY MEMBERSHIP.]

Appointing authorities, in cooperation with one another, shall make a good faith effort to ensure that, to the greatest extent possible, the membership of all agencies, considered together, is gender balanced.

Sec. 3. [REPEALER.]

Section 2 is repealed on June 30, 1995."

Page 1, line 23, delete "Section 1 does" and insert "Sections 1 and 2 do"

Page 1, line 25, delete "date" and insert "dates" and delete "section 1" and insert "those sections"

Renumber the sections in sequence

Amend the title accordingly

Ms. Pappas moved to amend the Hottinger amendment to S.F. No. 768

as follows:

Page 1, delete lines 20 to 22

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

The question was taken on the adoption of the first portion of the Hottinger amendment, as amended.

The roll was called, and there were yeas 32 and nays 17, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Kroening	Morse	Solon
Beckman	Frederickson, D.J.	Laidig	Novak	Spear
Bertram	Hottinger	Langseth	Pappas	Traub
Cohen	Hughes	Luther	Price	Vickerman
Davis	Johnson, D.J.	Marty	Ranum	
Finn	Johnson, J.B.	Metzen	Reichgott	
Flynn	Kelly	Mondale	Sams	

Those who voted in the negative were:

Benson, D.D.	Day	Knaak	Mehrkins	Storm
Benson, J.E.	Gustafson	Larson	Neuville	
Bernhagen	Johnson, D.E.	Lessard	Pariseau	
Brataas	Johnston	McGowan	Renneke	

The motion prevailed. So the first portion of the amendment, as amended, was adopted.

The question was taken on the adoption of the second portion of the Hottinger amendment, as amended.

The roll was called, and there were yeas 51 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Knaak	Mondale	Riveness
Beckman	Flynn	Kroening	Morse	Sams
Benson, D.D.	Frank	Laidig	Neuville	Solon
Benson, J.E.	Frederickson, D.J.	Langseth	Novak	Spear
Berglin	Hottinger	Larson	Pappas	Storm
Bernhagen	Hughes	Lessard	Pariseau	Traub
Bertram	Johnson, D.E.	Luther	Pogemiller	Vickerman
Brataas	Johnson, D.J.	Marty	Price	
Chmielewski	Johnson, J.B.	McGowan	Ranum	
Cohen	Johnston	Mehrkins	Reichgott	
Davis	Kelly	Metzen	Renneke	

The motion prevailed. So the second portion of the amendment, as amended, was adopted.

Mr. Kroening moved to amend S.F. No. 768 as follows:

Page 1, line 20, after the period, insert "*In addition, appointing authorities shall endeavor to ensure that the membership of agencies governed by this section reflect racial, ethnic, and socioeconomic diversity to the extent possible.*"

The question was taken on the adoption of the amendment.

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

Those who voted in the affirmative were:

Adkins	Davis	Johnston	Mehrkens	Ranum
Beckman	Day	Kelly	Metzen	Reichgott
Belanger	Flynn	Knaak	Mondale	Renneke
Benson, D.D.	Frank	Kroening	Morse	Riveness
Benson, J.E.	Frederickson, D.J.	Laidig	Neuville	Sams
Bernhagen	Gustafson	Langseth	Novak	Solon
Bertram	Hottinger	Larson	Pappas	Spear
Brataas	Hughes	Lessard	Pariseau	Storm
Chmielewski	Johnson, D.J.	Luther	Pogemiller	Traub
Cohen	Johnson, J.B.	Marty	Price	Vickerman

The motion prevailed. So the amendment was adopted.

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

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. Dicklich, Stumpf, Waldorf, Mrs. Brataas and Ms. Piper. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Chmielewski moved that the following members be excused for a Conference Committee on H.F. No. 1422 at 4:00 p.m.:

Mr. Finn, Ms. Flynn, Messrs. Halberg, Riveness and Chmielewski. The motion prevailed.

SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Luther moved that the Senate take up the General Orders Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. 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. 666, 93, 780, 494, 414 and H.F. Nos. 99, 1353, 354, which the committee recommends to pass.

H.F. No. 783, which the committee recommends to pass subject to the following motions:

Mr. Frederickson, D.R. moved to amend H.F. No. 783, as amended pursuant to Rule 49, adopted by the Senate May 15, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 842.)

Page 24, after line 2, insert:

"Sec. 45. [MORATORIUM ON DELEGATION AGREEMENTS.]

Until January 1, 1993, the commissioner of health may not enter into additional delegation agreements under Minnesota Statutes, section

1031.111.”

Page 24, after line 5, insert:

“Sec. 47. [EFFECTIVE DATE.]

Section 45 is effective the day following final enactment.”

Renumber the sections in sequence

Amend the title accordingly

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 6 and nays 29, as follows:

Those who voted in the affirmative were:

Belanger	Bertram	Frederickson, D.R.	Renneke	Vickerman
Berg				

Those who voted in the negative were:

Adkins	Frank	Langseth	Morse	Reichgott
Benson, D.D.	Gustafson	Luther	Novak	Riveness
Benson, J.E.	Hughes	Marty	Pappas	Spear
Bernhagen	Johnson, D.J.	Metzen	Pariseau	Storm
Brataas	Johnson, J.B.	Moe, R.D.	Price	Traub
Day	Johnston	Mondale	Ranum	

The motion did not prevail. So the amendment was not adopted.

Mr. Day moved to amend H.F. No. 783, as amended pursuant to Rule 49, adopted by the Senate May 15, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 842.)

Page 24, after line 2, insert:

“Sec. 45. [WATER WELL COMPLIANCE IN CERTAIN CASES.]

(a) When substantial alterations or improvements are made to an existing agricultural chemical facility in Steele county, a variance for a water well may be granted if:

(1) the well existed and was in use by the operators of the agricultural chemical facility prior to the alterations or improvements;

(2) the well is a minimum of 50 feet from facilities where agricultural pesticides are stored or handled; and

(3) the alterations or improvements are installed with safeguards as defined in section 18B.01, subdivision 26.

(b) Water from the existing well shall be tested semi-annually for nitrates and other volatile organic compounds. The testing must be paid for by the owner of the well.”

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 1317, which the committee recommends to pass with the following amendment offered by Mr. Frank:

Page 1, line 16, after “*practices*” insert “*or pursuant to the provisions of a collective bargaining agreement*”

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1990, section 181.9413, is amended to read:
181.9413 [SICK OR INJURED CHILD CARE LEAVE.]

(a) An employee may use personal sick leave benefits provided by the employer for absences due to an illness of *or injury to* the employee's child for such reasonable periods as the employee's attendance with the child may be necessary, on the same terms the employee is able to use sick leave benefits for the employee's own illness *or injury*. This section applies only to *personal* sick leave benefits payable to the employee from the employer's general assets.

(b) *For purposes of this section, "personal sick leave benefits" means time accrued and available to an employee to be used as a result of absence from work due to personal illness or injury, but does not include short-term or long-term disability or other salary continuation benefits.*"

The motion prevailed. So the amendment was adopted.

H.F. No. 321 which the committee reports progress, subject to the following motions:

Mr. Spear moved to amend H.F. No. 321, as amended pursuant to Rule 49, adopted by the Senate May 15, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 228.)

Page 3, delete lines 28 to 30 and insert:

"Notwithstanding section 518.13, subdivision 5, before awarding joint physical custody, the court shall question the parties to determine that the parents have demonstrated that they can be flexible and cooperative so that joint physical custody will be in the best interests of the child."

Amend the title as follows:

Page 1, line 9, delete everything before "marriage"

The motion prevailed. So the amendment was adopted.

Mr. Knaak moved to amend H.F. No. 321, as amended pursuant to Rule 49, adopted by the Senate May 15, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 228.)

Page 3, delete section 4

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 7, delete "limiting joint custody;"

Page 1, lines 12 and 13, delete "518.17, subdivision 2;" and insert "and"

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 27 and nays 13, as follows:

Those who voted in the affirmative were:

Belanger	Cohen	Kelly	Merriam	Storm
Benson, D.D.	Frank	Knaak	Neuville	Stumpf
Benson, J.E.	Frederickson, D.R.	Laidig	Olson	Waldorf
Berg	Hughes	Larson	Pariseau	
Bernhagen	Johnson, D.E.	Lessard	Renneke	
Bertram	Johnston	McGowan	Sams	

Those who voted in the negative were:

Adkins	Luther	Morse	Reichgott	Vickerman
Brataas	Marty	Pappas	Spear	
Frederickson, D.J.	Metzen	Ranum	Traub	

The motion prevailed. So the amendment was adopted.

Mr. Kelly moved to amend H.F. No. 321, as amended pursuant to Rule 49, adopted by the Senate May 15, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 228.)

Page 6, after line 24, insert:

"Sec. 8. Laws 1990, chapter 574, section 26, is amended to read:

Sec. 26. [EFFECTIVE DATE.]

Section 20 is effective August 1, 1990, and applies to actions commenced on or after that date. The provisions of section 22, paragraph (c), allowing retroactive modification of support or maintenance payments in certain cases, are effective July 1, 1991, ~~provided that these provisions do not take effect if a change in or waiver of the existing AFDC requirements is not obtained under section 24.~~

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. 321 was then progressed.

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, Second Reading of Senate Bills and Second Reading of House Bills. The motion prevailed.

REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the report pertaining to appointments. The motion prevailed.

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

S.F. No. 1570: A bill for an act relating to taxation; income; providing a working family credit; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Report adopted.

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, 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; 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.

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

Page 22, delete section 3

Page 25, delete lines 37 and 38

Page 25, line 39, before "*Section*" insert paragraph coding and delete "6" and insert "5"

Renumber the sections of article 6 in sequence

Amend the title as follows:

Page 1, line 32, delete "296.02, subdivision 1b;"

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

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

H.F. No. 930 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				930	982

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 930 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 930 and insert the language after the enacting clause of S.F. No. 982, the fourth engrossment; further, delete the title of H.F. No. 930 and insert the title of S.F. No. 982, the fourth engrossment.

And when so amended H.F. No. 930 will be identical to S.F. No. 982, and further recommends that H.F. No. 930 be given its second reading and substituted for S.F. No. 982, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 540 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
540	1227				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 540 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 540 and insert the language after the enacting clause of S.F. No. 1227, the first engrossment; further, delete the title of H.F. No. 540 and insert the title of S.F. No. 1227, the first engrossment.

And when so amended H.F. No. 540 will be identical to S.F. No. 1227, and further recommends that H.F. No. 540 be given its second reading and substituted for S.F. No. 1227, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1088 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1088	1037				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1088 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1088 and insert the language after the enacting clause of S.F. No. 1037, the first engrossment; further, delete the title of H.F. No. 1088 and insert the title of S.F. No. 1037, the first engrossment.

And when so amended H.F. No. 1088 will be identical to S.F. No. 1037, and further recommends that H.F. No. 1088 be given its second reading and substituted for S.F. No. 1037, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 543 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				543	819

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 543 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 543 and insert the language after the enacting clause of S.F. No. 819, the third engrossment; further, delete the title of H.F. No. 543 and insert the title of S.F. No. 819, the third engrossment.

And when so amended H.F. No. 543 will be identical to S.F. No. 819, and further recommends that H.F. No. 543 be given its second reading and substituted for S.F. No. 819, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1286 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS

H.F. No.	S.F. No.
1286	1120

CONSENT CALENDAR

H.F. No.	S.F. No.
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CALENDAR

H.F. No.	S.F. No.
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and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 695 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS

H.F. No.	S.F. No.
695	835

CONSENT CALENDAR

H.F. No.	S.F. No.
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CALENDAR

H.F. No.	S.F. No.
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Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 695 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 695 and insert the language after the enacting clause of S.F. No. 835, the third engrossment; further, delete the title of H.F. No. 695 and insert the title of S.F. No. 835, the third engrossment.

And when so amended H.F. No. 695 will be identical to S.F. No. 835, and further recommends that H.F. No. 695 be given its second reading and substituted for S.F. No. 835, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1387 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS

H.F. No.	S.F. No.
1387	1286

CONSENT CALENDAR

H.F. No.	S.F. No.
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CALENDAR

H.F. No.	S.F. No.
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Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1387 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1387 and insert the language after the enacting clause of S.F. No. 1286, the second engrossment; further, delete the title of H.F. No. 1387 and insert the title of S.F. No. 1286, the second engrossment.

And when so amended H.F. No. 1387 will be identical to S.F. No. 1286, and further recommends that H.F. No. 1387 be given its second reading and substituted for S.F. No. 1286, and that the Senate File be indefinitely postponed.

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

Mr. Johnson, D.J. from the Committee on Taxes and Tax Laws, to which was referred the following appointment as reported in the Journal for May 3, 1991:

TAX COURT

Kathleen Doar

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

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

SECOND READING OF SENATE BILLS

S.F. Nos. 1570 and 598 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. Nos. 930, 540, 1088, 543, 1286, 695 and 1387 were read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

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 3:45 p.m.:

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

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:

H.F. No. 321, which the committee recommends to pass with the following amendment offered by Mr. Neuville:

Amend H.F. No. 321, as amended pursuant to Rule 49, adopted by the Senate May 15, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 228.)

Page 3, after line 4, insert:

"Sec. 4. Minnesota Statutes 1990, section 518.17, subdivision 2, is amended to read:

Subd. 2. [FACTORS WHEN JOINT CUSTODY IS SOUGHT.] In addition to the factors listed in subdivision 1, where either joint legal or joint physical custody is contemplated or sought, the court shall consider the following relevant factors:

- (a) The ability of parents to cooperate in the rearing of their children;
- (b) Methods for resolving disputes regarding any major decision concerning the life of the child, and the parents' willingness to use those methods;
- (c) Whether it would be detrimental to the child if one parent were to have sole authority over the child's upbringing; and
- (d) Whether domestic abuse, as defined in section 518B.01, has occurred between the parents.

The court shall use a rebuttable presumption that upon request of either or both parties, joint legal custody is in the best interests of the child. However, the court shall use a rebuttable presumption that joint legal *or* physical custody is not in the best interests of the child if domestic abuse, as defined in section 518B.01, has occurred between the parents.

If the court awards joint legal or physical custody over the objection of a party, the court shall make detailed findings on each of the factors in this subdivision and explain how the factors led to its determination that joint custody would be in the best interests of the child."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Luther moved that H.F. No. 12 be taken from the table. The motion prevailed.

H.F. No. 12: A bill for an act relating to insurance; regulating reinsurance and other insurance practices, investments, guaranty funds, and holding company systems; providing examination authority and reporting requirements; adopting various NAIC model acts and regulations; prescribing penalties; amending Minnesota Statutes 1990, sections 60A.02, by adding a subdivision; 60A.02 subdivision 5; 60A.031; 60A.07, subdivision 5d, and by adding a subdivision; 60A.09, subdivision 5, and by adding a subdivision; 60A.10, subdivision 2a; 60A.11, subdivisions 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 26, and by adding a subdivision; 60A.12, by adding a subdivision; 60A.13, subdivision 1; 60A.14, subdivision 1; 60A.27; 60B.25; 60B.37, subdivision 2; 60C.02, subdivision 1; 60C.03, subdivisions 6, 8, and by adding a subdivision; 60C.04; 60C.06, subdivision 1; 60C.09, subdivision 1; 60C.13, subdivision 1; 60C.14, subdivision 2;

60E.04, subdivision 7; 61A.25, subdivisions 3, 5, 6, and by adding subdivisions; 61A.28, subdivisions 1, 2, 3, 6, 8, 11, 12, and by adding a subdivision; 61A.281, by adding a subdivision; 61A.283; 61A.29; 61A.31; 62E.14, by adding a subdivision; 61B.12, by adding subdivisions; 62D.044; 62D.045, subdivision 1; 68A.01, subdivision 2; 72A.061, subdivision 1; 79.34, subdivision 1; and 609.902, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 60A, 60D, 62A, and 72A; proposing coding for new law as Minnesota Statutes, chapters 60H, 60I, and 60J; repealing Minnesota Statutes 1990, sections 60A.076; 60A.09, subdivision 4; 60A.12, subdivision 2; 60D.01 to 60D.08; 60D.10 to 60D.13; and 61A.28, subdivisions 4 and 5.

SUSPENSION OF RULES

Mr. Luther moved that an urgency be declared within the meaning of Article IV, Section 19, of the Constitution of Minnesota, with respect to H.F. No. 12 and that the rules of the Senate be so far suspended as to give H.F. No. 12 its second and third reading and place it on its final passage. The motion prevailed.

H.F. No. 12 was read the second time.

Mr. Luther moved to amend H.F. No. 12 as follows:

Delete everything after the enacting clause, and delete the title, of H.F. No. 12, and insert the language after the enacting clause, and the title, of S.F. No. 37, the second engrossment.

The motion prevailed. So the amendment was adopted.

Mr. Luther then moved to amend H.F. No. 12, as amended by the Senate May 16, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 37.)

Page 16, after line 3, insert:

"Sec. 9. [60G.09] [APPLICATION.]

Sections 1 to 8 apply to domestic insurers and any other insurer doing business in this state whose state of domicile has requested the commissioner of commerce to apply sections 1 to 8."

Page 33, line 10, delete the colon

Page 33, line 11, delete "(i)"

Page 33, line 14, delete the semicolon and insert ". Nothing in this clause excludes coverage for stop-loss, excess, run-off, or similar insurance policies if otherwise covered under sections 61B.18 to 61B.32; and"

Page 33, delete lines 15 to 23

Page 33, line 24, delete "(10)" and insert "(9)"

Page 34, line 7, delete "for" and insert "in present value"

Page 34, line 11, after "plan" insert ", except a defined benefit plan,"

Page 34, delete lines 23 to 26 and insert:

"(5) with respect to a contract holder covered by an unallocated annuity contract not included in clause (3) or (4), \$5,000,000 in benefits, irrespective of the number of those contracts issued by the impaired insurer to the contract

holder.

For purposes of this subdivision, the commissioner shall determine the discount rate to be used in determining the present value of annuity benefits."

Page 34, delete lines 25 and 26

Page 35, line 28, after the period, insert *"The determination of whether there is a contractual obligation, and the extent of a contractual obligation, shall not be affected by any moratorium, policy lien, or other similar action taken by a court or regulatory authority. Nothing in this definition precludes the commissioner from taking action under section 61B.23, subdivision 9."*

Page 36, line 4, after "jurisdiction" insert *". The order referred to in this clause is the initial order granting a petition, application, or other request to begin a liquidation, rehabilitation, or conservatorship"*

Page 37, line 26, after the period, insert *"Chapter 13 and section 471.705 apply to the association, as provided in sections 61B.18 to 61B.32."*

Page 37, line 32, delete everything after "account"

Page 37, delete lines 33 and 34

Page 37, line 35, delete "1990"

Page 40, line 19, after the comma, insert *"and the commissioner concurs,"*

Page 40, line 20, delete *"and hardship or"*

Page 40, line 21, delete *"emergency withdrawals"*

Page 40, line 22, after "records" insert *"as determined by the commissioner"*

Page 40, delete lines 23 to 25 and insert:

"If"

Page 40, line 28, after "owing" insert *" , then the association shall prepare a plan approved by the commissioner for prioritization of payments"*

Page 41, line 19, delete "Assure" and insert "Guarantee"

Page 41, line 33, delete *"Make diligent efforts to"*

Page 44, line 7, after the period, insert *"If another state or jurisdiction providing substantially similar coverage as provided by sections 61B.18 to 61B.32 denies coverage, the association shall provide coverage if the policyholder or contract holder is otherwise eligible, and the association is then subrogated to the rights of the person receiving benefits with respect to the other state or jurisdiction. If a person receiving benefits from the association has a claim remaining against another state or jurisdiction, whether or not such state or jurisdiction provides substantially similar protection within the meaning of this section, then such person's remaining claim has priority over any subrogation rights of the association with respect to that other state or jurisdiction."*

Page 45, line 32, after "61B.32" insert *" , except that if the person receiving benefits from the association has a claim remaining against the impaired insurer, then such person's remaining claim has priority over the association's subrogation rights"*

Page 48, line 25, after "premiums" insert *"as calculated in subdivision*

3, paragraph (c).”

Page 48, line 26, delete everything after the period and insert “*If an assessment is made with respect to insurers that become impaired in different calendar years, average annual premiums for purposes of the assessment percentage limitation is based upon the higher of the three-year averages calculated under subdivision 3, paragraph (c).*”

Page 48, line 27, delete “*the board of directors determines that*”

Page 52, after line 35, insert:

“(f) *A determination or decision by the commissioner under sections 61B.18 to 61B.32 is not subject to the contested case or rulemaking provisions of chapter 14.*”

Page 57, line 27, delete “*will*” and insert “*may*”

Page 58, line 2, delete “*cash value and/or death benefit*” and insert “*interest rate*”

Page 60, line 20, after “*enactment*” insert a period

Page 60, delete lines 21 to 24 and insert:

“*Minnesota Statutes 1990, sections 61B.01 to 61B.16, apply with respect to an insurer who is placed under an order of liquidation, conservation, rehabilitation, or becomes impaired as defined under section 61B.03, subdivision 9, before the effective date. Sections 1 to 17 apply with respect to an insurer which becomes impaired or insolvent as defined under section 4 after the effective date. The \$5,000,000 limitation for unallocated annuity contracts specified under section 3, subdivision 4, clause (4) or (5), is effective for contracts issued or renewed after the effective date of this article. Unallocated annuity contracts issued or renewed before the effective date are subject to limitations, if any, specified under Minnesota Statutes 1990, section 61B.06, subdivision 8.*”

Page 101, line 22, delete “*establishing*” and insert “*investing in*”

Page 120, lines 19 and 24, after “*examination*” insert “*or audit*”

Page 134, line 8, delete “*financial condition Ex 4 subcommittee*”

Page 142, after line 6, insert:

“Sec. 22. [EXAMINATION AND SELECTION CRITERIA.]

The commissioner of employee relations shall authorize the commissioner of commerce to establish examination and selection criteria for the initial appointments for the department of commerce positions specified in section 23.”

Renumber the sections of article 10 in sequence and correct the internal references

The motion prevailed. So the amendment was adopted.

Mr. Kroening moved to amend H.F. No. 12, as amended by the Senate May 16, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 37.)

Page 131, after line 11, insert:

"Subd. 8. [INTERNAL APPRAISER REVIEW.] The department of commerce shall, in addition to any other audits or examinations required or permitted by law, randomly choose at least ten insurers each year for an examination regarding the effectiveness of internal real estate appraisals. The commissioner, in conducting the examination required by this subdivision, shall select a representative sample of all appraisals made by each insurer's internal real estate appraisers. The commissioner shall retain one or more independent real estate appraisers to review the internal appraisals or to reappraise the real estate. If the review indicates significant differences between the appraisals of internal appraisers and the independent appraisers retained by the commissioner, the commissioner may order the insurer to use independent appraisers for all appraisals required by this section.

The costs of this examination shall be assessed to the insurer."

The motion prevailed. So the amendment was adopted.

H.F. No. 12 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 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knaak	Morse	Reichgott
Belanger	Frank	Kroening	Neuville	Renneke
Benson, D.D.	Frederickson, D.R.	Laidig	Novak	Sams
Benson, J.E.	Hottinger	Larson	Olson	Solon
Berglin	Hughes	Lessard	Pappas	Storm
Bernhagen	Johnson, D.E.	Luther	Pariseau	Traub
Bertram	Johnson, J.B.	Marty	Pogemiller	Vickerman
Cohen	Johnston	McGowan	Price	
Davis	Kelly	Mondale	Ranum	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Ms. Berglin moved that S.F. No. 950 be taken from the table. The motion prevailed.

S.F. No. 950: A bill for an act relating to public safety; requiring tenants to covenant not to allow any controlled substances on rental property; allowing the closing of an alleged disorderly house during pretrial release of owner; lowering the threshold amount of seized controlled substance necessary to warrant unlawful detainer action; providing that certain weapons offenses and controlled substance seizures and arrests may form the basis for a nuisance action; amending Minnesota Statutes 1990, sections 504.181, subdivision 1; 609.33, by adding a subdivision; 609.5317, subdivision 4; 617.80, subdivision 8; and 617.81, subdivisions 2 and 3, and by adding a subdivision.

CONCURRENCE AND REPASSAGE

Ms. Berglin moved that the Senate concur in the amendments by the House to S.F. No. 950 and that the bill be placed on its repassage as amended. The motion prevailed.

S.F. No. 950: A bill for an act relating to public safety; requiring tenants to covenant not to allow any controlled substances on rental property;

allowing the closing of an alleged disorderly house during pretrial release of owner; lowering the threshold amount of seized controlled substance necessary to warrant unlawful detainer action; providing that certain weapons offenses and controlled substance seizures and arrests may form the basis for a nuisance action; amending Minnesota Statutes 1990, sections 504.181, subdivision 1; 566.09; 609.33, by adding a subdivision; 609.5317, subdivision 4; 617.80, subdivision 8; and 617.81, subdivisions 2 and 3, and by adding a subdivision.

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 42 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Knaak	Morse	Reichgott
Belanger	Frank	Kroening	Neuville	Sams
Benson, D.D.	Frederickson, D.R.	Laidig	Novak	Spear
Benson, J.E.	Gustafson	Larson	Olson	Storm
Berglin	Hottinger	Luther	Pappas	Traub
Bernhagen	Hughes	Marty	Pariseau	Vickerman
Bertram	Johnson, D.E.	McGowan	Piper	
Cohen	Johnston	Moe, R.D.	Pogemiller	
Davis	Kelly	Mondale	Ranum	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Mr. Luther moved that S.F. No. 37, No. 34 on General Orders, be stricken and laid on the table. The motion prevailed.

RECESS

Mr. Moe, R.D. moved that the Senate do now recess until 6:15 p.m. The motion prevailed.

The hour of 6:15 p.m. having arrived, the President called the Senate to order.

CALL OF THE SENATE

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

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Reports of Committees and Second Reading of House Bills.

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 referred

H.F. No. 2: A bill for an act relating to health care; creating a bureau of health care access; establishing the Minnesotans' health care plan; establishing an office of rural health; requiring rural health initiatives; requiring

data and research initiatives; restricting underwriting and premium rating practices; providing a health insurance plan for small employees; requiring initiatives related to health professional education; appropriating money; amending Minnesota Statutes 1990, sections 16A.124, subdivision 4; 43A.17, subdivision 9; 43A.23, by adding a subdivision; 136A.1355, subdivisions 2 and 3; 144.147, subdivisions 1 and 4; 144.581, subdivision 1; 144.698, subdivision 1; 144.8093; 145.61, subdivision 5; 145.64; 176.011, subdivision 9; 256.969, subdivision 6a; 290.01, subdivision 19b; and 447.31, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapters 16B; 62A; 62J; 144; and 144A; proposing coding for new law as Minnesota Statutes, chapter 62K.

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

Delete everything after the enacting clause and insert:

“ARTICLE 1

OUTCOMES-BASED PILOT PROJECT

Section 1. [144.7061] [DEFINITIONS.]

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

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

Subd. 3. [HEALTH COVERAGE.] “Health coverage” means a policy or contract providing health and accident benefits under chapter 62A, 62C, 62D, 62H, or 64B, or under section 471.617, subdivision 2. Health coverage also includes coverage provided under chapter 256B and section 256D.03, subdivision 4. Health coverage does not include a policy or contract designed primarily to provide coverage on a per diem, fixed annuity, or nonexpense-incurred basis, or that provides only accident coverage.

Subd. 4. [HEALTH PLAN COMPANY.] “Health plan company” means an entity governed by chapter 62A, 62C, 62D, 62H, or 64B, or section 471.617, subdivision 2, that offers, sells, issues, or renews health coverage in this state. Health plan company does not include an entity that sells only policies designed primarily to provide coverage on a per diem, fixed annuity, or nonexpense-incurred basis, or policies that provide only accident coverage.

Subd. 5. [PRACTICE PARAMETER.] “Practice parameter” means a recommendation used by physicians and other providers in clinical decision making for the purpose of determining when intervention is necessary and in order to minimize unnecessary, unproven, or ineffective care. Practice parameters identify the range of diagnostic, therapeutic, or preventive interventions which will be utilized when documented circumstances indicate that medical treatment is necessary to improve health. Practice parameters must be supported by medical or health citations from appropriately controlled studies.

Sec. 2. [144.7062] [CONSUMERS' HEALTH IMPROVEMENT PLAN PILOT PROJECT.]

Subdivision 1. [ESTABLISHMENT.] The commissioner of health, through the health care analysis unit, shall establish and administer the consumers' health improvement plan pilot project, and carry out the duties assigned in

sections 1 to 6.

Subd. 2. [INITIAL PROJECT AREA.] The commissioner shall select an area or areas of the state in which to initiate the consumers' health improvement plan pilot project according to the following criteria:

(a) The initial pilot project area or areas shall include sufficient numbers of health care providers practicing in various health care specialties to ensure full access to all necessary, effective health care by pilot project participants.

(b) The initial pilot project area or areas shall contain a sufficient number of participants to allow scientifically and statistically valid analyses to be conducted based upon the data collected.

The commissioner, through the health care analysis unit, shall supervise all aspects of the project.

Subd. 3. [DUTIES OF THE HEALTH CARE ANALYSIS UNIT.] The health care analysis unit shall:

(a) Establish a process for the initial approval, revision, and addition of practice parameters. All practice parameters adopted for use in the pilot project must be supported by medical or health literature citations from appropriate studies so as to minimize unnecessary or ineffective care.

(b) Establish system requirements for an outcomes-based management system incorporating practice parameters for use in the pilot project. System requirements shall be broad enough to allow use of more than one brand or variety of software or hardware provided that they meet the compatibility objectives of this subdivision. The system selected shall:

(1) allow for direct, automated inputting of all information collected in connection with the delivery of health care;

(2) allow participating providers to precertify participants for treatment on the basis of health need and measure outcome against the cost of care;

(3) be capable of being operated from facilities used by participating health care providers; and

(4) include a report function to allow both providers and consumers access to private provider and private individual data, concerning both the consumers' course of treatment and summary data concerning the comparative outcomes of treatment in similar cases.

(c) Establish and maintain a pilot project health outcomes database as follows:

(1) determine uniform specifications for the collection, transmission, and maintenance, and dissemination of health outcomes data for the pilot project; and

(2) conduct studies and research on the following subjects:

(i) new and revised practice parameters to be used in connection with the pilot project;

(ii) the comparative effectiveness of alternative modes of treatment, medical equipment, and drugs;

(iii) the relative satisfaction of participants with their care, determined with reference to both provider and mode of treatment;

(iv) *the cost versus the effectiveness of health care treatments; and*
(v) *the impact on cost and effectiveness of health care of the management techniques and administrative interventions used in the pilot project.*

(d) *Adopt emergency and permanent rules relating to the administration of the pilot project. At a minimum, the rules must provide that:*

(1) *any licensed provider who agrees to render care subject to approved practice parameters and who agrees to implement the project's outcomes-based management system may participate in the pilot project; and*

(2) *initially, participation by pilot project providers is limited to those maintaining offices within 30 miles of the pilot project area or areas. The health care analysis unit may also designate pilot project providers from outside this area to assure that participants have full access to covered health care. Additional providers will be added as the project expands.*

(e) *Establish, in consultation with the health plan company under contract, appropriate financial incentives and disincentives designed to further the purposes of the project, including the application or waiver of copayments and deductibles.*

(f) *Establish appropriate eligibility, enrollment, premium, and payment provisions consistent with the purposes of the project.*

(g) *Establish an appeals panel for the timely review and resolution of written complaints brought by a provider or enrollee. The decision of the appeals panel is final and binding.*

Subd. 4. [SELECTION OF HEALTH PLAN COMPANY.] (a) The commissioner shall select, by competitive bid, a health plan company to manage health care provided to pilot project participants. The health plan company must have demonstrated experience in at least the following areas:

(1) *health care management;*

(2) *claims administration; and*

(3) *the management of health care information systems.*

(b) *The health plan company shall:*

(1) *adopt a provider fee schedule and negotiate contracts with hospitals and other health care providers, including contracts for drugs and medical equipment, in which fees for services and supplies are equivalent to those prevailing under other local third-party payers;*

(2) *develop financial incentives and disincentives for provider reimbursement designed to further the purposes of the project. Provider reimbursement disincentives shall not be set at a rate lower than 50 percent of the provider fee schedule or contract rate negotiated in clause (1);*

(3) *apply, to the extent they are cost-effective, appropriate financial incentives and disincentives designed to further the purposes of the project, including the application or waiver of copayments and deductibles;*

(4) *implement the eligibility, enrollment, and payment provisions established by the commissioner;*

(5) *collect the medical outcomes data specified by the health care analysis unit; and*

(6) *implement all other requirements established by the commissioner*

under subdivision 3.

Subd. 5. [DATA TRANSFER AND CLASSIFICATION.] The health plan company under contract shall transfer data collected under this section to the health care analysis unit. Data collected on individuals participating in the pilot project are classified as private data on individuals. Summary data may be provided under section 13.03, subdivision 7, and may be released in studies produced by the health care analysis unit and made available to pilot project participants.

Subd. 6. [NONDISCOVERABLE AND INADMISSIBLE IN ANY LEGAL PROCEEDING.] Any and all data, clinical norms, medical practice parameters, findings, or other information developed, compiled or collected under sections 1 to 6, including compliance or noncompliance with any medical practice parameters under this pilot program, are not discoverable or admissible in any civil, criminal, or administrative proceeding, including professional licensure proceedings.

Sec. 3. [144.7063] [ELIGIBILITY.]

Subdivision 1. [PARTICIPATION.] (a) All persons residing in the pilot project area who do not have health care coverage are eligible to participate in the project.

(b) Individuals covered by self-insured health plans may receive care rendered subject to practice parameters by pilot project providers, if they live in the pilot project area and they and their benefit plan administrator consent to their participation, and agree to share data relating to cost and outcome with the health care analysis unit.

(c) All persons covered under general assistance medical care who reside in the pilot project area are required to participate in the pilot project to the extent they seek care for which there are approved providers providing care subject to approved practice parameters. The commissioner of human services shall seek any federal waivers needed to include medical assistance recipients residing in the pilot project area, to the extent they seek care for which there are approved providers providing care subject to approved practice parameters.

(d) All persons residing in the project area who are children's health plan enrollees are eligible to participate in the project.

(e) Employees of state and local government are eligible to participate with the approval of their bargaining unit.

(f) Premiums for pilot project participants who do not have health coverage, or who are children's health plan enrollees, shall be based on the sliding scale provided in subdivisions 2 and 4. Premiums for self-insured participants, and participants who are employees of state and local government, shall be those required by their existing plan of health benefit coverage. No premiums shall be charged to individuals enrolled in general assistance medical care or medical assistance.

Subd. 2. [SLIDING SCALE.] Each individual and family unit without health coverage enrolled in the pilot project shall pay a premium set in relation to adjusted gross income and family size. The commissioner shall establish a sliding scale to determine the amount of the premium each individual or family must pay to obtain health coverage through the pilot project. The sliding scale must use the federal poverty guidelines as the primary unit of measurement, and must be based on an individual's or

family's federal adjusted gross income as shown on the federal income tax return. If the family files separate returns, the federal adjusted gross income from the returns must be combined for purposes of computing the family's federal adjusted gross income. The sliding scale must be designed so that individuals and families with adjusted gross incomes less than 25 percent of the federal poverty level pay 1.08 percent of their adjusted gross income, and those with adjusted gross incomes between 250 percent and 275 percent of the federal poverty level pay 6.5 percent of their adjusted gross income. Individuals and families with adjusted gross incomes over 275 percent of the federal poverty guideline or \$40,000, whichever is less, are not eligible for a subsidized premium and must pay 100 percent of the cost of coverage through the pilot project.

Subd. 3. [ADJUSTMENTS TO THE INCOME LIMIT AND SLIDING SCALE.] *The commissioner shall adjust the sliding scale and the maximum income limit for subsidized coverage to reflect changes in prevailing income levels, health coverage costs, and benefit levels.*

Subd. 4. [CHILDREN'S HEALTH PLAN ENROLLEES.] *The commissioner shall establish a separate sliding scale for children's health plan enrollees. Premiums charged must be proportional to the value of benefits provided by the pilot project that are in addition to those provided under section 256.936. Children's health plan enrollees shall still be required to pay the enrollment fee required by section 256.936.*

Sec. 4. [144.7064] [COVERAGE FOR HEALTH CARE FOR PILOT PROJECT PARTICIPANTS.]

Subdivision 1. [PERSONS WITHOUT HEALTH CARE COVERAGE.] *The commissioner, through the health care analysis unit, shall determine basic health care coverage for persons who do not have health care coverage. That coverage shall include:*

(1) care that is necessary and effective, as determined by reference to approved practice parameters and validated by measurement of outcomes;

(2) care, including preventive care, determined by the commissioner to be necessary, and for which there exists sufficient study or research data to support a finding that the care is necessary and effective; and

(3) other care determined by the commissioner to be covered, but for which there is insufficient study or research data to support a finding of necessity or effectiveness.

Subd. 2. [PERSONS COVERED UNDER STATE-FINANCED PROGRAMS.] *Coverage for persons enrolled in the children's health plan, general assistance medical care, and medical assistance, if a federal waiver is granted, shall be that which is set forth in their benefits agreements except for the following:*

(1) for care of proven effectiveness delivered subject to approved practice parameters, the coverage, including choice of provider, is limited to care obtained from participating providers;

(2) coverage must be supplemented with preventive care as defined by the Guidelines of the United States Task Force on Preventive Care to the extent it is necessary and effective; and

(3) the commissioner, after consultation with the commissioner of human services, may provide additional benefits to children's health plan enrollees

beyond those provided under section 256.936.

A waiver of federal regulations must be requested with respect to coverage mandated by federal law whenever care is provided under practice parameters by pilot project providers.

Subd. 3. [PERSONS COVERED UNDER SELF-INSURED PLANS; EMPLOYEES OF STATE AND LOCAL GOVERNMENT.] *Coverage for persons enrolled in self-insured health plans participating in the pilot project, and for state and local government employees who are participants, must be the coverage specified in their benefits agreements, provided that:*

(1) care is provided under pilot project guidelines by pilot project providers; and

(2) preventive care from pilot project providers must be made available to the extent it is necessary and effective care.

Subd. 4. [COORDINATION.] *The commissioner shall take steps that may be reasonable and necessary to reconcile existing health coverage with care provided participants by pilot project providers. Any conflict between existing health coverage practice parameters and pilot project practice parameters must be resolved in favor of the pilot project practice parameters.*

Coverage for persons who do not otherwise have health care coverage and persons enrolled in state-subsidized health programs based on benefits must be converted to coverage based on need and effectiveness at the earliest possible date.

The health care analysis unit shall make every possible effort to eliminate barriers to access to health care determined to be both necessary and effective and take steps to eliminate access to health care not determined to be necessary and effective.

Subd. 5. [PROVIDER PANELS.] *(a) The commissioner shall appoint panels of providers with appropriate experience and expertise. The panels shall advise the health care analysis unit regarding new and revised practice parameters which have been supported by medical or health citations from appropriately controlled studies, based on outcomes data collected by the pilot project.*

(b) In situations where these practice parameters overlap specialty or other professional boundaries, the panels must include representatives from each affected specialty or provider group.

(c) The panels shall advise the health care analysis unit in defining outcomes and how they should properly be used.

(d) The panels shall advise the health care analysis unit about adding participants and providers during the course of the project to maximize the cost savings generated by the project and to expand its size and scope to the extent practicable.

(e) The advice solicited under this subdivision is not binding on the health care analysis unit.

Sec. 5. [144.7065] [ADMINISTRATION OF THE PILOT PROJECT.]

Subdivision 1. [CLAIM PAYMENT.] *Participating providers must be paid by the health plan company on the basis of fee schedules, contracts, and, to the extent they are cost effective, financial incentives established by the commissioner.*

The commissioner shall conduct periodic audits of the health plan company under contract. The health plan company shall audit pilot project providers' outcomes management systems to ensure that cost and effectiveness data are accurately reported and pilot project guidelines are adhered to.

Subd. 2. [GENERAL ADMINISTRATION.] The commissioner shall establish a pilot project administrative office, hire staff, and arrange working relationships with persons currently employed by the state of Minnesota in the administration of health coverage programs. The commissioner shall also initiate procedures designed to identify and recruit for participation in the pilot project persons who do not have health care coverage, persons currently enrolled in state-financed health programs, and persons receiving coverage from self-insured plans.

Subd. 3. [ASSISTANCE.] State departments, agencies, boards, and commissions shall provide the assistance to the commissioner of health to design, implement, administer, and evaluate the pilot project. The evaluation must include an estimate of the savings accrued by state-financed health care programs due to the pilot project.

Subd. 4. [WAIVER OF INCONSISTENT PROVISIONS.] The commissioner and the commissioner of commerce may waive mandated health benefit requirements and open enrollment requirements, if there is reasonable evidence that the requirements would prohibit the operation of the pilot project. The commissioner and the commissioner of commerce shall provide for public comment before any requirement is waived. For purposes of the pilot project, section 72A.20, subdivision 15, clause (4) applies.

Sec. 6. [144.7066] [REPORTS.]

The commissioner shall, by the end of January of each year the pilot project is operating, provide a detailed report to the legislature. The report must include a review by the health care analysis unit of the:

- (1) outcomes of care provided in the pilot project;*
- (2) progress in implementing, expanding, or revising practice parameters for use in connection with all necessary and effective modes of treatment used in the pilot project;*
- (3) actual improvements in quality of care achieved as a result of providing only care that is necessary and effective;*
- (4) actual savings achieved as a result of providing only necessary, proven, and effective care;*
- (5) impact of the pilot project's systems, technologies, and methods on all providers and other participants, health care, and the health care delivery system in general;*
- (6) progress in eliminating barriers to access to necessary and effective care provided to participants enrolled in the pilot project; and*
- (7) results likely to be achieved if the pilot project were extended to include additional persons who do not have health care coverage and additional persons currently enrolled in state or employer financed health insurance programs.*

The report must include recommendations for any additional legislation needed to implement the project.

In the report due January 1, 1993, and each subsequent year, the commissioner shall make recommendations regarding any expansion of the project during the next year, including expanding the project area, the number of participants and providers, and the practice parameters to be added, or the termination of the pilot project.

Sec. 7. [APPROPRIATION.]

\$15,000,000 is appropriated from the general fund to the commissioner of health for the purposes of sections 1 to 6. The appropriation is available until expended.

Sec. 8. [REPEALER.]

Sections 1 to 7 are repealed July 1, 1996.

ARTICLE 2

SMALL EMPLOYERS HEALTH INSURANCE PLAN

Section 1. [62K.01] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 1 to 12, the terms defined in this section have the meanings given them unless the language or the context clearly indicates otherwise.

Subd. 2. [ACTUARIAL OPINION.] "Actuarial opinion" means a written statement by a member of the American Academy of Actuaries that a health carrier is in compliance with this chapter, based on the person's examination, including a review of the appropriate records and of the actuarial assumptions and methods utilized by the health carrier in establishing premium rates for health benefit plans.

Subd. 3. [APPROPRIATE COMMITTEE CHAIRS.] "Appropriate committee chairs" means the chair of the health and human services committee and the chair of the insurance committee of the house of representatives, the chair of the commerce committee and the chair of the health and human services committee of the senate.

Subd. 4. [ASSOCIATION.] "Association" means the small employer reinsurance association.

Subd. 5. [AUDITOR.] "Auditor" means the office of the legislative auditor.

Subd. 6. [BASE PREMIUM RATE.] "Base premium rate" means for each class of business as to a rating period, the lowest premium rate charged or which could have been charged under a rating system for that class of business by the health carrier to small employers with similar case characteristics for health benefit plans with the same or similar coverage.

Subd. 7. [BOARD OF DIRECTORS.] "Board of directors" means the board of directors of the small employer reinsurance association.

Subd. 8. [CASE CHARACTERISTICS.] "Case characteristics" means the relevant characteristics of a small employer, as determined by a health carrier, which are considered by the carrier in the determination of premium rates for the small employer. Relevant characteristics include, but are not limited to, geographic area, employer group size, benefit differences, and family composition. Age, sex, claims experience, health status, and industry of the employer and duration of issue are not case characteristics for the purposes of this chapter.

Subd. 9. [CLASS OF BUSINESS.] "Class of business" means all of the small employer business of a health carrier as shown on the records of the health carrier except that a health carrier may establish a distinct grouping of small employers:

(1) if a class of business was acquired from another health carrier;

(2) if the class of business relies on substantially different managed care requirements, including but not limited to the use of limited provider networks, prior authorization, concurrent review, discharge planning, and case management;

(3) if the class of business is marketed and sold through persons not participating in the sale of health benefit plans to other distinct groupings of small employers; or

(4) if the class of business is provided through an association of not less than 100 small employers which has been formed for purposes other than obtaining insurance.

The commissioner may approve the establishment of additional classes of business upon application to the commissioner and a finding by the commissioner that the action would enhance the efficiency and fairness of the small employer market.

Subd. 10. [COINSURANCE.] "Coinsurance" means an established dollar amount or percentage of health care expenses that an eligible employee or dependent is required to pay directly to a provider of medical services or supplies under the terms of a health benefit plan.

Subd. 11. [COMMISSIONER.] "Commissioner" means the commissioner of commerce or the commissioner's designated representative.

Subd. 12. [CONTINUOUS COVERAGE.] "Continuous coverage" means the maintenance of continuous and uninterrupted health plan coverage by an eligible employee or dependent. An eligible employee or dependent is considered to have maintained continuous coverage if the individual requests enrollment in a health benefit plan within 30 days of termination of the prior health plan coverage.

Subd. 13. [DEDUCTIBLE.] "Deductible" means the amount of health care expenses an eligible employee or dependent is required to incur before benefits are payable under a health benefit plan.

Subd. 14. [DEMOGRAPHIC COMPOSITION.] "Demographic composition" means the age and sex characteristics of eligible employees, the family composition of eligible employees, and the standard age categories used by a health carrier to establish premiums.

Subd. 15. [DEPARTMENT.] "Department" means the department of commerce.

Subd. 16. [DEPENDENT.] "Dependent" means an eligible employee's spouse, unmarried child who is under the age of 19 years, dependent child who is a student under the age of 25 years and financially dependent upon the eligible employee, or dependent child of any age who is disabled, subject to the applicable terms of the health benefit plan issued by the health carrier.

Subd. 17. [DURATION OF ISSUE.] "Duration of issue" means a rate factor used to justify higher rates which incorporated the length of time a group is covered by a health carrier, but which does not incorporate claims

experience or health status.

Subd. 18. [ELIGIBLE CHARGES.] *"Eligible charges" means the actual charges submitted to a health carrier by or on behalf of a provider, eligible employee, or dependent for health services covered by the carrier's health benefit plan. Eligible charges do not include charges for health services excluded by the health benefit plan or charges for which an alternate carrier is liable under the coordination of benefit provisions of the health benefit plan.*

Subd. 19. [ELIGIBLE EMPLOYEE.] *"Eligible employee" means an individual employed by a small employer for at least 20 hours per week on a regular basis and who has satisfied all employer participation and eligibility requirements, including but not limited to the satisfactory completion of a probationary period of not less than 30 days. A late entrant is not an eligible employee.*

Subd. 20. [FINANCIALLY IMPAIRED CONDITION.] *"Financially impaired condition" means a health carrier which is not insolvent and (1) is considered by the commissioner to be potentially unable to fulfill its contractual obligations, or (2) is placed under an order of rehabilitation or conservation by a court of competent jurisdiction.*

Subd. 21. [HEALTH BENEFIT PLAN.] *"Health benefit plan" means a policy, contract, or certificate issued by a health carrier to a small employer for the coverage of medical and hospital benefits. Health benefit plan includes a small employer plan. Health benefit plan does not include coverage that is:*

- (1) limited to disability or income protection coverage;*
- (2) automobile medical payment coverage;*
- (3) supplemental to liability insurance;*
- (4) designed solely to provide payments of a per diem, fixed indemnity or nonexpense incurred basis;*
- (5) credit accident and health insurance issued under chapter 62B;*
- (6) designed solely to provide dental or vision care;*
- (7) blanket accident and sickness insurance as defined in section 62A.11;*
- (8) accident only coverage issued by a licensed and tested insurance agent or solicitors that provides reasonable benefits in relation to the cost of covered services;*
- (9) long-term care insurance as defined in section 62A.46; or*
- (10) issued as a supplement to Medicare, as defined in sections 62A.31 to 62A.44.*

For the purpose of this act, a health benefit plan issued to employees of a small employer who meets the participation requirements of section 62K.03 is considered to have been issued to a small employer. A health benefit plan issued on behalf of a health carrier is considered to be issued by the health carrier.

Subd. 22. [HEALTH CARRIER.] *"Health carrier" means an insurance company licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance as defined in section 62A.01; a health service plan licensed under chapter 62C; a health maintenance organization*

licensed under chapter 62D; a fraternal benefit society operating under chapter 64B; a joint self-insurance employee health plan operating under chapter 62H; and a multiple employer welfare arrangement, as defined in section 3 of the Employee Retirement Income Security Act of 1974 (ERISA), United States Code, title 29, section 1103, as amended through December 31, 1990. For the purpose of this act, companies that are affiliated companies or that are eligible to file a consolidated tax return must be treated as one carrier, except that any insurance company or health service plan corporation that is an affiliate of a health maintenance organization located in Minnesota or any health maintenance organization located in Minnesota that is an affiliate of an insurance company or health service plan corporation may treat the health maintenance organization as a separate health carrier.

Subd. 23. [HEALTH PLAN.] "Health plan" means a health benefit plan issued by a health carrier:

(1) to a small employer;

(2) to an employer who does not satisfy the definition of a small employer under subdivision 32; or

(3) to an individual purchasing an individual or conversion policy of health care coverage issued by a health carrier.

Subd. 24. [INDEX RATE.] "Index rate" means for each class of business as to a rating period for small employers with similar case characteristics, the arithmetic average of the applicable base premium rate and the corresponding highest premium rate.

Subd. 25. [LATE ENTRANT.] "Late entrant" means an eligible employee or dependent who is not enrolled in a small employer's health benefit plan. Late entrants may be subject to a preexisting condition limitation or exclusion from coverage for up to 18 months from the effective date of coverage of the late entrant. An otherwise eligible employee or dependent is not a late entrant if:

(1) the individual was covered by another group health plan at the time the individual was eligible to enroll in a health benefit plan, declined enrollment on that basis, and presents to a health carrier a certificate of termination of the coverage, provided that the individual maintains continuous coverage;

(2) the individual has lost coverage under another group health plan due to the expiration of benefits available under the Consolidated Omnibus Budget Reconciliation Act of 1981 (COBRA), Public Law Number 99-272, as amended through December 31, 1990, and state continuation laws applicable to the employer or health carrier, provided that the individual maintains continuous coverage;

(3) the individual is a new spouse of an eligible employee, provided that enrollment is requested within 30 days of the date of marriage; or

(4) the individual is a new dependent child of an eligible employee, provided that enrollment is requested within 30 days of the date of birth or adoption.

Subd. 26. [MANDATED BENEFIT OR ELIGIBILITY.] "Mandated benefit or eligibility" means a health plan benefit or eligibility requirement of state law to be included in a health plan offered or issued by a health carrier

that requires the coverage of or the offer of coverage of specific diseases, conditions, treatments, services, or persons or the direct reimbursement of services rendered by specific types of health care providers.

Subd. 27. [MCHA.] "MCHA" means the Minnesota comprehensive health association established under section 62E.10.

Subd. 28. [MEDICAL NECESSITY.] "Medical necessity" means the appropriate and necessary medical and hospital services eligible for payment under a health benefit plan as determined by a health carrier.

Subd. 29. [MEMBERS.] "Members" means the health carriers operating in the small employer market who are members of the association.

Subd. 30. [PREEXISTING CONDITION.] "Preexisting condition" means a condition manifesting in a manner that causes an ordinarily prudent person to seek medical advice, diagnosis, care, or treatment or for which medical advice, diagnosis, care, or treatment was recommended or received during the six months immediately preceding the effective date of coverage, or as to a pregnancy existing as of the effective date of coverage of a health benefit plan.

Subd. 31. [RATING PERIOD.] "Rating period" means the 12-month or prorated calendar period for which premium rates established by a health carrier are assumed to be in effect, as determined by the health carrier.

Subd. 32. [SMALL EMPLOYER.] "Small employer" means a person, firm, corporation, partnership, association, or other entity actively engaged in business who, on at least 50 percent of its working days during the preceding calendar year, employed no less than two nor more than 29 eligible employees. If a small employer has only two eligible employees, one employee must not be the spouse, child, sibling, parent, or grandparent of the other. Entities which are eligible to file a combined tax return for purposes of state tax laws are considered a single employer for purposes of determining the number of eligible employees. Small employer status must be determined on an annual basis as of the renewal date of the health benefit plan. The provisions of this chapter continue to apply to an employer who no longer meets the requirements of this definition until the annual renewal date of the employer's health benefit plan.

Subd. 33. [SMALL EMPLOYER MARKET.] "Small employer market" means the market for group health benefit plans for small employers. A health carrier is considered to be participating in the small employer market if the health carrier offers, sells, issues, or renews a health plan to a small employer or the eligible employees of a small employer offering a group health benefit plan.

Subd. 34. [SMALL EMPLOYER PLAN.] "Small employer plan" means a health benefit plan issued by a health carrier to a small employer for coverage of the medical and hospital benefits described in section 4.

Subd. 35. [TRANSITION PERIOD.] "Transition period" means July 1, 1992, through June 30, 1993.

Sec. 2. [62K.02] [PARTICIPATION REQUIREMENTS.]

Subdivision 1. [CARRIER PARTICIPATION.] Every health carrier shall, as a condition of authority to transact business in this state in the small employer market, offer, sell, issue, and renew any health benefit plan to

small employers in accordance with this chapter. Beginning with the transition period, every health carrier participating in the small employer market shall make available a health benefit plan to small employers and shall fully comply with the underwriting and rate restrictions specified in this chapter. A health carrier may cease to transact business in the small employer market as provided under section 8.

Subd. 2. [EXCEPTION TO CARRIER PARTICIPATION.] A health carrier transacting business in the small employer market shall not be required to offer a health benefit plan to small employers under this chapter if the commissioner finds that the offer would place the health carrier in a financially impaired condition. A health carrier which does not offer a health benefit plan to small employers under this subdivision shall not offer a health benefit plan to small employers for 180 days following a determination by the commissioner that the health carrier has ceased to be in a financially impaired condition.

Subd. 3. [EMPLOYER PARTICIPATION.] Health carriers shall require that:

(1) 75 percent of a small employer's eligible employees who have not waived coverage participate in a health benefit plan offered, sold, issued, or renewed by the health carrier; and

(2) small employers contribute a minimum of 50 percent of the premium charged by the health carrier for coverage of an eligible employee.

Subd. 4. [UNDERWRITING RESTRICTIONS.] Health carriers may apply underwriting restrictions to coverage for health benefit plans for small employers, including any preexisting condition limitations, only as expressly permitted by this chapter. Health carriers may collect information relating to the case characteristics and demographic composition of small employers, as well as health status and health history information about employees of small employers. Except as authorized for late entrants, preexisting conditions may be excluded by a health carrier for a period not to exceed 12 months from the effective date of coverage of an eligible employee's or dependent's health benefit plan. When calculating a preexisting condition limitation, a health carrier shall credit the time period an eligible employee or dependent was previously covered by another health benefit plan, provided that the individual maintains continuous coverage. Late entrants may be subject to a preexisting condition limitation not to exceed 18 months from the effective date of coverage of the late entrant. Late entrants may also be excluded from coverage for a period not to exceed 18 months, provided that if a health carrier imposes an exclusion from coverage and a preexisting condition limitation, the combined time period for both the coverage exclusion and preexisting condition limitation shall not exceed 18 months. The report required under section 9 must include recommendations regarding the use of the reinsurance pool by a health carrier for the costs incurred by an individual covered by a health benefit plan for which a preexisting condition limitation is imposed on the individual.

Subd. 5. [CANCELLATIONS.] No health carrier shall cancel, decline to issue, or fail to renew a health benefit plan as a result of the claim experience or health status of the small employer group. A health carrier may cancel, decline to issue, or fail to renew a health benefit plan:

(1) for nonpayment of the required premium or contributions toward premiums by the small employer or eligible employee;

(2) for fraud or misrepresentation by the small employer, eligible employee, or dependent with respect to their eligibility for coverage or any other material fact;

(3) if eligible employee participation during the preceding calendar year declines to less than 100 percent;

(4) for failure of an employer to comply with the health carrier's premium contribution requirements;

(5) if a health carrier ceases to do business in the small employer market as provided under section 8;

(6) for any other reasons or grounds expressly permitted by the respective licensing laws and regulations governing a health carrier, including but not limited to service area restrictions imposed on health maintenance organizations under section 62D.03, subdivision 4, paragraph (m), and insufficient provider network capacity, as determined by the commissioner, to the extent that these grounds are not expressly inconsistent with this chapter.

Subd. 6. [MCHA ENROLLEES.] Health carriers shall offer coverage to an eligible employee or dependent enrolled in MCHA at the time of the health carrier's issuance of a health benefit plan to a small employer. MCHA enrollees shall be enrolled in the small employer's health benefit plan as of the first date of renewal of a health benefit plan occurring after January 1, 1993, or, in the case of a new group, as of the initial effective date of the health benefit plan. Unless otherwise permitted by this chapter, health carriers shall not impose any underwriting restrictions, including any preexisting condition limitations on any eligible employee or dependent previously enrolled in MCHA and transferred to a health benefit plan so long as continuous coverage is maintained.

Sec. 3. [62K.03] [TRANSITION PERIOD.]

Subdivision 1. [APPLICABILITY OF CHAPTER REQUIREMENTS.] Beginning with the transition period, health carriers participating in the small employer market shall offer and make available a health benefit plan to small employers who satisfy the small employer participation requirements specified in section 2, subdivision 3, and shall comply with the underwriting, rating, and other requirements specified in sections 2 to 8. Compliance with these requirements is required as of the first renewal date of any small employer group occurring during the transition period. For new small employer business, compliance is required as of the first date of offering occurring during the transition period.

Subd. 2. [NEW CARRIERS.] A health carrier entering the small employer market after the transition period shall begin complying with the requirements of this chapter as of the first date of offering of a health benefit plan to a small employer. A health carrier entering the small employer market after the transition period is considered to be a member of the small employer reinsurance association as of the date of the health carrier's initial offer of a health benefit plan to a small employer.

Sec. 4. [62K.04] [SMALL EMPLOYER PLAN BENEFITS.]

Subdivision 1. [BENEFIT DESIGN.] The minimum benefits of a small employer plan offered by a health carrier must be equal to 80 percent of the cost of health care services, supplies, or articles covered under the small employer plan, in excess of an annual deductible which may not exceed \$500 per individual and \$1,000 per family. Coinsurance and deductibles

do not apply to prenatal services, as defined by section 62A.047, and medical services and supplies provided to children.

Out-of-pocket costs for covered services, supplies, or articles may not exceed \$3,000 per individual and \$6,000 per family per year. The annual maximum benefit is limited to \$75,000 per person. The maximum lifetime benefit shall not be less than \$500,000 per individual.

Subd. 2. [MINIMUM BENEFITS.] *The medical services and supplies listed in this subdivision are the minimum benefits that must be covered by a small employer plan:*

(1) inpatient and outpatient hospital services, excluding services provided for the diagnosis, care, or treatment of chemical dependency or a mental illness or condition, other than those conditions specified in clause (10);

(2) physician services for the diagnosis or treatment of illnesses, injuries, or conditions;

(3) diagnostic X-rays and laboratory tests;

(4) ground transportation provided by a licensed ambulance service to the nearest facility qualified to treat the condition;

(5) services of a home health agency if the services qualify as reimbursable services under Medicare and are directed by a physician;

(6) services of a private duty registered nurse if medically necessary, as determined by the health carrier;

(7) the rental or purchase, as appropriate, of durable medical equipment, other than eyeglasses and hearing aids;

(8) child health supervision services up to age 18, as defined in section 62A.047;

(9) maternity and prenatal care services as defined in section 62A.047; and

(10) inpatient and outpatient physician and hospital services for the diagnosis and treatment of certain mental illnesses or conditions, as defined by the International Classification of Diseases-Clinical Modification (ICD-9-CM), seventh edition (1990) and as classified as ICD-9 codes 295 to 299.

Subd. 3. [ADDITIONAL BENEFITS.] *Health carriers must offer small employers the following additional health benefit plans:*

(1) a plan equal to the minimum benefit described in subdivision 1 with the following additional benefits:

(i) up to ten hours of coverage for mental or nervous disorder consultation, diagnosis, and treatment services delivered while the insured is not a bed patient in a hospital;

(ii) up to 60 hours of coverage for the treatment of alcoholism, chemical dependency, or drug addiction in a nonresidential treatment program approved or licensed by the state of Minnesota; and

(iii) coverage equal to 50 percent of the cost of prescription drugs up to \$1,000 out-of-pocket cost per individual. Coverage in excess of the out-of-pocket cost must be at 100 percent. The health carrier may use a formulary to identify drugs covered under this section; and

(2) a plan equal to a number two qualified plan as described in section 62E.06, subdivision 2.

For each benefit design described in this section, a health carrier may offer small employers the additional deductible options of \$100 or \$250.

Subd. 4. [NUMBER THREE QUALIFIED PLAN.] Health carriers may offer small employers a plan equal to a number three qualified plan as described in section 62E.06, subdivision 1.

Subd. 5. [BENEFIT EXCLUSIONS.] No medical, hospital, or other health care benefits, services, supplies, or articles not expressly specified in subdivision 2 are required to be included in a health benefit plan. Nothing in subdivision 2 restricts the right of a health carrier to restrict coverage to those services, supplies, or articles which are medically necessary. Health carriers may exclude a benefit, service, supply, or article not expressly specified in subdivision 2 from a health benefit plan.

Subd. 6. [CONTINUATION COVERAGE.] Health benefit plans must include only the continuation of coverage provisions required by the Consolidated Omnibus Reconciliation Act of 1981 (COBRA), Public Law Number 99-272, as amended through December 31, 1990.

Subd. 7. [DEPENDENT COVERAGE.] Other state law and rules applicable to health plan coverage of newborn infants, dependent children who do not reside with the eligible employee, handicapped children, and dependents and adopted children apply to a health benefit plan.

Subd. 8. [MEDICAL EXPENSE REIMBURSEMENT.] Health carriers may reimburse or pay for medical services, supplies, or articles provided under a health benefit plan in accordance with the health carrier provider's contract requirements including but not limited to salaried arrangements, capitation, the payment of usual and customary charges, fee schedules, discounts from fee-for-service, per diems, diagnostic-related groups (DRGs), and other payment arrangements. Nothing in this chapter requires a health carrier to develop, implement, or change its provider contract requirements for a health benefit plan. Coinsurance, deductibles, out-of-pocket maximums, and maximum lifetime benefits must be calculated and determined in accordance with each health carrier's standard business practices.

Subd. 9. [PLAN DESIGN.] Notwithstanding any other law, regulation, or administrative interpretation to the contrary, health carriers may offer a health benefit plan through any provider arrangement, including but not limited to the use of open, closed, or limited provider networks. The provider networks offered by any health carrier may be specifically designed for the small employer market and may be modified at the carrier's election so long as any necessary regulatory requirements are met. Health carriers shall use professionally recognized provider standards of practice when they are available, and may use utilization management practices otherwise permitted by law, including but not limited to second surgical opinions, prior authorization, concurrent and retrospective review, referral authorizations, case management, and discharge planning. A health carrier may contract with groups of providers with respect to health care services or benefits, and may negotiate with providers regarding the level or method of reimbursement provided for services rendered under a health benefit plan. The plan required under article 3, section 1, must include specific recommendations regarding the regulation of comparable products and network designs without regard to the statutory requirements of the health carrier.

Sec. 5. [62K.05] [DISCLOSURE OF UNDERWRITING RATING PRACTICES.]

When offering or renewing a health benefit plan, health carriers shall disclose in all solicitation and sales materials:

(1) the case characteristic factors used to determine initial and renewal rates;

(2) the extent to which premium rates for a small employer are established or adjusted based upon actual or expected variation in claim experience;

(3) provisions concerning the health carrier's right to change premium rates and the factors other than claim experience that affect changes in premium rates;

(4) a description of the class of business in which a small employer is or will be included, including the applicable grouping of plan;

(5) provisions relating to renewability of coverage;

(6) the use and effect of any preexisting condition provisions, if permitted; and

(7) the use of any provider network arrangements and effect on eligibility for benefits.

Sec. 6. [62K.06] [SMALL EMPLOYER REQUIREMENTS.]

Subdivision 1. [VERIFICATION OF ELIGIBILITY.] Small employers purchasing a health benefit plan shall maintain information verifying the continuing eligibility of the employer, its employees, and their dependents, and shall provide the information to health carriers on a quarterly basis or as reasonably requested by the health carrier.

Subd. 2. [WAIVERS.] Small employers participating in a health benefit plan shall maintain written documentation of a waiver of coverage by an eligible employee or dependent and shall provide the documentation to the health carrier upon reasonable request.

Sec. 7. [62K.07] [RESTRICTIONS RELATING TO PREMIUM RATES.]

Subdivision 1. [RATE RESTRICTIONS.] Premium rates for all health benefit plans sold or issued to small employers are subject to the restrictions specified in subdivisions 2 to 4.

Subd. 2. [INDEX RATE.] Between classes of business, the index rate for a rating period for any class of business must not exceed the index rate for any other class of business by more than 20 percent, adjusted pro rata for periods less than one year. In the case of health benefit plans issued prior to the effective date of this act, which meet the definition of section 62K.01, subdivision 9, clause (4), a premium rate for a rating period, adjusted pro rata for rating periods of less than a year, may exceed the ranges set forth in section 8 for a period of five years following the effective date of this act.

Subd. 3. [PREMIUM VARIATIONS.] Within a class of business, the premium rates charged during a rating period to small employers with similar case characteristics for the same or similar coverage, or the rates which could be charged to the employers under the rating system for that class of business, are limited to the index rate, plus or minus 30 percent

of the index rate, adjusted pro rata for rating periods of less than one year.

Subd. 4. [ANNUAL PREMIUM INCREASE.] *The percentage increases in the premium rate charged to a small employer for a new rating period may not exceed the sum of the following:*

(1) the percentage change in the index rate measured from the first day of the prior rating period to the first day of the new rating period;

(2) an adjustment, not to exceed 15 percent annually and adjusted pro rata for rating periods of less than one year, due to the claims experience, health status, or duration of issue of the eligible employees or dependents of the small employer as determined from the health carrier's rate manual for the class of business; and

(3) any adjustment due to change in coverage, demographic composition, or change in the case characteristics of the small employer as determined from the health carrier's rate manual for the class of business.

Subd. 5. [INVOLUNTARY TRANSFERS PROHIBITED.] *A health carrier shall not involuntarily transfer a small employer into or out of a class of business. A health carrier shall not offer to transfer a small employer into or out of a class of business unless the offer is made to transfer all small employers in the class of business without regard to case characteristics, age, sex, claim experience, health status, industry of the employer, or duration of issue.*

Subd. 6. [REPORT.] *The commissioners of health and commerce shall prepare a joint report to the legislature on the effect of the rating restrictions required by this section. Such report must include an analysis of the availability of health coverage due to the rating reform as well as any recommendations for additional necessary reform of rating practices in the small employer market. The report must be issued no later than December 1, 1994.*

Sec. 8. [62K.08] [CESSATION OF SMALL EMPLOYER BUSINESS.]

Subdivision 1. [NOTICE TO COMMISSIONER.] *A health carrier electing to cease doing business in the small employer market shall notify the commissioner 180 days prior to the effective date of the cessation. The cessation of business does not include the following activities:*

(1) the elimination of a class of business by a health carrier so long as other classes of business are maintained;

(2) the failure of a health carrier to offer or issue new business in the small employer market or continue an existing product line, provided that a health carrier does not terminate, cancel, or fail to renew its current small employer business or other product lines; and

(3) the inability of any health carrier to offer or renew a health benefit plan because it has given notice to the commissioner that it will not have the capacity within a specific provider site under contract to or owned by the health carrier to adequately deliver services to the enrollees, insureds, or subscribers of health benefit plans. Any health carrier which ceases to offer a particular provider site to the small employer market must also cease to offer that provider site to new groups other than small employers for any of its products.

Subd. 2. [NOTICE TO EMPLOYERS.] *A health carrier electing to cease doing business in the small employer market shall provide 120 days' written*

notice to each small employer covered by a health benefit plan issued by the health carrier. A health carrier that ceases to write new business in the small employer market shall continue to be governed by this chapter with respect to continuing small employer business conducted by the carrier.

Subd. 3. [REENTRY PROHIBITION.] A health carrier that ceases to do business in the small employer market after the effective date of this chapter is prohibited from writing new business in the small employer market in this state for a period of five years from the date of notice to the commissioner. This subdivision applies to any health maintenance organization that ceases to do business in the small employer market in one service area with respect to that service area only.

Sec. 9. [62K.09] [REINSURANCE ASSOCIATION.]

Subdivision 1. [NONPROFIT CORPORATION.] The small employer reinsurance association is a nonprofit corporation.

Subd. 2. [PURPOSE.] The association is established to provide for the fair and equitable transfer of risk associated with participation by a health carrier in the small employer market to a private reinsurance pool created and maintained by the association. The participation by a health carrier in the reinsurance pool is voluntary.

Subd. 3. [TASK FORCE.] The commissioner shall establish an 11-member task force to develop the rules of participation in, and operating guidelines for, the reinsurance pool. Nine members shall represent health carriers. The commissioner shall appoint these nine members as follows: three members must be representatives of insurance companies licensed under chapter 60A to offer, sell, or issue a policy of accident and sickness insurance; three members must be representatives of nonprofit health service plan corporations regulated under chapter 62C; and three members must be representatives of health maintenance organizations regulated under chapter 62D. In selecting task force members who represent insurance companies licensed under chapter 60A, the commissioner shall give preference to carriers with larger shares of the small employer market and to carriers domiciled in Minnesota. The commissioners of commerce and health shall serve as ex officio members of the task force.

Subd. 4. [APPOINTMENT.] The commissioner shall appoint the members of the task force no later than June 15, 1991.

Subd. 5. [REPORT.] The task force shall report to the appropriate committee chairs on their recommendations for operation of the reinsurance association no later than January 15, 1992. The report must include recommendations regarding the transfer of risk to the association, assessments, board composition, and operation of the association. The report must include recommendations regarding statutory changes necessary for implementation of the reinsurance association by July 1, 1992.

Sec. 10. [62K.10] [SUPERVISION BY COMMISSIONER.]

Subdivision 1. [REPORTS.] Health carriers doing business in the small employer market shall file by April 1 of each year an annual actuarial opinion with the commissioner certifying that the health carrier is in compliance with the underwriting and rating requirements of this chapter and that the rating methods used by the carrier are actuarially sound. A health carrier shall retain a copy of the opinion at its principal place of business.

Subd. 2. [RECORDS.] Health carriers doing business in the small

employer market shall maintain at their principal place of business a complete and detailed description of their rating practices, including information and documentation which demonstrate that a health carrier's rating methods and practices are based upon commonly accepted actuarial assumptions and are in accordance with sound actuarial principles.

Subd. 3. [SUBMISSIONS TO COMMISSIONER.] The commissioner may request information and documentation from a health carrier describing its rating practices and renewal underwriting practices, including information and documentation that demonstrates that a health carrier's rating methods and practices are in accordance with sound actuarial principles. Information received by the commissioner under this subdivision is nonpublic data as provided under section 13.37.

Subd. 4. [COMMISSIONERS' ANNUAL REPORT.] On December 1 of each year, the commissioners of commerce and health, using a common format and after an opportunity to review and comment is given to health carriers, shall provide the legislature with a joint report describing the effects of the provisions of chapter 62K upon the following:

- (1) the number of eligible employees and their dependents in the state covered by a health benefit plan;*
- (2) the number of health carriers issuing health benefit plans in the state, and their respective market shares; and*
- (3) the number of eligible employees in the state not covered by a health benefit plan.*

In developing this joint report, the commissioners shall make use of data already available from existing sources. They may also develop rules enabling the collection of reasonably relevant and nonduplicative data from health carriers. The names of health carriers reported along with their respective market shares under clause (2) are trade secret information pursuant to section 13.37, subdivision 1, clause (b).

Sec. 11. [62K.11] [PENALTIES AND ENFORCEMENT.]

The commissioner may suspend or revoke a health carrier's license or certificate of authority or impose a civil penalty not to exceed \$25,000 for each violation of this chapter. The action must be by order and subject to the notice, hearing, and appeal procedures specified in section 60A.051. The action of the commissioner is subject to judicial review as provided under chapter 14.

Sec. 12. [62K.12] [PROHIBITED PRACTICES.]

Subdivision 1. [PROHIBITION ON ISSUANCE OF INDIVIDUAL POLICIES.] Health carriers operating in the small employer market shall not knowingly offer, issue, or renew an individual policy, subscriber contract, or certificate to an eligible employee or dependent of a small employer who satisfies the employer participation requirements specified in section 2, subdivision 3, except as permitted in subdivision 2.

Subd. 2. [EXCEPTIONS.] (a) Health carriers may sell, issue, or renew individual conversion policies to eligible employees and dependents otherwise eligible for conversion coverage under section 62D.104 as a result of leaving a health maintenance organization's service area.

(b) Health carriers may sell, issue, or renew individual conversion policies

to eligible employees and dependents otherwise eligible for conversion coverage as a result of the expiration of any continuation of group coverage required under sections 62A.146, 62A.17, 62A.21, 62C.142, 62D.101, and 62D.105.

(c) Health carriers may voluntarily offer conversion policies under section 62E.17 to eligible employees.

(d) Health carriers may sell, issue, or renew individual continuation policies to eligible employees as required under section 62K.05.

Subd. 3. [SALE OF OTHER PRODUCTS.] A health carrier shall not condition the offer, sale, issuance, or renewal of a health benefit plan on the purchase by a small employer of other insurance products offered by the health carrier or a subsidiary or affiliate of the health carrier, including but not limited to life, disability, property, and general liability insurance. This prohibition does not apply to indemnity benefits offered as a supplement to a health maintenance organization plan to provide coverage to enrollees for health care services and supplies received from providers who are not employed by, under contract with, or otherwise affiliated with the health maintenance organization.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 12 are effective July 1, 1992.

ARTICLE 3

Section 1. [HEALTH PLAN REGULATION.]

The commissioner of health and the commissioner of commerce shall develop a plan for the functional division of regulatory authority over health plans. This plan must be presented to the appropriate committee chairs by November 1, 1991. The plan must allow each commissioner to exercise independent authority to the greatest extent possible and must minimize jurisdictional overlaps. The plan must provide the commissioner of commerce with primary authority for regulating the financial integrity and corporate structure of health carriers and must provide the commissioner of health with primary authority for regulating health care delivery and health care quality.

ARTICLE 4

RESEARCH AND DATA COLLECTION

Section 1. [62J.44] [HEALTH CARE ANALYSIS UNIT.]

Subdivision 1. [ESTABLISHMENT.] The commissioner shall establish a health care analysis unit to conduct data and research initiatives in order to improve the efficiency and effectiveness of health care in Minnesota.

Subd. 2. [GENERAL DUTIES; IMPLEMENTATION DATE.] The commissioner, through the health care analysis unit, shall:

(1) conduct applied research using existing and newly established health care data bases, and promote applications based on existing research;

(2) establish the condition-specific data base required under section 2;

(3) develop and implement data collection procedures to ensure a high level of cooperation from health care providers and health plans;

(4) work closely with health plans and health care providers under contract

with the commissioner of health care access to promote improvements in health care efficiency and effectiveness;

(5) periodically evaluate the state's existing health care financing and delivery programs, and the health programs created or administered by the commissioner;

(6) regularly prepare estimates, specific to Minnesota, of total health service expenditures and sources of payment;

(7) participate as a partner or sponsor of private sector initiatives that promote publicly disseminated applied research on health care delivery, outcomes, costs, quality, and management;

(8) conduct periodic surveys, including those required by section 5;

(9) provide technical assistance to health plan and health care purchasers, as required by section 6; and

(10) develop outcome-based practice standards as required under section 7.

The commissioner shall begin implementation of these data collection and research initiatives by July 1, 1992.

Subd. 3. [CRITERIA FOR UNIT INITIATIVES.] *Data and research initiatives by the health care analysis unit must:*

(1) serve the needs of the general public, public sector health care programs, employers and other purchasers of health care, health care providers, including providers serving large numbers of low-income people, and health plan companies;

(2) promote a significantly accelerated pace of publicly disseminated, applied research on health care delivery, outcomes, costs, quality, and management;

(3) conduct research and promote health care applications based on scientifically sound and statistically valid methods;

(4) be statewide in scope, in order to benefit health care purchasers and providers in all parts of Minnesota and to ensure a broad and representative data base for research, comparisons, and applications;

(5) emphasize data that is useful, relevant, and nonredundant of existing data. The initiatives may duplicate existing private activities, if this is necessary to ensure that the data collected will be in the public domain;

(6) be structured to minimize the administrative burden on health plans, health care providers, and the health care delivery system; and

(7) promote continuous improvement in the efficiency and effectiveness of health care delivery.

Subd. 4. [CRITERIA FOR PUBLIC SECTOR HEALTH CARE PROGRAMS.] *Data and research initiatives related to public sector health care programs must:*

(1) assist the state's current health care financing and delivery programs, and the state plan, to deliver and purchase health care in a manner that promotes improvements in health care efficiency and effectiveness;

(2) assist the state in its public health activities, including the analysis of disease prevalence and trends and the development of public health

responses;

(3) assist the state in developing and refining its overall health policy, including policy related to health care costs, quality, and access; and

(4) provide a data source that allows the evaluation of state health care financing and delivery programs.

Subd. 5. [DATA COLLECTION PROCEDURES.] The health care analysis unit shall collect data from health care providers, health plan companies, and individuals in the most cost-effective manner. The unit may require health care providers and health plan companies to collect and provide patient health data, provide mailing lists of patients who have consented to the data request, and cooperate in other ways with the data collection process. All patient-identifying information is classified as private data. For purposes of this section, the health care analysis unit shall assign, or require health care providers and health plan companies to assign, a unique identification number to each patient to safeguard patient identity.

Subd. 6. [DATA CLASSIFICATION.] (a) Data collected through the large-scale data base initiatives of the health care analysis unit required by section 62J.45 that identify individuals are private data on individuals. Data not on individuals are nonpublic data, but the commissioner may release the data to researchers affiliated with university research centers or departments who are conducting research on health outcomes, practice parameters, and medical practice style; researchers working under contract with the bureau of health care access; and individuals purchasing health care services for health plan companies and groups. Prior to releasing any nonpublic data under this paragraph that identify or relate to a specific health plan, medical provider, or health care facility, the commissioner shall provide at least 30 days' notice to the subject of the data, including a copy of the relevant data, and allow the subject of the data to provide a brief explanation or comment on the data which must be released with the data.

(b) Data collected through the survey research initiatives of the health care analysis unit required by section 62J.47 are public data under section 13.03, except that any patient or enrollee identifying information is private data.

(c) Summary data derived from data collected through the large-scale data base and survey research initiatives of the health care analysis unit may be provided under section 13.05, subdivision 7, and may be released in studies produced by the bureau of health care access.

Sec. 2. [62J.45] [LARGE-SCALE DATA BASES.]

The health care analysis unit shall establish a large-scale data base for a limited number of health conditions. This initiative must meet the following requirements:

(1) the data collected must be for specific health conditions, rather than specific procedures, types of health care providers, or services;

(2) the data collected must include information on health outcomes, including information on mortality, patient functional status and quality of life, symptoms, and patient satisfaction;

(3) the data collected must include information necessary to measure and make adjustments for differences in severity of patient condition across different health care providers, and may include data obtained directly from

the patient or from patient medical records;

(4) the initiative must emphasize conditions that account for significant total costs, when considering both the frequency of a condition and the unit cost of treatment. The initial emphasis must be on the study of conditions commonly treated in hospitals on an inpatient or outpatient basis, or in freestanding outpatient surgical centers. As improved data collection and evaluation techniques are incorporated, this emphasis shall be expanded to include entire episodes of care for a given condition, whether or not treatment includes use of a hospital or a freestanding outpatient surgical center;

(5) the data must be collected in a manner that allows comparisons to be made between providers, health plan companies, public programs, and other entities; and

(6) data collection for any one condition must continue for a sufficient time to permit adequate analysis, feedback to providers, and monitoring for changes in practice patterns.

Sec. 3. [62J.451] [ANALYSIS AND USE OF DATA COLLECTED THROUGH THE LARGE-SCALE DATA BASE.]

Subdivision 1. [DATA ANALYSIS.] The health care analysis unit shall analyze the data collected on specific health conditions using existing medical practice parameters and newly researched medical practice parameters, including those established through the medical effectiveness studies of the federal government. The unit may also use the data collected to develop new practice parameters or refine existing practice parameters, in cooperation with the affected provider groups, and may encourage or coordinate private sector research efforts designed to develop or refine practice parameters.

Subd. 2. [EDUCATIONAL EFFORTS.] The health care analysis unit shall maintain and improve the quality of health care in Minnesota by providing medical practitioners in the state with information about practice parameters and medical practice style. The unit shall disseminate medical parameters for specific medical conditions, and the research findings on which these parameters are based, to all medical practitioners in the state who diagnose or treat the medical condition.

Subd. 3. [PEER REVIEWS.] The unit may require peer reviews for specific medical conditions for which medical practice in all or part of the state deviates from practice parameters. The unit may also require peer reviews for specific medical conditions for which there are large variations in treatment method or frequency of treatment in all or part of the state. Peer reviews may be required for all medical practitioners statewide, or limited to medical practitioners in specific areas of the state. The peer reviews shall determine if the procedures conducted by medical practitioners are medically necessary and appropriate.

Sec. 4. [62J.46] [USE OF EXISTING PUBLIC SECTOR DATA BASES.]

The health care analysis unit shall use existing public sector data bases, such as those existing for medical assistance and Medicare, to the greatest extent possible. The unit shall establish linkages between existing public sector data bases, and consider and implement methods to streamline public

sector data collection in order to reduce public and private sector administrative costs.

Sec. 5. [62J.47] [SURVEY RESEARCH.]

The health care analysis unit shall conduct periodic surveys to accomplish the data and research goals listed in section 1. These surveys shall include, but are not limited to:

(1) surveys of enrollee satisfaction with health plans and health care providers;

(2) surveys to monitor changes over time in financial and geographic access and sources of health coverage;

(3) surveys of health service prices, especially for services less commonly covered by health insurance, or for which patients commonly face significant out-of-pocket expenses;

(4) surveys of health plan prices, especially for health plans sold on a community-rated or table-rated basis; and

(5) surveys of new procedures and treatments performed by health care providers, as a basis for considering changes in the benefits provided by state health coverage programs.

Sec. 6. [62J.48] [TECHNICAL ASSISTANCE FOR PURCHASERS.]

The health care analysis unit shall provide technical assistance to health plan and health care purchasers. The unit shall collect information about:

(1) premiums, benefit levels, managed care procedures, health care outcomes, and other features of popular health plans and health plan companies; and

(2) prices, outcomes, provider experience, and other information for services less commonly covered by insurance or for which patients commonly face significant out-of-pocket expenses.

The commissioner shall publicize this information in an easily understandable format.

Sec. 7. [62J.481] [OUTCOME-BASED PRACTICE STANDARDS.]

The health care analysis unit shall develop, revise, and disseminate practice guidelines and standards that are supported by medical literature and appropriately controlled studies to minimize unnecessary, unproven, or ineffective care. Among other appropriate activities relating to the development of practice guidelines, the health care analysis unit shall:

(1) determine uniform specifications for the collection, transmission, and maintenance of health outcomes data; and

(2) conduct studies and research on the following subjects:

(i) new and revised practice guidelines to be used in connection with the Minnesotans' health care plan and other settings;

(ii) the comparative effectiveness of alternative modes of treatment, medical equipment, and drugs;

(iii) the relative satisfaction of participants with their care, determined with reference to both provider and mode of treatment;

(iv) the cost versus the effectiveness of health care treatments; and

(v) the impact on cost and effectiveness of health care of the management techniques and administrative interventions used in the Minnesotans' health care plan and other settings.

Sec. 8. [STUDY OF ADMINISTRATIVE COSTS.]

The health care analysis unit shall study costs and requirements incurred by health plan companies and health care providers that are related to the collection and submission of information to the state and federal government, insurers, and other third parties. The unit shall recommend to the commissioner by January 1, 1993, any reforms that may reduce these costs without compromising the purposes for which the information is collected.

ARTICLE 5

RURAL HEALTH CARE

Section 1. [62J.49] [RURAL HEALTH ADVISORY COMMITTEE.]

Subdivision 1. [ESTABLISHMENT; MEMBERSHIP.] The commissioner shall establish a 15-member rural health advisory committee. The committee shall consist of consumers, rural health care providers, experts on rural health, and community leaders from rural Minnesota. The department shall make recommendations for committee membership. Committee members will be appointed by the governor. The terms, compensation, and removal of members are governed by section 15.059. The advisory committee does not expire as provided in section 15.059, subdivision 5.

Subd. 2. [DUTIES.] The advisory committee shall:

(1) advise the commissioner and other state agencies on rural health issues;

(2) provide a systematic and cohesive approach toward rural health issues and rural health care planning, at both a local and statewide level;

(3) develop and evaluate mechanisms to encourage greater cooperation among rural communities and among providers;

(4) recommend and evaluate approaches to rural health issues that are sensitive to the needs of local communities;

(5) develop methods for identifying individuals who are underserved by the rural health care system; and

(6) evaluate the Minnesotans' health care plan and recommend program changes needed to better address problems and needs in rural health care.

Subd. 3. [STAFFING; OFFICE SPACE; EQUIPMENT.] The commissioner of health shall provide the advisory committee with staff support, office space, and access to office equipment and services.

Sec. 2. [62J.50] [RURAL HEALTH INITIATIVES.]

The commissioner of health, consulting as necessary with the commissioner of commerce and other state agencies, shall:

(1) study and develop a detailed plan regarding the feasibility of coordinating rural health care services by organizing individual medical providers and smaller hospitals and clinics into referral networks with larger rural hospitals and clinics that provide a broader array of services. Where possible, this plan will guide the department of health in contracting for health care delivery throughout Minnesota;

(2) develop and administer a planning and transition grant program for rural hospitals, health care providers, and communities. Grants may be used for planning regarding the use of facilities, recruitment of health personnel, and coordination of health services;

(3) develop and administer a program of financial assistance for rural hospitals in isolated areas of the state that are in danger of closing without financial assistance, and that have exhausted local sources of support;

(4) develop recommendations regarding health education and training programs in rural areas, including but not limited to a physician assistants' training program, continuing education programs for rural health care providers, and rural outreach programs for nurse practitioners within existing training programs;

(5) develop a statewide, coordinated recruitment strategy for health care personnel;

(6) develop and administer technical assistance programs to assist rural communities in: (i) planning and coordinating the delivery of local health care services; and (ii) hiring physicians, nurse practitioners, public health nurses, physician assistants, and other health personnel;

(7) study and recommend changes in the regulation of health care personnel, such as nurse practitioners and physician assistants, related to scope of practice, the amount of on-site physician supervision, and dispensing of medication, to address rural health personnel shortages;

(8) support efforts to ensure continued funding for medical and nursing education programs that will increase the number of health professionals serving in rural areas;

(9) support efforts to secure higher reimbursement for rural health care providers from the Medicare program; and

(10) carry out other activities necessary to address rural health problems.

Sec. 3. [62J.51] [DATA BASE ON HEALTH PERSONNEL.]

The health care analysis unit established under article 4, section 1, shall develop and maintain a data base on health services personnel. The health care analysis unit shall use this information to assist local communities and units of state government to develop plans for the recruitment and retention of health personnel. Information collected in the data base must include, but is not limited to, data on levels of educational preparation, specialty, and place of employment. The unit is authorized to collect information through the health professions registration and licensure systems, with the cooperation of the state health licensing boards.

Sec. 4. Minnesota Statutes 1990, section 136A.1355, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] To be eligible to participate in the program, a prospective physician must submit a letter of interest to the higher education coordinating board ~~while attending medical school. Before completing the first year of residency.~~. A student or resident who is accepted must sign a contract to agree to serve at least three of the first five years following residency in a designated rural area.

Sec. 5. Minnesota Statutes 1990, section 136A.1355, subdivision 3, is amended to read:

Subd. 3. [LOAN FORGIVENESS.] *Prior to June 30, 1991, the higher education coordinating board may accept up to eight applicants who are fourth year medical students, up to eight applicants who are first year residents, and up to eight applicants who are second year residents for participation in the loan forgiveness program. For the period July 1, 1991, through June 30, 1995, the higher education coordinating board may accept up to eight applicants who are fourth year medical students per fiscal year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of medical school, up to a maximum of four years, an agreed amount, not to exceed \$10,000, as a qualified loan. For each year that a participant serves as a physician in a designated rural area, up to a maximum of four years, the higher education coordinating board shall annually pay an amount equal to one year of qualified loans and the interest accrued on these loans. Participants who move their practice from one designated rural area to another remain eligible for loan repayment.*

Sec. 6. [136A.1356] [MIDLEVEL PRACTITIONER EDUCATION ACCOUNT.]

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following definitions apply:

(a) *"Designated rural area" means a Minnesota community that:*

(1) is outside a ten-mile radius of a rationally area;

(2) has more than 2,000 persons per physician, including seasonal variation; and

(3) has notified the higher education coordinating board of its need for a physician or nurse for the community.

For purposes of this definition, "rationally area" means a central city or cities and any adjacent built-up areas, plus other communities not connected by continuously built-up areas if population density exceeds 60 persons per square mile and the workforce of the other communities significantly depends on the central city or cities.

(b) "Midlevel practitioner" means a nurse practitioner, nurse-midwife, nurse anesthetist, advanced clinical nurse specialist, or physician assistant.

(c) "Nurse-midwife" means a registered nurse who has graduated from a program of study designed to prepare registered nurses for advance practice as nurse-midwives.

(d) "Nurse practitioner" means a registered nurse who has graduated from a program of study designed to prepare registered nurses for advance practice as nurse practitioners.

(e) "Physician assistant" means a person meeting the definition in Minnesota Rules, part 5600.2600, subpart 11.

Subd. 2. [CREATION OF ACCOUNT.] *A midlevel practitioner education account is established. The higher education coordinating board shall use money from the account to establish a loan forgiveness program for midlevel practitioners agreeing to practice in designated rural areas.*

Subd. 3. [ELIGIBILITY.] *To be eligible to participate in the program, a prospective midlevel practitioner must submit a letter of interest to the*

higher education coordinating board prior to or while attending a program of study designed to prepare the individual for service as a midlevel practitioner. Before completing the first year of this program, a midlevel practitioner must sign a contract to agree to serve at least two of the first four years following graduation from the program in a designated rural area.

Subd. 4. [LOAN FORGIVENESS.] *The higher education coordinating board may accept up to eight applicants per year for participation in the loan forgiveness program. Applicants are responsible for securing their own loans. Applicants chosen to participate in the loan forgiveness program may designate for each year of midlevel practitioner study, up to a maximum of two years, an agreed amount, not to exceed \$7,000, as a qualified loan. For each year that a participant serves as a midlevel practitioner in a designated rural area, up to a maximum of four years, the higher education coordinating board shall annually repay an amount equal to one-half a qualified loan and the interest accrued on one-half a qualified loan. Participants who move their practice from one designated rural area to another remain eligible for loan repayment.*

Subd. 5. [PENALTY FOR NONFULFILLMENT.] *If a participant does not fulfill the service commitment required under subdivision 4 for full repayment of all qualified loans, the higher education coordinating board shall collect from the participant 100 percent of any payments made for qualified loans and interest, plus a penalty of 50 percent of the amount paid. The higher education coordinating board shall deposit the money collected in the midlevel practitioner education account. The board shall allow waivers of all or part of the money owed the board if emergency circumstances prevented fulfillment of the required service commitment.*

Sec. 7. Minnesota Statutes 1990, section 144.147, subdivision 4, is amended to read:

Subd. 4. [ALLOCATION OF GRANTS.] (a) Eligible hospitals must apply to the commissioner no later than September 1, ~~1990~~, of each year for grants awarded in the 1991 state fiscal year; and no later than September 1, ~~1990~~, for grants awarded in the 1992 state for the fiscal year beginning the following July 1.

(b) ~~The commissioner may award at least two grants for each fiscal year.~~ The commissioner must make a final decision on the funding of each application within 60 days of the deadline for receiving applications.

(c) Each relevant community health board has 30 days in which to review and comment to the commissioner on grant applications from hospitals in their community health service area.

(d) In determining which hospitals will receive grants under this section, the commissioner shall consider the following factors:

(1) Description of the problem, description of the project, and the likelihood of successful outcome of the project. The applicant must explain clearly the nature of the health services problems in their service area, how the grant funds will be used, what will be accomplished, and the results expected. The applicant should describe achievable objectives, a timetable, and roles and capabilities of responsible individuals and organizations.

(2) The extent of community support for the hospital and this proposed project. The applicant should demonstrate support for the hospital and for the proposed project from other local health service providers and from

local community and government leaders. Evidence of such support may include past commitments of financial support from local individuals, organizations, or government entities; and commitment of financial support, in-kind services or cash, for this project.

(3) The comments, if any, resulting from a review of the application by the community health board in whose community health service area the hospital is located.

(e) In evaluating applications, the commissioner shall score each application on a 100 point scale, assigning the maximum of 70 points for an applicant's understanding of the problem, description of the project, and likelihood of successful outcome of the project; and a maximum of 30 points for the extent of community support for the hospital and this project. The commissioner may also take into account other relevant factors.

(f) A grant to a hospital, including hospitals that submit applications as consortia, may not exceed \$50,000 a year and may not exceed a term of two years. Prior to the receipt of any grant, the hospital must certify to the commissioner that at least one-half of the amount, which may include in-kind services, is available for the same purposes from nonstate sources. A hospital receiving a grant under this section may use the grant for any expenses incurred in the development of strategic plans or the implementation of transition projects with respect to which the grant is made. Project grants may not be used to retire debt incurred with respect to any capital expenditure made prior to the date on which the project is initiated.

Sec. 8. [144.1482] [OFFICE OF RURAL HEALTH.]

Subdivision 1. [ESTABLISHMENT; FEDERAL GRANT APPLICATION.] The commissioner of health shall establish an office of rural health within the department. The commissioner shall also apply for a federal grant to establish the office of rural health, as provided under the federal Public Health Service Act, Public Law Number 101-597.

Subd. 2. [DUTIES.] (a) The office of rural health in conjunction with the University of Minnesota medical schools and other organizations in the state which are addressing rural health care problems shall:

(1) establish and maintain a clearinghouse for collecting and disseminating information on rural health care issues, research findings, and innovative approaches to the delivery of rural health care;

(2) coordinate the activities relating to rural health care that are carried out by the state to avoid duplication of effort;

(3) identify federal and state rural health programs and provide technical assistance to public and nonprofit entities, including community and migrant health centers, to assist them in participating in these programs;

(4) assist rural communities in improving the delivery and quality of health care in rural areas and in recruiting and retaining health professionals;

(5) work with the bureau of health care access in the department of human services to provide access to health care in rural Minnesota; and

(6) carry out the duties assigned in section 2.

(b) To carry out these duties, the office may contract with or provide grants to public and private, nonprofit entities.

Sec. 9. [144.1484] [RURAL HOSPITAL FINANCIAL ASSISTANCE GRANTS.]

The commissioner of health shall award financial assistance grants to rural hospitals in isolated areas of the state. To qualify for a grant, a hospital must: (1) be eligible to be classified as a sole community hospital according to the criteria in Code of Federal Regulations, title 42, section 412.92; (2) have experienced net income losses in the two most recent consecutive hospital fiscal years for which audited financial information is available; (3) consist of 20 or fewer licensed beds; and (4) have exhausted local sources of support. Before applying for a grant, the hospital must have developed a strategic plan. The commissioner shall award grants in equal amounts.

Sec. 10. [144.99] [SPECIAL ACCOUNT; PURPOSE.]

A special account is created within the department of health, to be known as the special account for pediatric access and training. All money in the account is annually appropriated to the department of pediatrics, University of Minnesota school of medicine. Money in the account is to be used by the department of pediatrics to implement section 11.

Sec. 11. [144.991] [PROGRAM FOR PEDIATRIC ACCESS AND TRAINING.]

Subdivision 1. [ADMINISTRATION.] The department of pediatrics in the University of Minnesota school of medicine shall administer a program for pediatric access and training.

Subd. 2. [PROGRAM COMPONENTS.] Components of the program shall include, but are not limited to:

- (1) specialized training in a variety of outpatient settings;*
- (2) recruitment of individuals with a high probability of establishing a pediatric practice in a rural or small urban, nonmetropolitan setting;*
- (3) rural training rotations; and*
- (4) development of peer support mechanisms for rural pediatric practitioners.*

Sec. 12. [SPECIAL STUDIES.]

The commissioner of health, through the office of rural health, shall conduct the following investigations:

- (1) investigate, develop recommendations, and prepare a report to the legislature by January 15, 1993, regarding the use of advanced telecommunications technologies to improve rural health education and health care delivery;*
- (2) investigate the adequacy of access to perinatal services in rural Minnesota and report findings and recommendations to the legislature by February 1, 1993; and*
- (3) study the impact of current reimbursement provisions for midlevel practitioners on the use of midlevel practitioners in rural practice settings, examining reimbursement provisions in state programs, federal programs, and private sector health plans, and report findings and recommendations to the legislature by February 1, 1992.*

Sec. 13. [REPORT ON RURAL HOSPITAL FINANCIAL ASSISTANCE

GRANTS.]

The commissioner of health shall examine the eligibility criteria for rural hospital financial assistance grants under section 7 and report to the legislature by February 1, 1992, on any needed modifications.

Sec. 14. [EFFECTIVE DATE.]

Subdivision 1. [CREATION OF THE RURAL HEALTH ADVISORY COMMITTEE.] Section 1 is effective January 1, 1992.

Subd. 2. [RURAL HEALTH INITIATIVES.] Sections 2 and 3 are effective July 1, 1991.

ARTICLE 6**APPROPRIATIONS****Section 1. [APPROPRIATIONS.]**

Subdivision 1. [RURAL HEALTH.] \$1,510,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1993, for rural health activities, including \$150,000 each year for hospital transition grants, \$100,000 each year for rural hospital financial assistance grants, and \$500,000 the second year for the pediatric training account.

Subd. 2. [HIGHER EDUCATION COORDINATING BOARD.] \$190,000 is appropriated from the general fund to the higher education coordinating board for the biennium ending June 30, 1993, including \$55,000 each year for the rural midlevel practitioner loan forgiveness program and \$80,000 the second year for the rural physician loan forgiveness program."

Delete the title and insert:

"A bill for an act relating to health care; establishing an outcome-based demonstration project to serve uninsured Minnesotans; creating a health care analysis unit; requiring data and research initiatives; establishing a rural health advisory committee; requiring joint rural health initiatives; authorizing small employer health plans; requiring a study; appropriating money; amending Minnesota Statutes 1990, sections 136A.1355, subdivisions 2 and 3; 144.147, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 62J; 136A; and 144; proposing coding for new law as Minnesota Statutes, chapter 62K."

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

SECOND READING OF HOUSE BILLS

H.F. No. 2 was read the second time.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1147 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1147: A bill for an act relating to public employment; transferring certain state employees from the unclassified to the classified service; requiring rules for evaluating the performance of arbitrators; establishing deadlines for certain steps in the arbitration process; establishing a procedure for setting the dates for meetings of arbitration panels; amending Minnesota Statutes 1990, sections 16B.88, subdivision 1; 43A.08, subdivision 1a, and by adding a subdivision; 43A.18, subdivision 4; 116K.04, subdivision 5; 144A.52, subdivision 1; 179A.05, subdivision 6; 179A.16, subdivisions 4, 6, and 7; 196.23, subdivision 1; 240A.02, subdivision 3; 241.01, subdivision 3a; 241.43, subdivisions 1 and 2; 299A.30, subdivision 1; 349A.02, subdivision 4; 446A.03, subdivision 5; Laws 1984, chapter 654, article 2, section 152, subdivision 3; and Laws 1987, chapter 386, article 1, section 11; repealing Minnesota Statutes 1990, sections 116J.615, subdivision 3; and 352D.02, subdivision 1b.

Mr. Waldorf moved to amend H.F. No. 1147, as amended pursuant to Rule 49, adopted by the Senate May 13, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 1168.)

Page 14, line 3, delete "2," and delete ", and 9" and after "to" insert "/9 and"

The motion prevailed. So the amendment was adopted.

Mr. Morse moved to amend the DeCramer amendment to H.F. No. 1147, adopted by the Senate May 14, 1991, as follows:

Page 1, delete line 6 and insert:

"Page 10, delete section 15 and insert:

"Sec. 15. Minnesota Statutes 1990, section 349A.02, subdivision 4, is amended to read:

Subd. 4. ~~[EMPLOYEES; CLASSIFICATION.]~~ The director may appoint other personnel as ~~are~~ necessary to operate the state lottery. Employees of the division who are not professional employees as defined in section 179A.03, subdivision 13, and employees whose primary responsibilities are in data processing and accounting, are in the classified service. All other employees of the division are in the unclassified service. ~~At least one position in the division must be an attorney position and the director must employ in that position an attorney to perform legal services for the division."~~

The motion did not prevail. So the amendment to the amendment was not adopted.

Mr. Bertram moved to amend H.F. No. 1147, as amended pursuant to Rule 49, adopted by the Senate May 13, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 1168.)

Page 19, after line 8, insert:

"ARTICLE 4**STATE EMPLOYEE PAY DEDUCTIONS AND DEPOSITS**

Section 1. Minnesota Statutes 1990, section 16A.133, subdivision 1, is amended to read:

Subdivision 1. **[PAYROLL DIRECT DEPOSIT AND DEDUCTIONS.]**

An agency head in the executive, judicial, and legislative branch shall, upon written request signed by an employee, directly deposit all or part of an employee's pay in any credit union or financial institution, as defined in section 47.015, designated by the employee. An agency head may, upon written request of an employee, deduct from the pay of the employee a requested amount to be paid to the Minnesota benefit association, or to any organization contemplated by section 179A.06, of which the employee is a member, or to a company that has contracted to insure the employee for the medical costs of cancer or intensive care. If an employee is a member of or has accounts with more than one credit union or financial institution or more than one organization under section 179A.06, or is insured by more than one company, only one credit union or financial institution *may be paid money by direct deposit*, and one credit union, one organization, and one company may be paid money ~~by direct deposit or~~ by payroll deduction from the employee's pay."

Amend the title as follows:

Page 1, line 8, after the semicolon, insert "permitting payment of money by payroll deduction to credit unions as well as payment by direct deposit to credit unions or financial institutions;"

Page 1, line 9, after "sections" insert "16A.133, subdivision 1;"

The motion prevailed. So the amendment was adopted.

Mr. Lessard moved to amend H.F. No. 1147, as amended pursuant to Rule 49, adopted by the Senate May 13, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 1168.)

Page 10, line 31, before "At" insert "*All professional employees as defined in section 179A.03, subdivision 13, whose primary responsibilities are in marketing are in the unclassified service. All other employees of the division are in the classified service.*"

CALL OF THE SENATE

Mr. Lessard imposed a call of the Senate for the balance of the proceedings on H.F. No. 1147. The Sergeant at Arms was instructed to bring in the absent members.

The question was taken on the adoption of the amendment.

The roll was called, and there were yeas 32 and nays 18, as follows:

Those who voted in the affirmative were:

Belanger	Day	Laidig	Mondale	Storm
Benson, D.D.	Gustafson	Langseth	Neuville	Stumpf
Benson, J.E.	Halberg	Larson	Olson	Traub
Berg	Hughes	Lessard	Pariseau	Vickerman
Bernhagen	Johnston	Mehrkins	Renneke	
Brataas	Kelly	Metzen	Sams	
Chmielewski	Knaak	Moe, R.D.	Solon	

Those who voted in the negative were:

Adkins	Flynn	Johnson, J.B.	Pappas	Spear
Berglin	Frederickson, D.J.	Luther	Pogemiller	Waldorf
Bertram	Frederickson, D.R.	Marty	Price	
Finn	Hottinger	Novak	Ranum	

The motion prevailed. So the amendment was adopted.

H.F. No. 1147 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 49 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hughes	Metzen	Renneke
Belanger	Day	Johnson, J.B.	Moe, R.D.	Sams
Benson, D.D.	Finn	Johnston	Mondale	Solon
Benson, J.E.	Flynn	Kelly	Neuville	Spear
Berg	Frank	Laidig	Olson	Storm
Berglin	Frederickson, D.J.	Larson	Pappas	Stumpf
Bernhagen	Frederickson, D.R.	Lessard	Pariseau	Traub
Bertram	Gustafson	Luther	Pogemiller	Vickerman
Brataas	Halberg	Marty	Price	Waldorf
Chmielewski	Hottinger	Mehrkens	Ranum	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages from the House.

MESSAGES FROM THE HOUSE

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. 351: A bill for an act relating to peace officers; guaranteeing peace officers certain rights when a formal statement is taken for disciplinary purposes; proposing coding for new law in Minnesota Statutes, chapter 626.

Senate File No. 351 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1991

Mr. Pogemiller moved that the Senate do not concur in the amendments by the House to S.F. No. 351, 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. 506: A bill for an act relating to lawful gambling; lotteries; providing for teleracing and its operation and regulation; expanding requirements relating to compulsive gambling; exempting lawful gambling profits from the tax on unrelated business income; regulating manufacturers and

distributors of gambling devices; changing certain requirements relating to record keeping, reports, audits, and expenditures of gambling profits by licensed gambling organizations; modifying certain licensing, training, and operating requirements for licensed gambling organizations; changing requirements relating to posting of pull-tab winners; authorizing the director of the lottery to enter into joint lotteries outside the United States; expanding certain provisions relating to lottery retailers; designating certain data on lottery prize winners as private; changing requirements relating to lottery advertising; clarifying the prohibitions on video games of chance and lotteries; authorizing dissemination of information about lotteries conducted by adjoining states; imposing surcharges on lawful gambling premises permit fees; establishing a task force on compulsive gambling assessments; appropriating money; amending Minnesota Statutes 1990, sections 240.01, subdivisions 1, 10, and by adding subdivisions; 240.02, subdivision 3; 240.03; 240.05, subdivision 1; 240.06, subdivision 1; 240.09, subdivision 2; 240.10; 240.11; 240.13, subdivisions 1, 2, 3, 4, 5, 6, and 8; 240.15, subdivision 6; 240.16, subdivision 1a; 240.18; 240.19; 240.23; 240.24, subdivision 2; 240.25; 240.27; 240.28, subdivision 1; 240.29; 245.98, by adding a subdivision; 290.05, subdivision 3; 290.92, subdivision 27; 299L.01, subdivision 1; 349.12, subdivision 25, and by adding subdivisions; 349.15; 349.151, subdivision 4; 349.154, subdivision 2; 349.16, subdivision 3; 349.165, subdivisions 1 and 3; 349.167, subdivisions 1, 2, and 4; 349.17, subdivision 5; 349.172; 349.18, subdivision 1; 349.19, subdivisions 2, 5, 9, and by adding subdivisions; 349A.02, subdivision 3; 349A.06, subdivisions 3, 5, and 11; 349A.08, by adding a subdivision; 349A.09, subdivision 2; 349A.10, subdivision 3; 609.115, by adding a subdivision; 609.75, subdivisions 1, 4, and by adding a subdivision; 609.755; 609.76, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 240; and 299L; repealing Minnesota Statutes 1990, sections 240.01, subdivision 13; 240.13, subdivision 6a; 240.14; subdivision 1a; 349.154, subdivision 3; 349A.02, subdivision 5; and 349A.03, subdivision 3.

Senate File No. 506 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1991

Mr. Berg moved that the Senate do not concur in the amendments by the House to S.F. No. 506, 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 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. 931: A bill for an act relating to waste management; requiring counties to prepare and amend solid waste management plans; requiring counties and solid waste facilities to develop and implement problem materials management plans; prohibiting issuance and renewal of certain permit if plans are not developed and implemented; amending Minnesota Statutes

1990, sections 115A.03, subdivision 24a; 115A.46, subdivisions 1 and 2; 115A.956; 115A.96, subdivision 6; 116.07, subdivisions 4j and 4k; 473.149, subdivision 1; and 473.803, subdivision 1.

Senate File No. 931 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1991

Mr. Mondale moved that the Senate do not concur in the amendments by the House to S.F. No. 931, 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.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Bernhagen moved that the following members be excused for a Conference Committee on H.F. No. 21 at 8:00 p.m.:

Messrs. Bernhagen, Bertram and Ms. Johnson, J.B. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Ms. Ranum moved that the following members be excused for a Conference Committee on H.F. No. 693 from 7:15 to 8:45 p.m.:

Messrs. Merriam, Knaak and Ms. Ranum. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Kroening moved that the following members be excused for a Conference Committee on H.F. No. 1631 at 4:30 p.m.:

Messrs. Kroening, McGowan, Luther, Cohen and Merriam. The motion prevailed.

CALL OF THE SENATE

Mr. Moe, R.D. imposed a call of the Senate for the balance of the proceedings on S.F. No. 1571. The Sergeant at Arms was instructed to bring in the absent members.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1571 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1571: A bill for an act relating to the legislature; changing the boundaries of legislative districts; amending Minnesota Statutes 1990, section 2.031, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 2; repealing Minnesota Statutes 1990, sections 2.019; and 2.042 to 2.702.

Mr. Pogemiller moved to amend S.F. No. 1571 as follows:

Page 4, line 36, delete "*Akely, Akely*" and insert "*Akeley, Akeley*"

Page 5, line 3, delete "*Enima*" and insert "*Emma*"

Page 16, line 14, delete "*Eden Lake*" and insert "*Eden Valley*"

Page 19, delete line 30 and insert "*County consisting of the city of Mankato, and that portion of Blue*"

Page 22, line 30, delete "*Silver*" in both places and insert "*Cascade*"

Page 27, line 11, after "25," insert "29,"

Page 30, lines 30 and 31, delete "*188th*" and insert "*108th*"

Page 32, delete line 4 and insert "*city of Edina with State Highway 62, easterly along State Highway 62*"

Page 32, line 5, delete "*169*"

Page 32, lines 7 and 8, delete "*Lagoona*" and insert "*Laguna*"

Page 32, lines 8 and 9, delete "*Woodale*" and insert "*Wooddale*"

Page 32, line 24, delete "*Lake Street and the*" and insert "*the southern boundary of the city of Woodland and State Highway 101, southerly along State Highway 101 to Minnetonka Boulevard, easterly along Minnetonka Boulevard to Williston Road, southerly along Williston Road to Lake Street, easterly along Lake Street to Christy Lane, southerly along Christy Lane to State Highway 7, easterly along State Highway 7*"

Page 32, delete line 25

Page 32, line 26, delete "*Street*"

Page 33, lines 22 and 35, delete "*44A*" and insert "*44B*"

Page 33, line 34, delete "*44B*" and insert "*44A*"

Page 34, line 26, delete "*Robbinsdale*" and insert "*and Robbinsdale, that portion of the city of Golden Valley lying north and east of a line described as follows: commencing at the intersection of the western border of the city of Golden Valley and the extension of Earl Street, easterly along Earl Street to Independence Avenue North, northerly along Independence Avenue North to Duluth Street, easterly along Duluth Street to Winnetka Avenue, and northerly along Winnetka Avenue to the northern boundary of the city of Golden Valley*"

Page 34, line 27, delete "*58th Avenue North*" and insert "*a line described as follows: commencing at the intersection of the western boundary of the city of Brooklyn Center and 58th Avenue North, easterly along 58th Avenue North to Shingle Creek, southerly along Shingle Creek to the southern boundary of the city of Brooklyn Center*"

Page 36, line 10, delete everything after "*with*" and insert "*the right-of-way of State Highway 610, southeasterly along the right-of-way of State Highway 610*"

Page 36, line 11, delete "*Road 11B*"

Page 36, lines 23 and 24, delete "*Central Avenue Northeast*" and insert "*State Highway 65*"

Page 36, line 24, after "*to*" insert "*an extension of*"

Page 36, line 25, before "*Lynde*" insert "*the extension of Lynde Drive and*"

Page 36, lines 26 and 27, delete "*Regis Trail*" and insert "*Matterhorn Drive*"

Page 40, line 31, delete from "*and*" through page 40, line 33, to "*54*" and insert "*Gem Lake, and Vadnais Heights*"

Page 41, lines 6 and 7, delete "*White Bear*" and insert "*Bald Eagle*"

Page 41, line 24, delete "*and*" and insert a comma and after "*Gem Lake*" insert "*, and Vadnais Heights*"

Page 41, lines 25 and 26, delete "*cities of Vadnais Heights and*" and insert "*city of*"

Page 42, delete lines 1 to 34 and insert:

"Subdivision 1. [SENATE DISTRICT.] Senate district 54 consists of that portion of Ramsey County consisting of the cities of Roseville, St. Anthony, Lauderdale, and Falcon Heights, that portion of the city of Maplewood lying within a line described as follows: commencing at the intersection of Rice Street and Larpenteur Avenue, easterly along Larpenteur Avenue to DeSoto Avenue and a railroad right-of-way, northeasterly along the railroad right-of-way and an extension of it to Parkway Drive, northeasterly along Parkway Drive to Frost Avenue, easterly along Frost Avenue to Atlantic Street, northerly along Atlantic Street to the railroad right-of-way, northeasterly along the railroad right-of-way to Hazelwood Street, northerly along Hazelwood Street to State Highway 36, easterly along State Highway 36 to White Bear Avenue, northerly along White Bear Avenue to County Road C, westerly along County Road C and its extension to the western boundary of the city of Maplewood, southwesterly along the western boundary of the city of Maplewood to the point of origin; that portion of the city of Little Canada lying within a line described as follows: commencing at the intersection of the northern boundary of the city of Little Canada and Rice Street, southerly, easterly, and northerly along the boundary of the city of Little Canada to Keller Parkway, westerly and southerly along Keller Parkway to Little Canada Road, westerly along Little Canada Road to Interstate Highway 35E, northerly along Interstate Highway 35E to Interstate Highway 694, northwesterly along Interstate Highway 694 to the northern boundary of the city of Little Canada, and westerly along the northern boundary of the city of Little Canada to the point of origin, and that portion of Hennepin County consisting of the city of St. Anthony."

Page 43, line 4, delete “, *Maplewood, and Vadnais Heights*” and insert “*and Maplewood*”

Page 43, line 10, delete “*westerly*” and insert “*easterly*”

Page 51, line 34, delete “*57th*” in both places and insert “*67th*”

Page 52, delete line 12 and insert “*Minneapolis and State Highway 62, easterly along State Highway 62*”

Page 52, line 13, delete “*highway 494*”

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller then moved to amend S.F. No. 1571 as follows:

Page 7, lines 9 and 34, delete “*7A*” and insert “*7B*”

Page 7, line 33, delete “*7B*” and insert “*7A*”

The motion prevailed. So the amendment was adopted.

Mr. Pogemiller then moved to amend S.F. No. 1571 as follows:

Page 34, line 2, after the third “*of*” insert “*the city of Wayzata,*”

The motion prevailed. So the amendment was adopted.

S.F. No. 1571 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 38 and nays 27, as follows:

Those who voted in the affirmative were:

Adkins	Dicklich	Kroening	Morse	Sams
Beckman	Finn	Lessard	Novak	Samuelson
Berglin	Flynn	Luther	Pappas	Spear
Bertram	Frederickson, D.J.	Marty	Piper	Stumpf
Chmielewski	Hottinger	Merriam	Pogemiller	Traub
Cohen	Johnson, D.J.	Metzen	Price	Vickerman
Dahl	Johnson, J.B.	Moe, R.D.	Ranum	
DeCramer	Kelly	Mondale	Reichgott	

Those who voted in the negative were:

Belanger	Day	Johnston	Mehrkens	Solon
Benson, D.D.	Frank	Knaak	Neuville	Storm
Benson, J.E.	Frederickson, D.R.	Laidig	Olson	Waldorf
Berg	Gustafson	Langseth	Pariseau	
Bernhagen	Halberg	Larson	Renneke	
Davis	Johnson, D.E.	McGowan	Riveness	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Order of Business of Messages From the House.

MESSAGES FROM THE HOUSE

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

Senate File No. 785 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 16, 1991

Mr. Cohen moved that the Senate do not concur in the amendments by the House to S.F. No. 785, 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.

RECESS

Mr. Luther 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:

S.F. No. 351: Messrs. Pogemiller, Luther and Neuville.

S.F. No. 931: Messrs. Mondale, Metzen and Laidig.

S.F. No. 506: Messrs. Berg; Spear; Johnson, D.E.; McGowan and Dicklich.

H.F. No. 551: Mr. Laidig replaces Mr. McGowan.

S.F. No. 785: Messrs. Cohen, Solon and Larson.

Mr. Luther moved that the foregoing appointments be approved. The motion prevailed.

MEMBERS EXCUSED

Messrs. Johnson, D.J.; Frederickson, D.J.; Price; Pogemiller and Ms. Reichgott were excused from the Session of today at 12:00 noon and other brief periods of time. Mr. Novak was excused from the Session of today from 12:00 noon to 1:50 p.m. Mr. DeCramer was excused from the Session of today from 2:00 to 8:00 p.m. Mr. Halberg was excused from the Session of today from 2:00 to 4:00 p.m. Mr. Frederickson, D.R. was excused from the Session of today from 2:00 to 3:00 p.m. Ms. Berglin was excused from the Session of today from 1:30 to 4:50 p.m. Ms. Olson was excused from the Session of today from 3:00 to 5:00 p.m. Mr. Gustafson was excused from the Session of today from 3:45 to 4:25 p.m. Messrs. Langseth, Beckman

and Mehrkens were excused from the Session of today from 7:00 to 9:00 p.m. Mr. Hughes was excused from the Session of today at 8:45 p.m.

The following member was excused from today's Session for brief periods of time: Ms. Johnson, J.B.

ADJOURNMENT

Mr. Luther moved that the Senate do now adjourn until 8:30 a.m., Friday, May 17, 1991. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate