

FIFTY-SEVENTH DAY

St. Paul, Minnesota, Saturday, May 18, 1991

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

CALL OF THE SENATE

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

Prayer was offered by Senator Pat Piper.

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	Vickerman
Brataas	Halberg	Luther	Piper	Waldorf
Chmielewski	Hottinger	Marty	Pogemiller	
Cohen	Hughes	McGowan	Price	
Dahl	Johnson, D.E.	Mehrkins	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.

MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 425, 837 and 811.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to

the following Senate File:

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.

There has been appointed as such committee on the part of the House: Vellenga, Orenstein, Marsh, Solberg and Jefferson.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

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.

There has been appointed as such committee on the part of the House: Dille, Kahn and Cooper.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

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.

There has been appointed as such committee on the part of the House: Jacobs, Skoglund and Boo.

Senate File No. 785 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 5 members of the House, on the amendments adopted by the House to the following Senate File:

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.

There has been appointed as such committee on the part of the House: Osthoff, Scheid, Brown, Sviggum and Reding.

Senate File No. 506 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

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.

There has been appointed as such committee on the part of the House: Osthoff, Scheid and Gutknecht.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 977:

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.

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

Solberg, Pugh and Johnson, V. have been appointed as such committee

on the part of the House.

House File No. 977 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

Mr. Morse moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 977, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 218:

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.

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

Bauerly, Sarna and Goodno have been appointed as such committee on the part of the House.

House File No. 218 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

Mr. Dahl moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 218, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 694:

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.

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

Long, Orfield and Pauly have been appointed as such committee on the part of the House.

House File No. 694 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

Mr. Riveness moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 694, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1072 and 1114.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

FIRST READING OF HOUSE BILLS

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

H.F. No. 1072: A bill for an act relating to energy; removing requirement for foundation insulation; providing for energy audits of rental property; requiring landlords to disclose certain energy information to prospective tenants; amending Minnesota Statutes 1990, sections 216C.27, subdivision 3; 216C.31; and 504.22, by adding a subdivision.

Referred to the Committee on Taxes and Tax Laws.

H.F. No. 1114: A bill for an act relating to state government; providing for gender balance in multimember agencies; amending Minnesota Statutes 1990, section 15.0597, by adding subdivisions.

Referred to the Committee on Rules and Administration for comparison

with S.F. No. 768, now on the Calendar.

REPORTS OF COMMITTEES

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

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

H.F. No. 871 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.
871	688				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 871 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 871 and insert the language after the enacting clause of S.F. No. 688, the second engrossment; further, delete the title of H.F. No. 871 and insert the title of S.F. No. 688, the second engrossment.

And when so amended H.F. No. 871 will be identical to S.F. No. 688, and further recommends that H.F. No. 871 be given its second reading and substituted for S.F. No. 688, and that the Senate File be indefinitely postponed.

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

SECOND READING OF HOUSE BILLS

H.F. No. 871 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Hottinger introduced—

Senate Resolution No. 74: A Senate resolution congratulating the soils judging team of the Lake Crystal Wellcome Memorial FFA chapter on placing first in state competition.

Referred to the Committee on Rules and Administration.

Mr. Marty moved that S.F. No. 366, No. 3 on General Orders, be stricken and re-referred to the Committee on Commerce. The motion prevailed.

CONFIRMATION

Mr. Bertram moved that the report from the Committee on Veterans and General Legislation, reported May 13, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Bertram moved that the foregoing report be now adopted. The motion prevailed.

Mr. Bertram moved that in accordance with the report from the Committee on Veterans and General Legislation, reported May 13, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF VETERANS AFFAIRS
COMMISSIONER**

Bernard Melter, 107 Village Avenue, Cannon Falls, Goodhue County, Minnesota, effective January 14, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Novak moved that the reports from the Committee on Energy and Public Utilities, reported February 11, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Novak moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Novak moved that in accordance with the reports from the Committee on Energy and Public Utilities, reported February 11, 1991, the Senate, having given its advice, do now consent to and confirm the appointments of:

**DEPARTMENT OF PUBLIC SERVICE
COMMISSIONER**

Krista Sanda, 1945 Oakdale Avenue, West St. Paul, Dakota County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

PUBLIC UTILITIES COMMISSION

Delores J. Knaak, 4243 Oakmede Lane, White Bear Lake, Ramsey County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1997.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Environment and Natural Resources, reported February 14, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Environment and Natural Resources, reported February 14, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**ENVIRONMENTAL TRUST FUND
CITIZENS' ADVISORY COMMITTEE**

Al Brodie, 2411 Woodland Dr., Faribault, Rice County, effective April 26, 1989, for a term expiring the first Monday in January, 1994.

Robert DeVries, 7213 Major Ave. N., Brooklyn Center, Hennepin County, effective April 26, 1989, for a term expiring the first Monday in January, 1994.

Gena Doyscher, 5801 - 216th St. N., Forest Lake, Washington County, effective April 26, 1989, for a term expiring the first Monday in January, 1992.

Ruth Fitzmaurice, 6400 York Ave. S., Edina, Hennepin County, effective April 26, 1989, for a term expiring the first Monday in January, 1992.

Jack LaVoy, 1725 Kenwood Ave., Duluth, St. Louis County, effective April 26, 1989, for a term expiring the first Monday in January, 1993.

Darby Nelson, 1013 Vera St., Champlin, Hennepin County, effective April 26, 1989, for a term expiring the first Monday in January, 1994.

John Rose, Rt. 1, Box 60, Underwood, Otter Tail County, effective April 26, 1989, for a term expiring the first Monday in January, 1992.

Joseph Sizer, 1974 Shryer Ave. W., Roseville, Ramsey County, effective April 26, 1989, for a term expiring the first Monday in January, 1993.

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Pat Davies, 687 Woodridge Dr., Mendota Heights, Dakota County, effective July 11, 1990, for a term expiring the first Monday in January, 1992.

Robert Dunn, 708 - 4th St. S., Princeton, Mille Lacs County, effective January 16, 1990, for a term expiring the first Monday in January, 1994.

MINNESOTA POLLUTION CONTROL AGENCY

Russell W. Domino, 23 West Rd., Circle Pines, Anoka County, effective April 9, 1990, for a term expiring the first Monday in January, 1994.

Loni Kemp, R.R. 1, Canton, Fillmore County, effective April 24, 1990, for a term expiring the first Monday in January, 1994.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Environment and Natural Resources, reported February 28, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Environment and Natural Resources, reported February 28, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF WATER AND SOIL RESOURCES CHAIR

Donald Ogaard, 705 - 5th St. W., Ada, Norman County, effective January 24, 1990, for a term expiring the first Monday in January, 1994.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Metzen moved that the report from the Committee on Economic Development and Housing, reported March 7, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Metzen moved that the foregoing report be now adopted. The motion prevailed.

Mr. Metzen moved that in accordance with the report from the Committee on Economic Development and Housing, reported March 7, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT
COMMISSIONER**

E. Peter Gillette, 2309 East Lake of the Isles Parkway, Minneapolis, Hennepin County, Minnesota, effective February 1, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Metzen moved that the report from the Committee on Economic Development and Housing, reported April 10, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Metzen moved that the foregoing report be now adopted. The motion prevailed.

Mr. Metzen moved that in accordance with the report from the Committee on Economic Development and Housing, reported April 10, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**IRON RANGE RESOURCES AND REHABILITATION
COMMISSIONER**

Wayne L. Dalke, 808 Northeast 5th Avenue, Chisholm, St. Louis County, Minnesota, effective February 1, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Chmielewski moved that the report from the Committee on Employment, reported February 28, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chmielewski moved that the foregoing report be now adopted. The motion prevailed.

Mr. Chmielewski moved that in accordance with the report from the Committee on Employment, reported February 28, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF JOBS AND TRAINING
COMMISSIONER**

R. Jane Brown, 6897 Black Duck Drive, Lino Lakes, Anoka County, Minnesota, effective January 23, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Davis moved that the report from the Committee on Agriculture and Rural Development, reported April 27, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Davis moved that the foregoing report be now adopted. The motion prevailed.

Mr. Davis moved that in accordance with the report from the Committee on Agriculture and Rural Development, reported April 27, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF AGRICULTURE
COMMISSIONER**

Elton Redalen, P.O. Box 110, Fountain, Fillmore County, Minnesota, effective January 10, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Solon moved that the report from the Committee on Commerce, reported March 7, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Solon moved that the foregoing report be now adopted. The motion prevailed.

Mr. Solon moved that in accordance with the report from the Committee on Commerce, reported March 7, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF COMMERCE
COMMISSIONER**

Bert McKasy, 716 Round Hill Road, Mendota Heights, Dakota County, Minnesota, effective January 14, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Environment and Natural Resources, reported March 27, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Environment and Natural Resources, reported March 27, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF NATURAL RESOURCES
COMMISSIONER**

Rodney Sando, Route 1, Box 771, Chisago City, Chisago County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Lessard moved that the report from the Committee on Environment and Natural Resources, reported March 27, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing report be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the report from the Committee on Environment and Natural Resources, reported March 27, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**MINNESOTA POLLUTION CONTROL AGENCY
COMMISSIONER**

Charles W. Williams, 5591 North Shore Drive, Duluth, St. Louis County, Minnesota, effective January 23, 1991, for a term expiring on the first Monday in January, 1995.

The question was taken on the adoption of the motion of Mr. Lessard to confirm the appointment of Charles W. Williams.

The roll was called, and there were yeas 41 and nays 16, as follows:

Those who voted in the affirmative were:

Adkins	Chmielewski	Johnson, D.E.	Merriam	Samuelson
Beckman	Dahl	Johnson, D.J.	Metzen	Solon
Belanger	DeCramer	Johnston	Moe, R.D.	Storm
Benson, D.D.	Frank	Knaak	Morse	Vickerman
Benson, J.E.	Frederickson, D.J.	Langseth	Olson	Waldorf
Berg	Frederickson, D.R.	Larson	Pariseau	
Bernhagen	Gustafson	Lessard	Renneke	
Bertram	Halberg	McGowan	Riveness	
Brataas	Hughes	Mehrkens	Sams	

Those who voted in the negative were:

Berglin	Johnson, J.B.	Mondale	Piper	Ranum
Cohen	Kelly	Novak	Pogemiller	Reichgott
Finn	Marty	Pappas	Price	Spear
Flynn				

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Metzen moved that the report from the Committee on Economic Development and Housing, reported April 17, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Metzen moved that the foregoing report be now adopted. The motion prevailed.

Mr. Metzen moved that in accordance with the report from the Committee on Economic Development and Housing, reported April 17, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

MINNESOTA HOUSING FINANCE AGENCY

Robert Worthington, 10326 Colorado Road, Bloomington, Hennepin County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

Demetrius G. Jelatis, 1161 Oak Street, Red Wing, Goodhue County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Frank moved that the reports from the Committee on Metropolitan Affairs, reported April 22, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Frank moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Frank moved that in accordance with the reports from the Committee on Metropolitan Affairs, reported April 22, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**METROPOLITAN COUNCIL
CHAIR**

Mary Anderson, 3030 Scott Avenue North, Golden Valley, Hennepin County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

**REGIONAL TRANSIT BOARD
CHAIR**

Michael Ehrlichmann, 433 S. 7th St., Minneapolis, Hennepin County, effective November 2, 1990, for a term expiring the first Monday in January, 1993.

REGIONAL TRANSIT BOARD

Doris Caranicas, 2425 E. Franklin Ave., Minneapolis, Hennepin County, effective August 9, 1989, for a term expiring the first Monday in January, 1993.

Terrance O'Toole, 1009 Summit Ave., St. Paul, Ramsey County, effective August 9, 1989, for a term expiring the first Monday in January, 1991.

John Finley, 1050 Mary Ln., St. Paul, MN 55117, appointed July 31,

1989, for a term ending January 1, 1993.

Richard Wedell, 1003 Richmond Ct., Shoreview, MN 55126, appointed July 31, 1989, for a term ending January 1, 1993.

Sandra Hilary, 2306 Fremont Ave. N., Minneapolis, MN 55411, appointed July 31, 1989, for a term ending January 1, 1993.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Merriam moved that the report from the Committee on Finance, reported February 28, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Merriam moved that the foregoing report be now adopted. The motion prevailed.

Mr. Merriam moved that in accordance with the report from the Committee on Finance, reported February 28, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF FINANCE COMMISSIONER

John Gunyou, 5208 James Avenue South, Minneapolis, Hennepin County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Waldorf moved that the report from the Committee on Governmental Operations, reported February 25, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Waldorf moved that the foregoing report be now adopted. The motion prevailed.

Mr. Waldorf moved that in accordance with the report from the Committee on Governmental Operations, reported February 25, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

STATE PLANNING AGENCY COMMISSIONER

Linda Kohl, 2161 Arcade Street, St. Paul, Ramsey County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Waldorf moved that the reports from the Committee on Governmental Operations, reported February 28, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Waldorf moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Waldorf moved that in accordance with the reports from the Committee on Governmental Operations, reported February 28, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF ADMINISTRATION
COMMISSIONER**

Dana B. Badgerow, 19625 Chartwell Hill, Shorewood, Hennepin County, Minnesota, effective February 11, 1991, for a term expiring on the first Monday in January, 1995.

**DEPARTMENT OF EMPLOYEE RELATIONS
COMMISSIONER**

Linda Barton, 14905 Oak Ridge Court West, Burnsville, Dakota County, Minnesota, effective January 29, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Johnson, D.J. moved that the report from the Committee on Taxes and Tax Laws, reported May 16, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Johnson, D.J. moved that the foregoing report be now adopted. The motion prevailed.

Mr. Johnson, D.J. moved that in accordance with the report from the Committee on Taxes and Tax Laws, reported May 16, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

TAX COURT

Kathleen Doar, 1617 West 25th Street, Minneapolis, Hennepin County, Minnesota, effective May 6, 1991, for a term expiring on the first Monday in January, 1997.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Johnson, D.J. moved that the report from the Committee on Taxes and Tax Laws, reported March 14, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Johnson, D.J. moved that the foregoing report be now adopted. The motion prevailed.

Mr. Johnson, D.J. moved that in accordance with the report from the Committee on Taxes and Tax Laws, reported March 14, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF REVENUE
COMMISSIONER**

Dorothy McClung, 4370 Snelling Avenue North, St. Paul, Ramsey County, Minnesota, effective January 7, 1991, for a term expiring on the

first Monday in January, 1995.

The motion prevailed. So the appointment was confirmed.

CONFIRMATION

Mr. Berg moved that the report from the Committee on Gaming Regulation, reported April 23, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Berg moved that the foregoing report be now adopted. The motion prevailed.

Mr. Berg moved that in accordance with the report from the Committee on Gaming Regulation, reported April 23, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

GAMBLING CONTROL BOARD

Sally Howard, 1201 Yale Pl., Minneapolis, Hennepin County, effective November 12, 1989, for a term expiring June 30, 1992.

Anthony Thomas, Sr., 5544 - 34th Ave. S., Minneapolis, Hennepin County, effective July 4, 1990, for a term expiring June 30, 1994.

Nicholas Zuber, 25 S. 26th Ave. E., Duluth, St. Louis County, effective February 10, 1990, for a term expiring June 30, 1992.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. DeCramer moved that the reports from the Committee on Transportation, reported May 3, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. DeCramer moved that the foregoing reports be now adopted. The motion prevailed.

Mr. DeCramer moved that in accordance with the reports from the Committee on Transportation, reported May 3, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF TRANSPORTATION COMMISSIONER

John H. Riley, 3411 Cypress Drive, Falls Church, Virginia, effective January 10, 1991, for a term expiring on the first Monday in January, 1995.

TRANSPORTATION REGULATION BOARD

Richard Helgeson, 13516 Clinton Place, Burnsville, Dakota County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1997.

Lorraine Mayasich, 3421 Kent St., Shoreview, Ramsey County, effective January 24, 1989, for a term expiring the first Monday in January, 1995.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Dahl moved that the reports from the Committee on Education, reported May 6, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Dahl moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Dahl moved that in accordance with the reports from the Committee on Education, reported May 6, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF EDUCATION COMMISSIONER

Gene Mammenga, 2172 Woodlyn Avenue, Maplewood, Ramsey County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

H. Theodore Grindal, 9517 Bennett Pl., Eden Prairie, Hennepin County, effective April 2, 1990, for a term expiring the first Monday in January, 1994.

STATE BOARD FOR COMMUNITY COLLEGES

Ann M. Kruchten, 601 114th Avenue Northwest, Coon Rapids, Anoka County, Minnesota, effective April 7, 1991, for a term expiring on the first Monday in January, 1993.

STATE UNIVERSITY BOARD

William C. Ulland, 1831 South Lake Avenue, Duluth, St. Louis County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

Jerry Serfling, 2388 Hidden Valley Lane, Stillwater, Washington County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

Corey R. Elmer, 509 State Street, Evansville, Douglas County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1993.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Dahl moved that the reports from the Committee on Education, reported May 13, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Dahl moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Dahl moved that in accordance with the reports from the Committee on Education, reported May 13, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

BOARD OF THE MINNESOTA CENTER FOR ARTS EDUCATION

William Jones, 4900 Prescott Cir., Edina, Hennepin County, effective January 4, 1991, for a term expiring the first Monday in January, 1992.

Jonelle Moore, Rt. 1, Box 63, Winona, Winona County, effective April 24, 1990, for a term expiring the first Monday in January, 1994.

Harry A. Sieben, Jr., 90 Valley Ln., Hastings, Dakota County, effective April 2, 1990, for a term expiring the first Monday in January, 1994.

Steven Watson, 4424 W. 70th St., Edina, Hennepin County, effective November 2, 1990, for a term expiring the first Monday in January, 1993.

MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Robert D. Decker, Ph.D., 13321 Wildwood Road Northeast, Bemidji, Beltrami County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1997.

Verne E. Long, Rural Route 1, Box 162, Pipestone, Pipestone County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1997.

MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY

Tom Martinson, 4536 Oxford Ave., Edina, Hennepin County, effective August 29, 1990, for a term expiring the first Monday in January, 1992.

STATE BOARD FOR COMMUNITY COLLEGES

Robert M. Bigwood, Hoot Lake Drive, Route 6, Fergus Falls, Otter Tail County, Minnesota, effective April 7, 1991, for a term expiring on the first Monday in January, 1995.

Stephen Lloyd Maxwell, 882 Carroll Avenue, St. Paul, Ramsey County, Minnesota, effective April 7, 1991, for a term expiring on the first Monday in January, 1995.

STATE BOARD OF TECHNICAL COLLEGES

Robert L. Cahlander, 4315 Southview Ridge, Red Wing, Goodhue County, Minnesota, effective March 25, 1991, for a term expiring on the first Monday in January, 1995.

F. B. Daniel, 2056 Timmy Street, Mendota Heights, Dakota County, Minnesota, effective March 25, 1991, for a term expiring on the first Monday in January, 1995.

Gary Mohrenweiser, 12772 Gordon Dr., Eden Prairie, Hennepin County, effective July 4, 1990, for a term expiring the first Monday in January, 1993.

Billeigh H. Riser, 2205 Hazelwood, Maplewood, Ramsey County, Minnesota, effective March 25, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Lessard moved that the reports from the Committee on Environment and Natural Resources, reported May 6, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Lessard moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Lessard moved that in accordance with the reports from the Committee on Environment and Natural Resources, reported May 6, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

ENVIRONMENTAL TRUST FUND CITIZENS' ADVISORY COMMITTEE

C. Merle Anderson, Route 1, Box 171, St. James, Watonwan County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

Christine Susan Kneeland, 5256 Oxford Street, Shoreview, Ramsey County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

Patricia Baker, 3316 West 34-1/2 Street, Minneapolis, Hennepin County, Minnesota, effective February 18, 1991, for a term expiring on the first Monday in January, 1995.

MINNESOTA ENVIRONMENTAL QUALITY BOARD

Carolyn E. Engebretson, HC 10, Box 93, Rochert, Becker County, Minnesota, effective March 6, 1991, for a term expiring on the first Monday in January, 1995.

Edward C. Oliver, 20230 Cottagewood Road, Deephaven, Hennepin County, Minnesota, effective March 6, 1991, for a term expiring on the first Monday in January, 1995.

OFFICE OF WASTE MANAGEMENT DIRECTOR

Dottie M. Rietow, 1317 Kilmer Avenue South, St. Louis Park, Hennepin County, Minnesota, effective April 7, 1991, for a term expiring on the first Monday in January, 1995.

The motion prevailed. So the appointments were confirmed.

RECONSIDERATION

Having voted on the prevailing side, Ms. Pappas moved that the vote whereby the appointment of Richard Helgeson to the Transportation Regulation Board was confirmed by the Senate on May 18, 1991, be now reconsidered.

Mr. Knaak raised a point of order that the reconsideration motion would apply to all three appointees included in the motion of Mr. DeCramer to confirm.

The President ruled that the point was well taken.

The question was taken on the adoption of the motion of Ms. Pappas.

The roll was called, and there were yeas 16 and nays 40, as follows:

Those who voted in the affirmative were:

Berglin	Johnson, D.J.	Marty	Pogemiller	Riveness
Cohen	Johnson, J.B.	Novak	Price	Spear
Davis	Kelly	Pappas	Reichgott	Vickerman
Frank				

Those who voted in the negative were:

Adkins	Chmielewski	Hottinger	Larson	Morse
Beckman	Dahl	Hughes	Lessard	Neuville
Belanger	Day	Johnson, D.E.	McGowan	Olson
Benson, D.D.	DeCramer	Johnston	Mehrkens	Pariseau
Benson, J.E.	Frederickson, D.J.	Knaak	Merriam	Ranum
Bernhagen	Frederickson, D.R.	Kroening	Metzen	Renneke
Bertram	Gustafson	Laidig	Moe, R.D.	Sams
Brataas	Halberg	Langseth	Mondale	Storm

The motion did not prevail.

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 9:30 a.m.:

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Marty moved that the following members be excused for a Conference Committee on H.F. No. 20 at 11:00 a.m.:

Messrs. Belanger, Marty and Metzen. The motion prevailed.

MOTIONS AND RESOLUTIONS - CONTINUED

CONFIRMATION

Mr. Chmielewski moved that the reports from the Committee on Employment, reported May 13, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. Chmielewski moved that the foregoing reports be now adopted. The motion prevailed.

Mr. Chmielewski moved that in accordance with the reports from the Committee on Employment, reported May 13, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

BUREAU OF MEDIATION SERVICES COMMISSIONER

Peter E. Obermeyer, 5913 Hansen Road, Edina, Hennepin County, Minnesota, effective March 4, 1991, for a term expiring on the first Monday in January, 1995.

WORKERS' COMPENSATION COURT OF APPEALS

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

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

The motion prevailed. So the appointments were confirmed.

CONFIRMATION

Mr. Spear moved that the appointments of notaries public, received March 25, 1991, be taken from the table. The motion prevailed.

Mr. Spear moved that the Senate do now consent to and confirm the appointments of the notaries public. The motion prevailed. So the appointments were confirmed.

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 793 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 793

A bill for an act relating to the environment; establishing maximum content levels of mercury in batteries; prohibiting certain batteries; amending Minnesota Statutes 1990, sections 115A.9155, subdivision 2; 325E.125, subdivision 2, and by adding a subdivision; and 325E.1251.

May 16, 1991

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Robert Vanasek
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 793, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 793 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 115A.9155, subdivision 2, is amended to read:

Subd. 2. [MANUFACTURER RESPONSIBILITY.] (a) A manufacturer of batteries subject to subdivision 1 shall:

(1) ensure that a system for the proper collection, transportation, and processing of waste batteries exists for purchasers in Minnesota; and

(2) clearly inform each *final* purchaser of the prohibition on disposal of waste batteries and of the system or systems for proper collection, transportation, and processing of waste batteries available to the purchaser.

(b) To ensure that a system for the proper collection, transportation, and processing of waste batteries exists, a manufacturer shall:

(1) identify collectors, transporters, and processors for the waste batteries and contract or otherwise expressly agree with a person or persons for the proper collection, transportation, and processing of the waste batteries; or

(2) accept waste batteries returned to its manufacturing facility.

(c) *At the time of sale of a battery subject to subdivision 1, a manufacturer shall provide in a clear and conspicuous manner a telephone number that*

the final consumer of the battery can call to obtain information on specific procedures to follow in returning the battery for recycling or proper disposal.

The manufacturer may include the telephone number and notice of return procedures on an invoice or other transaction document held by the purchaser. The manufacturer shall provide the telephone number to the commissioner of the agency.

(d) A manufacturer shall ensure that the cost of proper collection, transportation, and processing of the waste batteries is included in the sales transaction or agreement between the manufacturer and any purchaser.

(d) (e) A manufacturer that has complied with this subdivision is not liable under subdivision 1 for improper disposal by a person other than the manufacturer of waste batteries.

Sec. 2. [115A.9157] [RECHARGEABLE BATTERIES AND PRODUCTS.]

Subdivision 1. [DEFINITION.] For the purpose of this section "rechargeable battery" means a sealed nickel-cadmium battery, a sealed lead acid battery, or any other rechargeable battery, except a rechargeable battery governed by section 115A.9155 or exempted by the commissioner under subdivision 9.

Subd. 2. [PROHIBITION.] Effective August 1, 1991, a person may not place in mixed municipal solid waste a rechargeable battery, a rechargeable battery pack, a product with a nonremovable rechargeable battery, or a product powered by rechargeable batteries or rechargeable battery pack, from which all batteries or battery packs have not been removed.

Subd. 3. [COLLECTION AND MANAGEMENT COSTS.] A manufacturer of rechargeable batteries or products powered by rechargeable batteries is responsible for the costs of collecting and managing its waste rechargeable batteries and waste products to ensure that the batteries are not part of the solid waste stream.

Subd. 4. [PILOT PROJECTS.] By April 15, 1992, manufacturers whose rechargeable batteries or products powered by nonremovable rechargeable batteries are sold in this state shall implement pilot projects for the collection and proper management of all rechargeable batteries and the participating manufacturers' products powered by nonremovable rechargeable batteries. Manufacturers may act as a group or through a representative organization. The pilot projects must run for a minimum of 18 months and be designed to collect sufficient statewide data for the design and implementation of permanent collection and management programs that may be reasonably expected to collect at least 90 percent of waste rechargeable batteries and the participating manufacturers' products powered by rechargeable batteries that are generated in the state.

By December 1, 1991, the manufacturers or their representative organization shall submit plans for the projects to the legislative commission. At least every six months during the pilot projects the manufacturers shall submit progress reports to the commission. The commission shall review the plans and progress reports.

By November 1, 1993, the manufacturers or their representative organization shall report to the legislative commission the final results of the projects and plans for implementation of permanent programs. The commission shall review the final results and plans.

Subd. 5. [COLLECTION AND MANAGEMENT PROGRAMS.] By April 15, 1994, the manufacturers or their representative organization shall implement permanent programs, based on the results of the pilot projects required in subdivision 3, that may be reasonably expected to collect 90 percent of the waste rechargeable batteries and the participating manufacturers' products powered by rechargeable batteries that are generated in the state. The batteries and products collected must be recycled or otherwise managed or disposed of properly.

Subd. 6. [LIST OF PARTICIPANTS.] A manufacturer or its representative organization shall inform the legislative commission on waste management when they begin participating in the projects and programs and immediately if they withdraw participation. The list of participants shall be available to retailers, distributors, governmental agencies, and other interested persons who provide a self-addressed stamped envelope to the commission.

Subd. 7. [CONTRACTS.] A manufacturer or a representative organization of manufacturers may contract with the state or a political subdivision to provide collection services under this section. The manufacturer or organization shall fully reimburse the state or political subdivision for the value of any contractual services rendered under this subdivision.

Subd. 8. [ANTICOMPETITIVE CONDUCT.] A manufacturer or organization of manufacturers and its officers, members, employees, and agents who participate in projects or programs to collect and properly manage waste rechargeable batteries or products powered by rechargeable batteries are immune from liability under state law relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce for activities related to the collection and management of batteries and products required under this section.

Subd. 9. [EXEMPTIONS.] To ensure that new types of batteries do not add additional hazardous or toxic materials to the mixed municipal solid waste stream, the commissioner of the agency may exempt a new type of rechargeable battery from the requirements of this section if it poses no unreasonable hazard when placed in and processed or disposed of as part of a mixed municipal solid waste.

Sec. 3. Minnesota Statutes 1990, section 325E.125, subdivision 2, is amended to read:

Subd. 2. [MERCURY CONTENT.] (a) Except as provided in paragraph (c), a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery that contains more than ~~30 percent mercury by weight, or after February 1, 1992, 0.025 percent mercury by weight.~~

(b) On application by a manufacturer, the commissioner of the pollution control agency may exempt a specific type of battery from the requirements of paragraph (a) or (d) if there is no battery meeting the requirements that can be reasonably substituted for the battery for which the exemption is sought. ~~The manufacturer of~~ A battery exempted by the commissioner under this paragraph is subject to the requirements of section 115A.9155, subdivision 2.

(c) Notwithstanding paragraph (a), a manufacturer may not sell, distribute, or offer for sale in this state ~~after January 1, 1992, a button cell alkaline manganese nonrechargeable battery not subject to paragraph (a) that contains more than 25 milligrams of mercury.~~

(d) A manufacturer may not sell, distribute, or offer for sale in this state a dry cell battery containing a mercuric oxide electrode.

(e) After January 1, 1996, a manufacturer may not sell, distribute, or offer for sale in this state an alkaline manganese battery, except an alkaline manganese button cell, that contains mercury unless the commissioner of the pollution control agency determines that compliance with this requirement is not technically and commercially feasible.

Sec. 4. Minnesota Statutes 1990, section 325E.125, is amended by adding a subdivision to read:

Subd. 2a. [APPROVAL OF NEW BATTERIES.] A manufacturer may not sell, distribute, or offer for sale in this state a nonrechargeable battery other than a zinc air, zinc carbon, silver oxide, lithium, or alkaline manganese battery, without first having received approval of the battery from the commissioner of the pollution control agency. The commissioner shall approve only batteries that comply with subdivision 1 and do not pose an undue hazard when disposed of. This subdivision is intended to ensure that new types of batteries do not add additional hazardous or toxic materials to the state's mixed municipal waste stream.

Sec. 5. Minnesota Statutes 1990, section 325E.125, is amended by adding a subdivision to read:

Subd. 4. [RECHARGEABLE BATTERIES AND PRODUCTS; NOTICE.] (a) A person who sells rechargeable batteries or products powered by rechargeable batteries governed by section 115A.9157 at retail shall post the notice in paragraph (b) in a manner clearly visible to a consumer making purchasing decisions.

(b) The notice must be at least 4 inches by 6 inches and state:

'ATTENTION USERS OF RECHARGEABLE BATTERIES AND CORDLESS PRODUCTS:

Under Minnesota law, manufacturers of rechargeable batteries, rechargeable battery packs, and products powered by nonremovable rechargeable batteries will provide a special collection system for these items by April 15, 1994. It is illegal to put rechargeable batteries in the garbage. Use the special collection system that will be provided in your area. Take care of our environment.

DO NOT PUT RECHARGEABLE BATTERIES OR PRODUCTS POWERED BY NONREMOVABLE RECHARGEABLE BATTERIES IN THE GARBAGE.'

(c) Notice is not required for home solicitation sales, as defined in section 325G.06, or for catalogue sales.

Sec. 6. Minnesota Statutes 1990, section 325E.125, is amended by adding a subdivision to read:

Subd. 5. [PROHIBITIONS.] A manufacturer of rechargeable batteries or products powered by rechargeable batteries that does not participate in the pilot projects and programs required in section 115A.9157 may not sell, distribute, or offer for sale in this state rechargeable batteries or products powered by rechargeable batteries after January 1, 1992.

After January 1, 1992, a person who first purchases rechargeable batteries or products powered by rechargeable batteries for importation into the state for resale may not purchase rechargeable batteries or products

powered by rechargeable batteries made by any person other than a manufacturer that participates in the projects and programs required under section 115A.9157.

Sec. 7. Minnesota Statutes 1990, section 325E.1251, is amended to read:

325E.1251 [PENALTY ENFORCEMENT.]

Subdivision 1. [PENALTY.] Violation of sections 115A.9155 and 325E.125 is a misdemeanor. A manufacturer who violates section 115A.9155 or 325E.125 is also subject to a minimum fine of \$100 per violation.

Subd. 2. [RECOVERY OF COSTS.] In an enforcement action under this section in which the state prevails, the state may recover reasonable administrative expenses, court costs, and attorney fees incurred to take the enforcement action, in an amount to be determined by the court.

Sec. 8. [EFFECTIVE DATES.]

(a) Section 3, paragraphs (a), (b), and (d), are effective February 1, 1992, and apply to batteries manufactured on or after that date.

(b) For zinc air batteries that exceed 100 milligrams in weight, section 3, paragraph (c), is effective February 1, 1993, and applies to batteries manufactured on or after that date.

(c) For all other batteries, section 3, paragraph (c), is effective August 1, 1991, and applies to batteries manufactured on or after that date. Section 3, paragraph (e), applies to batteries manufactured on or after January 1, 1996."

Delete the title and insert:

"A bill for an act relating to the environment; establishing maximum content levels of mercury in batteries; prohibiting certain batteries; prohibiting the disposal of rechargeable batteries in mixed municipal solid waste; requiring a notice to consumers; amending Minnesota Statutes 1990, sections 115A.9155, subdivision 2; 325E.125, subdivision 2, and by adding subdivisions; and 325E.1251; proposing coding for new law in Minnesota Statutes, chapter 115A."

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

Senate Conferees: (Signed) Gregory L. Dahl, Gene Merriam, Gary W. Laidig

House Conferees: (Signed) Jean Wagenius, Bob Johnson, Sidney Pauly

Mr. Dahl moved that the foregoing recommendations and Conference Committee Report on S.F. No. 793 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.

S.F. No. 793 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 46 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Johnson, J.B.	Mondale	Renneke
Beckman	Flynn	Johnston	Morse	Riveness
Benson, D.D.	Frank	Kelly	Neuville	Sams
Benson, J.E.	Frederickson, D.J.	Kroening	Novak	Spear
Berglin	Frederickson, D.R.	Laidig	Olson	Storm
Bernhagen	Gustafson	Lessard	Pappas	Vickerman
Bertram	Halberg	Luther	Pariseau	
Cohen	Hughes	McGowan	Pogemiller	
Dahl	Johnson, D.E.	Mehrkens	Price	
Davis	Johnson, D.J.	Moe, R.D.	Reichgott	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S. F. No. 880 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 880

A bill for an act relating to checks; increasing bank verification requirements for opening checking accounts; prohibiting service charges for dishonored checks on persons other than the issuer; regulating check numbering procedures; requiring the commissioner of commerce to adopt rules regarding verification procedure requirements; modifying procedures and liability for civil restitution for holders of worthless checks; authorizing service charges for use of law enforcement agencies; clarifying criminal penalties; increasing information that banks must provide to holders of worthless checks; imposing penalties; amending Minnesota Statutes 1990, sections 48.512, subdivisions 3, 4, 5, 7, and by adding subdivisions; 332.50, subdivisions 1 and 2; and 609.535, subdivisions 2a and 7.

May 16, 1991

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Robert Vanasek
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 880, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 880 be further amended as follows:

Page 2, line 12, reinstate the stricken language and delete the new language

Page 3, line 34, after "charge" insert "in excess of \$4"

Page 4, line 8, after the period, insert "This subdivision no longer applies after the account has been open and in good standing for one year."

Page 4, line 11, delete "RULES" and insert "POWERS"

Page 4, after line 19, insert:

"Sec. 7. [48.513] [FINANCIAL INTERMEDIARY FEES.]

A financial intermediary may charge a fee for the assembly, production, and copying of records requested under chapter 13A, not to exceed the schedule established from time to time by the Federal Reserve System under

Regulation S, Code of Federal Regulations, title 12, part 219, except that a fee may not be imposed if the records are requested by a law enforcement agency or prosecuting authority. This section does not apply to requests made under section 609.535. For purposes of this section, "financial intermediary" has the meaning given in section 48.512, subdivision 1."

Page 4, lines 27 and 28, delete "and includes" and insert "but does not include"

Page 4, line 29, delete "no valid" and insert "a good faith"

Page 5, line 6, before "amount" insert "aggregate" and strike "the check" and insert "dishonored checks issued by the issuer to all payees within a six-month period"

Page 5, line 8, before "Before" insert "If the amount of the dishonored check plus any service charges that have been incurred under paragraph (d) or (e) have not been paid within 30 days after having mailed a notice of dishonor in compliance with subdivision 3 but"

Page 5, line 13, before "Before" insert "After notice has been sent but"

Page 5, line 17, delete everything after "if" and insert "provided for under paragraph (a), clause (3)."

Page 5, line 22, delete "\$15" and insert "\$20"

Page 5, after line 35, insert:

"Sec. 10. Minnesota Statutes 1990, section 349.2127, subdivision 7, is amended to read:

Subd. 7. [CHECKS FOR GAMBLING PURCHASES.] An organization may not accept checks in payment for the purchase of any gambling equipment or for the chance to participate in any form of lawful gambling. *This subdivision does not apply to gaming activities conducted pursuant to the Indian Gaming Regulatory Act, 25 U.S.C. 2701 et seq.*"

Page 6, after line 20, insert:

"Sec. 12. Minnesota Statutes 1990, section 609.535, subdivision 6, is amended to read:

Subd. 6. [RELEASE OF ACCOUNT INFORMATION TO LAW ENFORCEMENT AUTHORITIES.] A drawee shall release the information specified below to any state, county, or local law enforcement or prosecuting authority which certifies in writing that it is investigating or prosecuting a complaint against the drawer under this section or section 609.52, subdivision 2, clause (3)(a), and that 15 days have elapsed since the mailing of the notice of dishonor required by subdivisions 3 and 8. This subdivision applies to the following information relating to the drawer's account:

(1) Documents relating to the opening of the account by the drawer;

(2) Notices regarding nonsufficient funds, overdrafts, and the dishonor of any check drawn on the account within a period of six months of the date of request;

(3) Periodic statements mailed to the drawer by the drawee for the periods immediately prior to, during, and subsequent to the issuance of any check which is the subject of the investigation or prosecution; or

(4) The last known home and business addresses and telephone numbers

of the drawer.

The drawee shall release all of the information described in clauses (1) to (4) that it possesses within ten days after receipt of a request conforming to all of the provisions of this subdivision. The drawee may *not* impose a ~~reasonable fee for the cost for~~ furnishing this information to law enforcement or prosecuting authorities; ~~not to exceed 45 cents per page.~~

A drawee is not liable in a criminal or civil proceeding for releasing information in accordance with this subdivision."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 4, delete "prohibiting" and insert "limiting"

Page 1, line 6, delete "requiring" and insert "giving"

Page 1, line 7, delete "to adopt rules" and insert "enforcement powers"

Page 1, line 11, after the semicolon, insert "regulating fees; authorizing checks for gambling under the Indian Gaming Regulatory Act;"

Page 1, line 16, before the second "and" insert "349.2127, subdivision 7;"

Page 1, line 17, after "2a" insert ", 6," and before the period, insert " ; proposing coding for new law in Minnesota Statutes, chapter 48"

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

Senate Conferees: (Signed) Allan H. Spear, Carl W. Kroening, Patrick D. McGowan

House Conferees: (Signed) Wally Sparby, Kris Hasskamp, Donald L. Frerichs

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S.F. No. 880 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.

S.F. No. 880 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 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hottinger	Luther	Pogemiller
Beckman	Day	Hughes	McGowan	Price
Benson, D.D.	Finn	Johnson, D.J.	Mehrkens	Reichgott
Berglin	Flynn	Johnson, J.B.	Mondale	Renneke
Bernhagen	Frank	Johnston	Morse	Riveness
Bertram	Frederickson, D.J.	Kroening	Neuville	Sams
Brataas	Frederickson, D.R.	Laidig	Novak	Spear
Cohen	Gustafson	Larson	Pappas	Storm
Dahl	Halberg	Lessard	Pariseau	Vickerman

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

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. 21, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 21 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 21

A bill for an act relating to waste management; requiring air emission permits for new or expanded infectious waste incinerators; requiring environmental impact statements for the incinerators until new rules are adopted; proposing coding for new law in Minnesota Statutes, chapter 116.

May 16, 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. 21, 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. 21 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section. 1. [116.801] [INCINERATION OF INFECTIOUS WASTE; PERMIT REQUIRED.]

(a) Except as provided in paragraph (b), a person may not construct, or expand the capacity of, a facility for the incineration of infectious waste, as defined in section 116.76, without having obtained an air emission permit from the agency.

(b) This section does not affect permit requirements under the rules of the agency for an incinerator that is upgraded to meet pollution control standards or an incinerator with a capacity of 350 pounds or less per hour that is planned to manage waste generated primarily by the owner or operator of the incinerator.

Sec. 2. [INCINERATION OF INFECTIOUS WASTE; ENVIRONMENTAL IMPACT.]

Until the pollution control agency adopts revisions to its air emission rules for incinerators, a new or expanded facility for the incineration of infectious waste that is subject to the permit requirement in section 1 may

not receive a permit until an environmental impact statement for the facility has been prepared and approved. The pollution control agency is the governmental unit responsible for preparation of an environmental impact statement required under this section.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective March 1, 1991, and applies to construction begun on or after that date. Section 2 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to waste management; requiring air emission permits for new or expanded infectious waste incinerators; requiring environmental impact statements for the incinerators until new rules are adopted; proposing coding for new law in Minnesota Statutes, chapter 116."

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

House Conferees: (Signed) Jeff Bertram, Bob McEachern, Tony Onnen

Senate Conferees: (Signed) Joe Bertram, Sr., John Bernhagen, Janet B. Johnson

Mr. Bertram moved that the foregoing recommendations and Conference Committee Report on H.F. No. 21 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. 21 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 34 and nays 30, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Kelly	Mondale	Riveness
Beckman	DeCramer	Knaak	Morse	Sams
Berglin	Finn	Kroening	Novak	Samuelson
Bernhagen	Frederickson, D.J.	Langseth	Pappas	Solon
Bertram	Hottinger	Marty	Piper	Stumpf
Chmielewski	Johnson, D.J.	Metzen	Price	Vickerman
Cohen	Johnson, J.B.	Moe, R.D.	Ranum	

Those who voted in the negative were:

Belanger	Day	Hughes	McGowan	Pogemiller
Benson, D.D.	Flynn	Johnson, D.E.	Mehrkens	Reichgott
Benson, J.E.	Frank	Johnston	Merriam	Renneke
Berg	Frederickson, D.R.	Laidig	Neuville	Spear
Brataas	Gustafson	Larson	Olson	Storm
Dahl	Halberg	Luther	Pariseau	Waldorf

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

MESSAGES FROM THE HOUSE - CONTINUED

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. 1549,

and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1549 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 1549

A resolution memorializing the President and the Congress of the United States to take action to alleviate the crisis in the Midwest dairy industry.

May 16, 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. 1549, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment.

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

House Conferees: (Signed) Stephen G. Wenzel, Bernie Omann, Jeff Bertram

Senate Conferees: (Signed) Dallas C. Sams, Joe Bertram, Sr., Charles R. Davis

Mr. Sams moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1549 be now adopted, and that the resolution be repassed as amended by the Conference Committee. The motion prevailed. So the recommendations and Conference Committee Report were adopted.

H.F. No. 1549 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 resolution, as amended by the Conference Committee.

The roll was called, and there were yeas 39 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Hottinger	Marty	Ranum
Beckman	Davis	Hughes	Mehrkens	Reichgott
Berg	Day	Johnson, J.B.	Moe, R.D.	Riveness
Berglin	DeCramer	Laidig	Neuville	Sams
Bernhagen	Flynn	Langseth	Novak	Spear
Bertram	Frank	Larson	Pappas	Vickerman
Chmielewski	Frederickson, D.J.	Lessard	Pogemiller	Waldorf
Cohen	Frederickson, D.R.	Luther	Price	

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

MESSAGES FROM THE HOUSE - CONTINUED

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. 53, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 53 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 53

A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; providing for regulation of certain activities and practices; providing for certain rights-of-way; requiring studies and reports; fixing and limiting accounts and fees; amending Minnesota Statutes 1990, sections 10A.02, by adding a subdivision; 12.14; 15A.081, subdivision 1; 16A.662, subdivisions 2, 4, and 5; 41A.09, subdivision 3; 60A.14, subdivision 1; 60A.17, subdivision 1d; 72B.04, subdivision 7; 80C.04, subdivision 1; 80C.07; 80C.08, subdivision 1; 82.22, subdivisions 1, 5, 10, and 11; 115C.09, by adding a subdivision; 129D.04, by adding subdivisions; 129D.05; 138.91; 138.94; 162.02, subdivision 12; 168C.04; 171.06, subdivision 2a; 171.26; 182.651, by adding subdivisions; 182.661, subdivisions 1, 2, 2a, 3, 3a, and by adding subdivisions; 182.664, subdivisions 3 and 5; 182.666, subdivisions 1, 2, 3, 4, 5, and 5a; 182.669, subdivision 1; 184.28, subdivision 2; 184.29; 184A.09; 239.78; 240.02, subdivisions 2 and 3; 240.06, subdivision 8; 240.155; 240.28; 297B.09, subdivision 1; 299F.57, subdivision 1a; 299F.641, subdivision 2; 299K.07; 299K.09, subdivision 2; 336.9-413; 349.12, subdivision 10; 349.151, subdivision 2; 349A.01, subdivisions 5 and 9; 349A.02, subdivision 1; 349A.03, subdivision 1; 349A.10, subdivision 5; and 626.861, subdivisions 1 and 4; Laws 1989, chapter 269, sections 11, subdivision 7; and 31; repealing Minnesota Statutes 1990, sections 182.664, subdivision 2; 240.01, subdivision 15; 349.12, subdivision 12; 349A.01, subdivisions 3, 4, and 6; and 349B.01; and Laws 1989, chapter 322, section 7.

May 17, 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. 53, 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. 53 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [TRANSPORTATION AND OTHER AGENCIES;

APPROPRIATIONS.]

The sums shown in the columns marked "APPROPRIATIONS" are appropriated from the general fund, or another named fund, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures "1991," "1992," and "1993," where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1991, June 30, 1992, or June 30, 1993, respectively.

SUMMARY BY FUND

	1992	1993	TOTAL
General	\$138,143,000	\$138,452,000	\$276,595,000
Airports	16,069,000	15,818,000	31,887,000
C.S.A.H.	240,000,000	242,000,000	482,000,000
Environmental	461,000	465,000	926,000
Highway User	12,041,000	11,974,000	24,015,000
M.S.A.S.	66,000,000	67,000,000	133,000,000
Special Revenue	2,776,000	2,819,000	5,595,000
Trunk Highway	792,101,000	822,912,000	1,615,013,000
Workers' Compensation	10,839,000	11,229,000	22,068,000
Transfers to Other			
Direct	(2,769,000)	(2,789,000)	(5,558,000)
TOTAL	1,275,661,000	1,309,880,000	2,585,541,000

APPROPRIATIONS
Available for the Year
Ending June 30
1992 1993

Sec. 2. TRANSPORTATION

Subdivision 1. Total Appropriation		1,058,366,000	1,091,555,000
Approved Complement -	4,802		
General -	14		
State Airports -	43		
Trunk Highway -	4,735		
Federal -	10		

The appropriations in this section are from the trunk highway fund, except when another fund is named.

Summary by Fund

General	8,701,000	8,683,000
Airports	16,069,000	15,818,000
C.S.A.H.	240,000,000	242,000,000
Environmental	200,000	200,000
M.S.A.S.	66,000,000	67,000,000

Trunk Highway	727,316,000	757,774,000
Special Revenue	80,000	80,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Aeronautics	15,814,000	15,562,000
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This appropriation is from the state airports fund.

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Airport Development and Assistance

1992	1993
11,892,000	11,645,000

\$1,749,000 the first year and \$1,752,000 the second year are for navigational aids.

\$6,089,000 the first year and \$6,089,000 the second year are for airport construction grants.

\$1,773,000 the first year and \$1,773,000 the second year are for airport maintenance grants.

If the appropriation for either year for navigational aids, airport construction grants, or airport maintenance grants is insufficient, the appropriation for the other year is available for it. The appropriations for construction grants and maintenance grants must be expended only for grant-in-aid programs for airports that are not state owned.

These appropriations must be expended in accordance with Minnesota Statutes, section 360.305, subdivision 4.

The commissioner of transportation may transfer unencumbered balances among the appropriations for airport development and assistance with the approval of the governor after consultation with the legislative advisory commission.

\$8,000 the first year and \$8,000 the second year are for maintenance of the Pine Creek Airport.

\$500,000 the first year and \$500,000 the second year are for air service grants.

\$15,000 the first year and \$15,000 the second year are for the advisory council on metropolitan airport planning.

(b) Civil Air Patrol

65,000	65,000
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(c) Aeronautics Administration

3,857,000	3,852,000
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Subd. 3. Transit	8,610,000	8,608,000
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Summary by Fund

General	8,364,000	8,363,000
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Trunk Highway	246,000	245,000
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Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

The amounts that may be spent from this appropriation for each activity are as follows:

(a) Greater Minnesota Transit Assistance

7,954,000	7,954,000
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This appropriation is from the general fund.

(b) Transit Administration

656,000	654,000
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Summary by Fund

General	410,000	409,000
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Trunk Highway	246,000	245,000
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Subd. 4. Railroads and Waterways

1,189,000	1,186,000
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Summary by Fund

General	263,000	262,000
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Trunk Highway	926,000	924,000
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Subd. 5. Motor Carrier Regulation

1,680,000	1,619,000
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Subd. 6. Local Roads

307,109,000	310,106,000
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Summary by Fund

C.S.A.H.	240,000,000	242,000,000
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M.S.A.S.	66,000,000	67,000,000
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Trunk Highway	1,109,000	1,106,000
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The amounts that may be spent from this appropriation for each activity are as follows:

(a) County State Aids

240,000,000	242,000,000
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This appropriation is from the county state-aid highway fund and is available until spent.

(b) Municipal State Aids

66,000,000	67,000,000
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This appropriation is from the municipal state-aid street fund and is available until spent.

If an appropriation for either county state aids or municipal state aids does not exhaust the balance in the fund from which it is made in the year for which it is made, the commissioner of finance, upon request of the commissioner of transportation, shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the remainder and shall then add that amount to the appropriation. The amount added is appropriated for the purposes of county state aids or municipal state aids, as appropriate.

(c) State Aid Technical Assistance

1,109,000	1,106,000
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Subd. 7. State Road Construction	410,821,000	443,033,000
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Summary by Fund

Special Revenue	80,000	80,000
Environmental	200,000	200,000
Trunk Highway	410,541,000	442,753,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) State Road Construction

390,402,000	421,402,000
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Summary by Fund

Environmental	200,000	200,000
Trunk Highway	390,202,000	421,202,000

It is estimated that the appropriation from the trunk highway fund will be funded as follows:

Federal Highway Aid

200,000,000	231,000,000
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Highway User Taxes

190,202,000	190,202,000
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The commissioner of transportation shall notify the chair of the committee on finance of the senate and chair of the committee on appropriations of the house of representatives promptly of any events that should cause these estimates to change.

This appropriation is for the actual construction, reconstruction, and improvement of trunk highways. This includes the cost of actual payment to landowners for lands acquired for highway right-of-way, payment to lessees, interest

subsidies, and relocation expenses.

(b) Highway Debt Service

14,864,000	16,094,000
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\$9,274,000 the first year and \$10,794,000 the second year are for transfer to the state bond fund.

If this appropriation is insufficient to make all transfers required in the year for which it is made, the commissioner of finance shall notify the committee on finance of the senate and the committee on appropriations of the house of representatives of the amount of the deficiency and shall then transfer that amount under the statutory open appropriation.

Any excess appropriation must be canceled to the trunk highway fund.

(c) Highway Program Administration

2,149,000	2,142,000
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Summary by Fund

Special Revenue	80,000	80,000
Trunk Highway	2,069,000	2,062,000

\$243,000 the first year and \$243,000 the second year are available for grants to regional development commissions outside the seven-county metropolitan area for transportation studies to identify critical concerns, problems, and issues.

\$180,000 the first year and \$180,000 the second year are available for grants to metropolitan planning organizations outside the seven-county metropolitan area.

(d) Transportation Data Analysis

3,406,000	3,395,000
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Subd. 8. Design Engineering	58,474,000	57,875,000
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\$75,000 the first year and \$75,000 the second year are for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 9. Construction Engineering	67,232,000	67,006,000
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Subd. 10. State Road Operations	144,665,000	144,312,000
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Subd. 11. Equipment	16,966,000	17,429,000
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Summary by Fund

General	5,000	5,000
Airports	58,000	59,000
Trunk Highway	16,903,000	17,365,000

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 12. General Administration	25,806,000	24,819,000
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Summary by Fund

General	69,000	53,000
Airports	197,000	197,000
Trunk Highway	25,540,000	24,569,000

The amounts that may be spent from this appropriation for each activity are as follows:

(a) General Management

14,350,000	14,330,000
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(b) General Services

7,002,000	6,057,000
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Summary by Fund

General	43,000	44,000
Airports	140,000	140,000
Trunk Highway	6,819,000	5,873,000

\$361,000 the first year and \$320,000 the second year are for data processing development. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

The commissioner of transportation shall manage the department of transportation in such a manner as to provide seasonal employees of the department with the maximum feasible amount of employment security consistent with the efficient delivery of department programs.

(c) Legal Services

1,116,000	1,116,000
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This appropriation is for the purchase of legal services from or through the attorney general.

(d) Electronic Communications

3,281,000	3,259,000
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Summary by Fund

General	26,000	9,000
Trunk Highway	3,255,000	3,250,000

\$26,000 the first year and \$9,000 the second year are for equipment and operation of the

Roosevelt signal tower for Lake of the Woods weather broadcasting.

(e) Air Transportation Services

57,000 57,000

This appropriation is from the state airports fund.

Subd. 13. Transfers

The commissioner of transportation with the approval of the commissioner of finance may transfer unencumbered balances among the appropriations from the trunk highway fund and the state airports fund made in this section. No transfer may be made from the appropriation for trunk highway development. No transfer may be made from the appropriations for debt service to any other appropriation. Transfers may not be made between funds. Transfers must be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Subd. 14. Contingent Appropriation

The commissioner of transportation, with the approval of the governor after consultation with the legislative advisory commission, may transfer all or part of the unappropriated balance in the trunk highway fund to an appropriation for trunk highway design, construction, or inspection in order to take advantage of an unanticipated receipt of income to the trunk highway fund, or to trunk highway maintenance in order to meet an emergency, or to pay tort or environmental claims. The amount transferred is appropriated for the purpose of the account to which it is transferred.

Sec. 3. REGIONAL TRANSIT BOARD

27,129,000 27,130,000

\$12,668,000 the first year and \$12,668,000 the second year are for Metro Mobility.

The regional transit board must not spend any money for metro mobility outside this appropriation.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Sec. 4. TRANSPORTATION REGULATION BOARD

730,000 757,000

Approved Complement - 9.5

This appropriation is from the trunk highway fund.

\$40,000 is appropriated from the trunk highway fund for fiscal year 1991 for unanticipated expenditures for administrative hearings, legal costs, employee severance costs, and rent.

Sec. 5. PUBLIC SAFETY

Subdivision 1. Total Appropriation		106,183,000	106,423,000
	1992	1993	
Approved Complement -	1,871.7	1,871.2	
General -	449.2	449.2	
Environmental -	1	1	
Highway User -	173.6	173.6	
Special Revenue -	32.5	32.5	
Trunk Highway -	1,157.1	1,160.1	
Federal -	58.3	54.8	

The above approved complement includes 535 for state-funded, unclassified patrol officers and supervisors of the state patrol and eight for capitol security positions required for the Minnesota History Center. Nothing in this provision is intended to limit the authority of the commissioner of public safety to transfer personnel, with the approval of the commissioner of finance, among the various units and divisions within this section, provided that the above complement must be reduced accordingly.

Summary by Fund

General	31,431,000	31,402,000
Highway User	11,916,000	11,849,000
Special Revenue	2,380,000	2,410,000
Trunk Highway	63,184,000	63,510,000
Environmental	41,000	41,000
Transfers to Other		
Direct	(2,769,000)	(2,789,000)

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Administration and Related Services

4,830,000	4,932,000
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Summary by Fund

General	530,000	529,000
Highway User	19,000	19,000
Trunk Highway	4,281,000	4,384,000

\$314,000 the first year and \$429,000 the second year are for management information systems. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$326,000 the first year and \$326,000 the second year are for payment of public safety officer survivor benefits under Minnesota Statutes, section 299A.44. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 3. Emergency Management

1,478,000	1,458,000
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Summary by Fund

General	778,000	758,000
Special Revenue	700,000	700,000

\$700,000 the first year and \$700,000 the second year are for nuclear plant preparedness. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$286,000 is appropriated from the general fund for fiscal year 1991 for the remaining state obligations to the federal emergency management assistance agency to match federal aid for flood emergencies of 1987 in the metropolitan area and 1989 in the Red River Valley.

Subd. 4. Criminal Apprehension

15,609,000	15,646,000
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Summary by Fund

General	13,929,000	13,968,000
Special Revenue	627,000	627,000
Trunk Highway	1,053,000	1,051,000

\$223,000 the first year and \$223,000 the second year are for use by the bureau of criminal apprehension for the purpose of investigating cross-jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$171,000 the first year and \$171,000 the second year are for grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity. Any unencumbered

balance remaining in the first year does not cancel but is available for the second year of the biennium.

\$523,000 the first year and \$523,000 the second year from the bureau of criminal apprehension account in the special revenue fund are for laboratory activities.

\$104,000 the first year and \$104,000 the second year from the bureau of criminal apprehension account in the special revenue fund are for grants to local officials for the cooperative investigation of cross-jurisdictional criminal activity. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Subd. 5. Fire Marshal

2,277,000	2,269,00
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Subd. 6. State Patrol

41,220,000	42,017,000
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Summary by Fund

General	442,000	441,000
Highway User	90,000	90,000
Trunk Highway	40,688,000	41,486,000

During the biennium ending June 30, 1993, no more than five positions, excluding the chief patrol officer, in the state patrol support activity may be filled by state troopers.

During the biennium ending June 30, 1993, the commissioner may purchase other motor fuel when gasohol is not available for the operation of state patrol vehicles.

Subd. 7. Capitol Security

1,341,000	1,336,000
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Subd. 8. Driver and Vehicle Services

33,064,000	32,407,000
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Summary by Fund

General	5,654,000	5,643,000
Highway User	10,344,000	10,271,000
Trunk Highway	16,986,000	16,413,000
Special Revenue	80,000	80,000

This appropriation is from the transportation account in the special revenue fund.

\$431,000 the first year and \$431,000 the second year are for chemical use assessment reimbursements to counties.

Of the appropriation from the highway user tax distribution fund, \$109,000 the first year and \$9,000 the second year are for the department's costs related to collegiate plates for the academic excellence scholarship program. The commissioner shall repay these amounts to the highway user tax distribution fund from amounts received from the sale of these license plates.

The commissioner shall substantially increase the department's efforts to (1) recover the value of worthless checks used for payment of motor vehicle license taxes, (2) deter future use of worthless checks for this purpose, and (3) assist deputy registrars in dealing with the problem of worthless checks. The commissioner shall consult with deputy motor vehicle registrars in formulating and administering these policies. The commissioner shall implement this requirement to the maximum feasible extent in the next revision of the commissioner's rules governing deputy motor vehicle registrars. The commissioner shall report by February 1, 1992, to the chairs of the house committee on appropriations and senate committee on finance on actions the commissioner has taken and proposes to take to comply with this requirement.

Subd. 9. Liquor Control

761,000	759,000
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Subd. 10. Gambling Enforcement

1,222,000	1,218,000
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Subd. 11. Traffic Safety

240,000	240,000
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Summary by Fund

General	64,000	64,000
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Trunk Highway	176,000	176,000
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Subd. 12. Drug Policy

587,000	587,000
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Subd. 13. Pipeline Safety

873,000	903,000
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This appropriation is from the pipeline safety account in the special revenue fund.

Subd. 14. Crime Victims Services

1,620,000	1,587,000
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Notwithstanding any other law to the contrary, the crime victims reparations board shall, to

the extent possible, distribute the appropriation in equal monthly increments. In no case shall the total awards exceed the appropriation made in this subdivision.

Subd. 15. Children's Trust Fund

520,000 520,000

Summary by Fund

General	420,000	420,000
Special Revenue	100,000	100,000

This appropriation is from the children's trust fund account in the special revenue fund.

Subd. 16. Emergency Response Commission

403,000 404,000

Summary by Fund

General	362,000	363,000
Environmental	41,000	41,000

Subd. 17. Private Detective and Security Licensing

68,000 67,000

Subd. 18. Crime Victims Ombudsman

70,000 73,000

Subd. 19. Transfers

The commissioner of public safety with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the programs within a fund. Transfers must be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Subd. 20. Reimbursements

(a) \$1,306,000 the first year and \$1,320,000 the second year are appropriated from the general fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1992, and January 1, 1993, respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for general fund purposes in the administration and related services program.

(b) \$437,000 the first year and \$443,000 the second year are appropriated from the highway user tax distribution fund for transfer by the commissioner of finance to the trunk highway fund on January 1, 1992, and January 1, 1993,

respectively, in order to reimburse the trunk highway fund for expenses not related to the fund. These represent amounts appropriated out of the trunk highway fund for highway user fund purposes in the administration and related services program.

(c) \$1,026,000 the first year and \$1,026,000 the second year are appropriated from the highway user tax distribution fund for transfer by the commissioner of finance to the general fund on January 1, 1992, and January 1, 1993, respectively, in order to reimburse the general fund for expenses not related to the fund. These represent amounts appropriated out of the general fund for operation of the criminal justice data network related to driver and motor vehicle licensing.

Sec. 6. BOARD OF PEACE OFFICER STANDARDS AND TRAINING

3,983,000	3,982,000
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Approved Complement - 11

\$500,000 the first year and \$500,000 the second year are for the creation and operation of a school of law enforcement.

Sec. 7. MINNESOTA SAFETY COUNCIL

71,000	71,000
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This appropriation is from the trunk highway fund.

Sec. 8. COMMERCE

Subdivision 1. Total Appropriation

12,386,000	12,760,000
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	1992	1993
Approved Complement -	237	235
General -	229	227
Environmental -	5	5
Special Revenue -	3	3

Summary by Fund

General	11,850,000	12,207,000
Environmental	220,000	224,000
Special Revenue	316,000	329,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Financial Examinations

5,157,000	5,345,000
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Subd. 3. Registration and Analysis

1,992,000	2,015,000
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Subd. 4. Petroleum Tank Release
Cleanup Board

220,000	224,000
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This appropriation is from the petroleum tank release cleanup account in the environmental fund for administration.

The commissioners of commerce and the pollution control agency, in cooperation with the petroleum tank release cleanup board, shall study and report to the governor and the legislature by January 1, 1992, on the petroleum tank release cleanup program. The study must include, but need not be limited to, recommendations on program administration, the reasonableness of costs of exploratory drilling, program financing mechanisms, criteria for reimbursements, and program cost controls.

Subd. 5. Administrative Services

1,774,000	1,812,000
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Subd. 6. Enforcement and Licensing

3,243,000	3,364,000
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Summary by Fund

General	2,927,000	3,035,000
Special Revenue	316,000	329,000

\$316,000 the first year and \$329,000 the second year are from the real estate education, research, and recovery account in the special revenue fund for the purpose of Minnesota Statutes, section 82.34, subdivision 6. If the appropriation from the special revenue fund for either year is insufficient, the appropriation for the other year is available for it.

Subd. 7. Transfers

The commissioner with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers must be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 9. NON-HEALTH-RELATED BOARDS

Subdivision 1. Total for this section	1,089,000	1,121,000
Subd. 2. Board of Abstractors	8,000	8,000
Subd. 3. Board of Accountancy	441,000	445,000
Approved Complement -	5	

Subd. 4. Board of Architecture, Engineering, Land Surveying, and Landscape Architecture	442,000	470,000
Approved Complement - 8		
Subd. 5. Board of Barber Examiners	135,000	135,000
Approved Complement - 2.5		
Subd. 6. Board of Boxing	63,000	63,000
Approved Complement - 1.5		
Sec. 10. PUBLIC UTILITIES COMMISSION	2,415,000	2,471,000
Approved Complement - 40		

Notwithstanding Minnesota Statutes, section 216B.243, subdivision 6, for any certificate of need application for expansion of the storage capacity for spent nuclear fuel rods, the commission and department shall assess actual amounts billed by the office of administrative hearings and up to \$300,000 of reasonable costs of the commission and department pursuant to Minnesota Statutes, section 216B.62, subdivision 6, during the biennium, subject to the limitations of Minnesota Statutes, section 216B.62, subdivision 2.

Sec. 11. PUBLIC SERVICE

Subdivision 1. Total Appropriation	7,467,000	7,727,000
Approved Complement - 141.8		
General - 127.8		
Special Revenue - 6		
Federal - 8		

The commissioner shall transfer, from among positions that were transferred to the department from the state energy agency, two positions to areas in which the cost of the positions are recovered from fees on regulated utilities.

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

The legislature intends that of the reduction in anticipated department expenditures as a result of the difference between this appropriation and the department's budget request, \$100,000 be achieved through a reduction in activities not funded by fees.

Subd. 2. Telecommunications	626,000	653,000
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Subd. 3. Weights and Measures

2,157,000	2,236,000
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Subd. 4. Information and Operations Management

1,439,000	1,491,000
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Subd. 5. Energy

3,245,000	3,347,000
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Subd. 6. Transfers

The department of public service, with the approval of the commissioner of finance, may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers must be reported immediately to the committee on finance of the senate and the committee on appropriations in the house of representatives.

Sec. 12. GAMING	10,000	-0-
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Approved Complement -	-0-
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Sec. 13. LAWFUL GAMBLING CONTROL	1,930,000	1,928,000
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Approved Complement -	37
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Sec. 14. RACING COMMISSION	1,046,000	1,058,000
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Approved Complement -	9
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General -	8
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Special Revenue -	1
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Sec. 15. STATE LOTTERY BOARD

The director of the state lottery shall reimburse the general fund \$250,000 the first year and \$250,000 the second year for lottery-related costs incurred by the departments of public safety and human services.

Sec. 16. ETHICAL PRACTICES BOARD	340,000	351,000
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Approved Complement -	6
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Sec. 17. MINNESOTA MUNICIPAL BOARD	277,000	284,000
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Approved Complement -	4
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Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

Sec. 18. MINNESOTA HISTORICAL SOCIETY

Subdivision 1. Total Appropriation	12,943,000	13,072,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

The Minnesota historical society is eligible for a salary supplement in the same manner as state agencies. The commissioner of finance will determine the amount of the salary supplement based on available appropriations. Employees of the Minnesota historical society will be paid in accordance with the appropriate pay plan.

Subd. 2. Public Programs and
Operations

11,438,000

11,783,000

\$30,000 the first year and \$70,000 the second year are additional funds for the re-opening of the Meighen Store in calendar year 1992, and is in addition to any other funds expended for this purpose.

Any unencumbered balance remaining at the end of the first year must be returned to the state treasury and credited to the general fund.

Subd. 3. Statewide Outreach

615,000

615,000

\$223,000 the first year and \$223,000 the second year are for historic site grants to encourage local historic preservation projects. To be eligible for a grant, a county or local project group must provide a 50 percent match, in accordance with the historical society's guidelines. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$27,000 the first year and \$27,000 the second year are for the state archaeology function.

Subd. 4. Repair and Replacement

462,000

462,000

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Subd. 5. Fiscal Agent

428,000

212,000

(a) Sibley House Association

93,000

93,000

This appropriation is available for operation and maintenance of the Sibley house and related buildings on the Old Mendota state historic site owned by the Sibley house association.

Notwithstanding any other law, the Sibley house association may purchase fire, wind, hail, and vandalism insurance, and insurance

coverage for fine art objects from this appropriation.

(b) Minnesota International Center

91,000 50,000

\$40,000 the first year is to be divided equally by the Minnesota International Center among the school districts currently participating in the U.S.- U.S.S.R. High School Academic Partnership Program and must be used to help pay the cost of sending Minnesota students to study in the Soviet Union.

(c) Minnesota Military Museum

30,000

(d) Minnesota Air National Guard Museum

20,000

(e) Government Learning Center

69,000 69,000

This appropriation is for Project 120.

(f) Greater Cloquet-Moose Lake forest fire museum

25,000

The society shall spend this amount as a grant to the Carlton county historical society to be spent as a grant to the Greater Cloquet-Moose Lake forest fire museum planning committee for the development of the museum. The legislature intends that no further direct appropriation will be made for this purpose.

(g) Museum of the National Guard

25,000

This amount is for a contribution from the state of Minnesota to the museum of the National Guard in Washington, D.C.

(h) Prairieland Expo Center

25,000

The society shall expend this amount as a grant to the southwest regional development commission for assistance for this project.

(i) Battle Point Cultural Center

50,000

This amount is for the Leech Lake Reservation to complete final planning for the Battle Point Cultural Center.

(j) Balances Forward

Any unencumbered balance remaining in this subdivision the first year does not cancel but is available for the second year of the biennium.

Sec. 19. MINNESOTA HUMANITIES COMMISSION

247,000 247,000

Sec. 20. BOARD OF THE ARTS

Subdivision 1. Total Appropriation 4,043,000 4,018,000

Approved Complement - 16

General - 13

Federal - 3

Any unencumbered balance remaining in this section the first year does not cancel but is available for the second year of the biennium.

Subd. 2. Operations and Services 587,000 587,000

Subd. 3. Grants Program 2,025,000 2,025,000

Subd. 4. Regional Arts Councils 1,406,000 1,406,000

Subd. 5. Kee Theatre 25,000

The board shall spend \$25,000 of the first year appropriation as a grant for the restoration of the Kee theatre in Kiester. It is the intent of the legislature that no further direct appropriation will be made for this purpose. The board may not use any part of this sum for administrative expenses.

Sec. 21. GREATER MINNESOTA CORPORATION

Subdivision 1. Total Appropriation 12,600,000 12,400,000

This appropriation is for transfer from the general fund to the greater Minnesota corporation account in the special revenue fund. The corporation shall spend this amount in accordance with the working papers of the appropriate senate and house of representatives standing committees, a true copy of which is on file in the office of the secretary of state.

Subd. 2. Agricultural Utilization Research Institute

(a) The corporation shall make a grant to the agricultural utilization research institute in an amount specified as provided in subdivision 1. The amount for fiscal year 1992 is reduced by \$3,500,000 if the corporation has not paid \$3,500,000 to the agricultural utilization research institute by July 1, 1991.

(b) Oil overcharge money appropriated to the commissioner of administration for the agricultural utilization research institute for

energy-related grants must be transferred from the greater Minnesota corporation to the institute.

Subd. 3. Institute for Invention and Innovation

The greater Minnesota corporation may make grants to the institute for invention and innovation to develop the program and residential component of a Minnesota-based international product, process and service acquisition and transfer program. The greater Minnesota corporation may not transfer funds to the institute until the corporation (1) has developed a peer review system to evaluate the institute's activities and expenditures, and (2) has approved the institute's plan for spending the amount transferred.

Sec. 22. LABOR AND INDUSTRY

Subdivision 1. Total

Appropriation	16,275,000	16,743,000
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	1992	1993
Approved Complement -	348.5	345.5
General -	98.9	96.4
Workers' Compensation -	206.5	206.5
Federal -	38.1	37.6
Special Revenue -	5	5

Summary by Fund

General	5,436,000	5,514,000
Workers' Compensation	10,839,000	11,229,000

The legislature intends that the reduction in anticipated department expenditures as a result of the difference between this appropriation and the department's budget request not result in any reduction of activities in areas funded by fees.

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Workers' Compensation

Regulation and Enforcement

7,457,000	7,756,000
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This appropriation is from the special compensation fund.

Fee receipts collected as a result of providing direct computer access to public workers' compensation data on file with the commissioner must be deposited in the general fund.

Subd. 3. Workplace Regulation
and Enforcement

4,106,000	4,172,000
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Subd. 4. General Support

4,712,000	4,815,000
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Summary by Fund

General	1,330,000	1,342,000
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Workers' Compensation	3,382,000	3,473,000
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\$215,000 the first year and \$215,000 the second year are for labor education and advancement program grants.

Subd. 5. Transfers

The commissioner of labor and industry with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers must be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 23. SECRETARY OF STATE

Subdivision 1. Total

Appropriation	5,131,000	4,782,000
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Approved Complement -	69.5
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General -	63.5
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Special Revenue -	6
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The amounts that may be spent from this appropriation for each activity are specified in the following subdivisions.

Subd. 2. Elections and Publications

1,016,000	567,000
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\$635,000 the first year is for the presidential primary election.

Subd. 3. Uniform Commercial Code

221,000	220,000
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Subd. 4. Business Services

724,000	722,000
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Subd. 5. Administration

456,000	459,000
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Subd. 6. Fiscal Operations

212,000	212,000
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Subd. 7. Data Services

227,000	229,000
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Subd. 8. Network Operations
Voter Registration

727,000	817,000
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Subd. 9. Network Operations
Uniform Commercial Code

1,041,000	1,078,000
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Subd. 10. Reports Renewals
Registration

507,000	478,000
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Subd. 11. Transfers

The secretary of state may transfer unencumbered balances among the above programs after notifying the committee on finance of the senate and the committee on appropriations of the house of representatives.

Sec. 24. VETERANS OF FOREIGN
WARS

31,000	31,000
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For carrying out the provisions of Laws 1945, chapter 455.

Sec. 25. MILITARY ORDER OF
THE PURPLE HEART

10,000	10,000
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Sec. 26. DISABLED AMERICAN
VETERANS

13,000	12,000
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For carrying out the provisions of Laws 1941, chapter 425.

Sec. 27. UNIFORM LAWS
COMMISSION

21,000	22,000
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Sec. 28. TRANSPORTATION
STUDY BOARD

125,000	125,000
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This appropriation is from the highway user tax distribution fund. This appropriation is available only if no other funds are appropriated to the board.

Sec. 29. GENERAL CONTINGENT
ACCOUNTS

325,000	325,000
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The appropriations in this section may only be spent with the approval of the governor after consultation with the legislative advisory commission pursuant to Minnesota Statutes, section 3.30.

If an appropriation in this section for either year is insufficient, the appropriation for the other year is available for it.

Summary by Fund

Trunk Highway Fund

200,000	200,000
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Highway User Tax Distribution Fund

125,000	125,000
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Sec. 30. TORT CLAIMS

600,000

600,000

To be spent by the commissioner of finance.

This appropriation is from the trunk highway fund.

If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

Sec. 31. [TEMPORARY AUTHORITY; CHARTER CARRIERS OF PASSENGERS.]

(a) The transportation regulation board may grant a temporary permit to a motor carrier, or grant a temporary extension of an existing charter carrier permit to authorize operation as a charter carrier of passengers, within the seven-county metropolitan area if the board finds that:

(1) the service to be provided under the temporary permit or temporary extension will be provided during the month of January 1992, in connection with or related to the 1992 National Football League championship game;

(2) the petitioner for the temporary permit or extension is fit and able to conduct the proposed operations; and

(3) the petitioner's vehicles meet the applicable safety standards of the commissioner of transportation.

(b) Notwithstanding Minnesota Statutes, section 221.121, subdivision 2, a holder of a temporary permit under this section is not required to seek a permanent permit from the board. The board may charge a registration fee of not more than \$10 for each vehicle that will be operated under authority of the temporary permit or temporary extension. All temporary permits and temporary extensions granted by the board under this section expire on a date specified in the board order granting the temporary permit or extension, but not later than January 31, 1992.

(c) All provisions of Minnesota Statutes, chapter 221, not inconsistent with this section, apply to temporary permits and temporary extensions granted under this section.

(d) In granting temporary permits and temporary extensions under this section, the board shall to the maximum feasible extent give priority to Minnesota-based carriers.

Sec. 32. [EXTENSION OF INSURANCE AGENT LICENSES; EFFECT.]

The commissioner of commerce shall prorate the license fee under Minnesota Statutes, section 60A.17, to reflect the extension of the license term under section 72B.04.

Nothing in section 72B.04 affects continuing education or other requirements imposed by Minnesota Statutes, chapter 60A.

Sec. 33. Laws 1990, chapter 610, article 1, section 13, subdivision 4,

is amended to read:

**Subd. 4. Federal Aid Demonstration
Program and Federal Discretionary Bridge
Fund Matching**

5,600,000

This appropriation is from the state transportation fund for a grant to provide the local match for the federal aid demonstration program and for federal discretionary bridge funds for the Bloomington ferry bridge. Any amount used for the federal discretionary bridge match for the Bloomington ferry bridge is intended to reduce the amount available for the federal aid demonstration program, not supplement it.

Sec. 34. Laws 1989, chapter 269, section 11, subdivision 7, is amended to read:

Subd. 7. [TRANSFERS.]

The commissioner with the approval of the commissioner of finance may transfer unencumbered balances not specified for a particular purpose among the above programs. Transfers must be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives.

Up to \$50,000 may be used to study the cost effectiveness of care provided by members of the healing arts, as defined in Minnesota Statutes, chapter 146. ~~The commissioner shall report the findings to the legislature by January 1, 1990. The commissioner shall retain the results of the study for future research and reference.~~

Sec. 35. [TRANSPORTATION STUDY BOARD.]

Subdivision 1. [BOARD EXTENDED; MEMBERSHIP.] A transportation study board is created. The board shall consist of the following members:

(1) seven members of the senate, with not more than five of the same political party, appointed by the senate committee on committees; and

(2) seven members of the house of representatives, with not more than five of the same political party, appointed by the speaker of the house. Appointments are for two-year terms beginning July 1 of each odd-numbered year. Vacancies must be filled in the same manner as the original appointments.

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

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

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

Subd. 5. [EXPIRATION.] This section expires July 1, 1993.

Sec. 36. Minnesota Statutes 1990, section 10A.02, is amended by adding a subdivision to read:

Subd. 14. Notwithstanding the provisions of section 8.15, the board must not be assessed the cost of legal services rendered to it by the attorney general's office.

Sec. 37. Minnesota Statutes 1990, section 12.14, is amended to read:

12.14 [ASSESSMENT FOR NUCLEAR SAFETY PREPAREDNESS ACT.]

Any person, firm, corporation, or association in the business of owning or operating a nuclear fission electrical generating plant located in Minnesota, shall pay ~~an assessment~~ *quarterly assessments* to cover the cost of nuclear power plant emergency response plans and other programs necessary to deal with incidents resulting from the operation of nuclear fission electrical generating plants. ~~An assessment of \$177,500 per plant up to one quarter of the projected annual cost shall be paid to the commissioner of public safety on July 1 of each year. An assessment shall be billed by the commissioner based on actual costs for each quarter of the fiscal year starting with the first quarter ending September 30. The July 1 assessment shall be deducted from the final quarterly billing for the fiscal year. The assessment collected shall be credited to the nuclear safety preparedness account in the special revenue fund.~~

Sec. 38. Minnesota Statutes 1990, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range

Effective

July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Commissioner of public safety;
Executive director, state board of
investment;
~~Commissioner of gaming;~~
Director of the state lottery;

\$50,000-\$67,500

Commissioner of administration;
Commissioner of agriculture;
Commissioner of commerce;
Commissioner of corrections;
Commissioner of jobs and training;
Commissioner of employee relations;
Commissioner of health;
Commissioner of labor and industry;
Commissioner of natural resources;
Commissioner of trade and economic development;
Chief administrative law judge; office of
administrative hearings;
Commissioner, pollution control agency;
Commissioner, state planning agency;
Director, office of waste management;
Commissioner, housing finance
agency;
Executive director, public employees
retirement association;
Executive director, teacher's
retirement association;
Executive director, state retirement
system;
Chair, metropolitan council;
Chair, regional transit board;

\$42,500-\$60,000

Commissioner of human rights;
Commissioner, department of public service;
Commissioner of veterans' affairs;
Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 39. Minnesota Statutes 1990, section 16A.662, subdivision 2, is amended to read:

Subd. 2. [BONDS AUTHORIZED.] When authorized by law enacted in accordance with the constitution, article XI, sections 5 and 7, the commissioner may by order sell and issue ~~infrastructure development~~ bonds of the state evidencing public debt incurred for any purpose stated in the law. The bonds are general obligations of the state, and the full faith and credit of the state are pledged for their payment.

Sec. 40. Minnesota Statutes 1990, section 16A.662, subdivision 4, is amended to read:

Subd. 4. [ESTABLISHMENT OF DEBT SERVICE ACCOUNT; APPROPRIATION OF DEBT SERVICE ACCOUNT MONEY.] There is established within the state bond fund a separate and special account designated as the infrastructure development bond debt service account. ~~There must be transferred to this debt service account in each fiscal year from money in the infrastructure development fund, other than bond proceeds and interest earned on bond proceeds, an amount sufficient to increase the balance on hand in the debt service account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding infrastructure development bonds to and including the second following July 1. The amount necessary to make the transfer is appropriated from the infrastructure development fund. The money on hand in the debt service account must be used solely for the payment of the principal of, and interest on, the bonds issued under Laws 1990, chapter 610, article 1, section 30, subdivision 2, and is appropriated for this purpose. This appropriation does not cancel as long as any of the bonds remain outstanding.~~

Sec. 41. Minnesota Statutes 1990, section 16A.662, subdivision 5, is amended to read:

Subd. 5. [ASSESSMENT TO HIGHER EDUCATION SYSTEMS.] (a) In order to reduce the amount otherwise required to be transferred ~~under subdivision 4 to the state bond fund with respect to bonds heretofore or hereafter issued under Laws 1990, chapter 610, article 1, section 30, subdivision 2,~~ the commissioner of finance shall assess each higher education system for one-third the amount that would otherwise need to be transferred with respect to ~~infrastructure development~~ those bonds sold to finance capital improvement projects at institutions under the control of the system; provided that, to the extent that the amount to be transferred is for payment of principal and interest on bonds sold to finance life safety improvements, the commissioner must not assess the higher education systems for the transfer.

(b) After each sale of ~~infrastructure development~~ the bonds, the commissioner of finance shall notify the state board for vocational technical education, the state board for community colleges, the state university board, and the regents of the University of Minnesota of the amounts for which each system is responsible for each year for the life of the bonds. The amounts payable each year are reduced by one-third of the net income from

investment of ~~infrastructure development~~ those bond proceeds that must be allocated among the systems in proportion to the amount of principal and interest otherwise required to be paid by each. Each higher education system shall pay its annual share of debt service payments to the commissioner of finance by December 1 each year. If a higher education system fails to make a payment when due, the commissioner of finance shall reduce allotments for appropriations from the general fund otherwise payable to the system to cover the amount of the missed debt service payment. The commissioner of finance shall credit the payments received from the higher education systems to the infrastructure development bond debt service account in the state bond fund each December 1 before the transfer is made under subdivision 4.

Sec. 42. Minnesota Statutes 1990, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. [FEES OTHER THAN EXAMINATION FEES.] In addition to the fees and charges provided for examinations, the following fees must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies:

(1) for filing certificate of incorporation \$25 and amendments thereto, \$10;

(2) for filing annual statements, \$15;

(3) for each annual certificate of authority, \$15;

(4) for filing bylaws \$25 and amendments thereto, \$10.

(b) by other domestic and foreign companies including fraternal and reciprocal exchanges:

(1) for filing certified copy of certificate of articles of incorporation, \$100;

(2) for filing annual statement, \$225;

(3) for filing certified copy of amendment to certificate or articles of incorporation, \$100;

(4) for filing bylaws, \$75 or amendments thereto, \$75;

(5) for each company's certificate of authority, \$575, annually.

(c) the following general fees apply:

(1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$15;

(2) for each copy of paper on file in the commissioner's office 50 cents per page, and \$2.50 for certifying the same;

(3) for license to procure insurance in unadmitted foreign companies, \$575;

(4) for receiving and forwarding each notice, proof of loss, summons, complaint or other process served upon the commissioner of commerce, as attorney for service of process upon any nonresident agent or insurance company, including reciprocal exchanges, \$15 plus the cost of effectuating service by certified mail, which amount must be paid by the party serving the notice and may be taxed as other costs in the action;

(5) for valuing the policies of life insurance companies, one cent per \$1,000 of insurance so valued, provided that the fee shall not exceed ~~\$1,000~~ \$13,000 per year for any company. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;

(6) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;

(7) for issuing an initial license to an individual agent, \$20 \$25 per license, for issuing an initial agent's license to a partnership or corporation, \$50, and for issuing an amendment (variable annuity) to a license, \$20 \$25, and for renewal of amendment, \$20 \$25;

(8) for each appointment of an agent filed with the commissioner, a domestic insurer shall remit \$5 and all other insurers shall remit \$3;

(9) for renewing an individual agent's license, \$20 \$25 per year per license, and for renewing a license issued to a corporation or partnership, \$50 per year;

(10) for issuing and renewing a surplus lines agent's license, \$150;

(11) for issuing duplicate licenses, \$5;

(12) for issuing licensing histories, \$10;

(13) for filing forms and rates, \$50 per filing;

(14) for annual renewal of surplus lines insurer license, \$300.

The commissioner shall adopt rules to define filings that are subject to a fee.

Sec. 43. Minnesota Statutes 1990, section 60A.17, subdivision 1d, is amended to read:

Subd. 1d. [RENEWAL FEE.] (a) Each agent licensed pursuant to this section shall annually pay in accordance with the procedure adopted by the commissioner a renewal fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause (10).

(b) Every agent, corporation, and partnership license expires on ~~May~~ *October* 31 of the year for which period a license is issued.

(c) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are approved for renewal and may continue to transact business whether or not the renewed license has been received on or before ~~June~~ *November* 1. Applications for renewal of a license are timely filed if received by the commissioner on or before ~~May~~ *October* 15 of the year due, on forms duly executed and accompanied by appropriate fees. An application mailed is considered timely filed if addressed to the commissioner, with proper postage, and postmarked by ~~May~~ *October* 15.

(d) The commissioner may issue licenses for agents, corporations, or partnerships for a three-year period. If three-year licenses are issued, the fee is three times the annual license fee.

Sec. 44. Minnesota Statutes 1990, section 72B.04, subdivision 7, is

amended to read:

Subd. 7. [LICENSE TERM.] Every adjuster's and public adjuster solicitor's license shall be for a term expiring on ~~May~~ *October* 31 next following the date of its issuance, and may be renewed for the ensuing calendar year upon the timely filing of an application for renewal.

Sec. 45. Minnesota Statutes 1990, section 80C.04, subdivision 1, is amended to read:

Subdivision 1. An application for registration of a franchise shall be made by filing with the commissioner a proposed public offering statement accompanied by a fee of ~~\$250~~ *\$400*. The public offering statement shall contain the following:

(a) The name of the franchisor, the name under which the franchisor is doing or intends to do business, and the name of any parent or affiliated person that will engage in business transactions with franchisees;

(b) The franchisor's principal business address, the address of its agent in this state authorized to receive service of process, and a consent to service of process as required by section 80C.20, if applicable;

(c) The business form of the franchisor, whether corporate, partnership or otherwise, and the state or other sovereign power under which the franchisor is organized;

(d) Such information concerning the identity and business experiences of persons affiliated with the franchisor as the commissioner may by rule prescribe;

(e) A statement whether the franchisor or any person identified in the public offering statement:

(1) Has during the ten year period immediately preceding the date of the public offering statement been convicted of a felony, pleaded nolo contendere to a felony charge, or been held liable in a civil action by final judgment if such felony or civil action involved fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices or misappropriation of property;

(2) Is subject to any currently effective order of the United States Securities and Exchange Commission or the securities administrator of any state denying registration to or revoking or suspending the license or registration of such person as a securities broker, dealer, agent, or investment adviser, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange;

(3) Is subject to any currently effective order or ruling of the Federal Trade Commission;

(4) Is subject to any currently effective injunctive or restrictive order relating to the business which is the subject of the franchise offered or any other business activity as a result of an action brought by any public agency or department; or

(5) Has any civil or criminal actions pending against that franchisor or person involving fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices or misappropriation of property.

Such statement shall set forth the court and date of conviction or judgment, any penalty imposed or damages assessed, the date, nature and issuer of any orders, and the court, nature, and current status of any pending action.

(f) The business experience of the franchisor, including the length of time the franchisor has conducted a business of the type to be operated by the franchisees, has granted franchises for such businesses, and has granted franchises in other lines of business.

(g) A balance sheet of the franchisor as of the end of the franchisor's most recent fiscal year and an income statement for the period ending on the date of such balance sheet, both audited by an independent certified public accountant; and, if the fiscal year-end of the franchisor is in excess of 90 days prior to the date of filing the application, a balance sheet and income statement, which may be unaudited, as of a date within 90 days of the date of the application. The commissioner may by rule or order prescribe the form and content of financial statements required under this clause and the circumstances under which consolidated financial statements may or shall be filed, and may waive the requirement of audited financial statements;

(h) A copy of the entire franchise contract or agreement proposed for use, including all amendments thereto;

(i) A statement of the franchise fee charged, the proposed use of the proceeds of such fee by the franchisor, and the method or formula by which the amount of the fee is determined if the fee is not the same in all cases;

(j) A statement describing any payments or fees other than franchise fees that the franchisee or subfranchisor is required to pay to the franchisor, including royalties and payments or fees which the franchisor collects in whole or in part on behalf of a third party;

(k) A statement of the conditions under which the franchise agreement may be terminated or renewal refused or repurchased at the option of the franchisor, any limitations on the right of the franchisee to sell, transfer, assign, move, renew or terminate the franchise, and a description of the provisions regarding franchisee equity upon sale, termination, refusal to renew, or repurchase;

(l) A statement whether, by the terms of the franchise agreement or by other device or practice, the franchisee or subfranchisor is required to purchase from the franchisor or person designated by the franchisor, services, supplies, products, fixtures or other goods relating to the establishment or operation of the franchise business, together with a description thereof;

(m) A statement of any restriction or condition imposed by the franchisor whether by the terms of the franchise agreement or by other device or practice of the franchisor whereby the franchisee is limited in the goods or services offered by the franchisee to the franchisee's customers;

(n) A statement of the terms and conditions of any financing arrangements when offered directly or indirectly by the franchisor or an agent or affiliate;

(o) A statement of any past or present practice or of any intent of the franchisor to sell, assign or discount to a third party any note, contract or other obligation of the franchisee or subfranchisor in whole or in part;

(p) A copy of any statement of estimated or projected franchisee earnings prepared for presentation to prospective franchisees or subfranchisors, or

other persons, together with a statement setting forth the data upon which such estimation or projection is based;

(q) A statement describing the training program, supervision and assistance the franchisor has provided and will provide the franchisee;

(r) A statement of any compensation or other benefit given or promised to a public figure arising, in whole or in part, from the use of the public figure in the name or symbol of the franchise or the endorsement or recommendation of the franchise by the public figure in advertisements, and the extent to which such public figure is involved in the actual management of the franchisor;

(s) A statement of the number of franchises presently operating and proposed to be sold;

(t) A statement whether franchisee or subfranchisors receive an exclusive area and territory, and if so, a map thereof; and

(u) Such other information as the commissioner may require;

(v) When the franchises to be registered are proposed to be offered and sold by a subfranchisor or the subfranchisor's agents, the application shall also include the same information concerning the subfranchisor as is required concerning the franchisor pursuant to this section.

Sec. 46. Minnesota Statutes 1990, section 80C.07, is amended to read:

80C.07 [AMENDMENT OF REGISTRATION.]

A person with a registration in effect shall, within 30 days after the occurrence of any material change in the information on file with the commissioner, notify the commissioner in writing of the change by an application to amend the registration accompanied by a fee of ~~\$50~~ \$100. The commissioner may by rule define what shall be considered a material change for such purposes, and may determine the circumstances under which a revised public offering statement must accompany the application. If the amendment is approved by the commissioner, it shall become effective upon the issuance by the commissioner of an order amending the registration.

Sec. 47. Minnesota Statutes 1990, section 80C.08, subdivision 1, is amended to read:

Subdivision 1. Within 120 days after the fiscal year end of the registrant, the registrant shall file a report in the form prescribed by rule of the commissioner. A fee of ~~\$100~~ \$200 shall accompany the annual report.

Sec. 48. Minnesota Statutes 1990, section 82.22, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Each applicant for a license must pass an examination conducted by the commissioner. The examinations shall be of sufficient scope to establish the competency of the applicant to act as a real estate broker, ~~as or a real estate salesperson, or as a real estate closing agent.~~

Sec. 49. Minnesota Statutes 1990, section 82.22, subdivision 5, is amended to read:

Subd. 5. [PERIOD FOR APPLICATION.] An applicant who obtains an acceptable score on a salesperson's ~~or closing agent's~~ examination must file an application and obtain the license within one year of the date of successful

completion of the examination or a second examination must be taken to qualify for the license. If a new examination is required, prelicense education must be completed in accordance with subdivision 6.

Sec. 50. Minnesota Statutes 1990, section 82.22, subdivision 10, is amended to read:

Subd. 10. [RENEWAL; EXAMINATION.] Except as provided in subdivisions 3 and 7, no examination shall be required for the renewal of any license, provided, however, any licensee having been licensed as a broker, or salesperson, or ~~closing agent~~ in the state of Minnesota and who shall fail to renew the license for a period of two years shall be required by the commissioner to again take an examination.

Sec. 51. Minnesota Statutes 1990, section 82.22, subdivision 11, is amended to read:

Subd. 11. [EXAMINATION ELIGIBILITY; REVOCATION.] No applicant shall be eligible to take any examination if a license as a real estate broker, or salesperson, or ~~closing agent~~ has been revoked in this or any other state within two years of the date of the application.

Sec. 52. Minnesota Statutes 1990, section 115C.09, is amended by adding a subdivision to read:

Subd. 6. [LIMITATION ON REIMBURSEMENT OBLIGATION.] The amount of the state's obligation to make reimbursement under this chapter is limited to the amount available. Notwithstanding any other provisions of this chapter, there shall be no obligation to the general fund to make a reimbursement if there are not sufficient funds in the petroleum tank release cleanup account.

Sec. 53. Minnesota Statutes 1990, section 129D.04, is amended by adding a subdivision to read:

Subd. 5. The board may contract as necessary in the performance of its duties.

Sec. 54. Minnesota Statutes 1990, section 129D.04, is amended by adding a subdivision to read:

Subd. 6. The board's receipts from the sale of publications, mailing lists, recordings or media projects, and fees from seminars or workshops are annually appropriated to the board for the purposes of this section.

Sec. 55. Minnesota Statutes 1990, section 129D.05, is amended to read:
129D.05 [PUBLICATIONS; LEGEND.]

Every publication, program, or other graphic material prepared by the board or prepared for use by any other organization in connection with an activity paid for by the board shall bear the legend: "This activity is made possible in part by a grant provided by the Minnesota state arts board through an appropriation by the Minnesota state legislature."

Each publication, program, or other graphic material prepared by an individual artist in connection with an activity paid for by the board shall bear the legend: "(artist's name) is a (fiscal year) recipient of a (program) grant from the Minnesota state arts board from funds appropriated by the Minnesota legislature."

Sec. 56. Minnesota Statutes 1990, section 138.91, is amended to read:

138.91 [MINNESOTA HUMANITIES COMMISSION.]

Subdivision 1. [REPORTS.] ~~From money appropriated to it for this purpose the Minnesota historical society shall make grants to the Minnesota humanities commission for its general operations and management. A grant shall not be made unless matched by an equal amount of federal money. At least 50 percent of the amount appropriated shall be used for cooperation with and service for other groups, agencies, and institutions outside the seven-county metropolitan area for the support and dissemination of the humanities.~~

~~Subd. 2.~~ The Minnesota humanities commission shall report to the legislature by September 1 of each year on the use of ~~these grants~~ *state funds appropriated to the commission*. The report shall include an itemized account of the programs and projects supported and the source of money for each. The report shall show actual expenditures for the fiscal year ending the preceding June 30 and proposed expenditures for the fiscal year beginning the preceding July 1.

Subd. 3-2. [HUMANITIES RESOURCE CENTER.] (a) The Minnesota humanities commission may establish a humanities ~~resource~~ center to ensure balance in public education and in the cultural life of the state, *and to improve humanities education through the establishment of two institutes: The Minnesota institute for lifelong learning, and the Minnesota institute for the advancement of teaching.*

(b) The humanities ~~resource~~ center may transport people and resources to small towns, rural communities, and urban settings to provide *grants, technical assistance, and high quality educational and cultural programs to schools and community organizations throughout Minnesota.*

(c) *The Minnesota institute for the advancement of teaching may conduct seminars and other activities for the recognition of the teaching profession and the advancement of teaching in Minnesota.*

Sec. 57. Minnesota Statutes 1990, section 138.94, is amended to read:

138.94 [STATE HISTORICAL HISTORY CENTER.]

Subdivision 1. [DESIGNATION.] ~~The historical building at 690 Cedar Street and the land housing the Mechanic Arts gymnasium, parking lot, and any other properties between those entities and the historical building at 690 Cedar Street 160 John Ireland Boulevard~~ is hereby designated as the state ~~historical history~~ center, and is to be used for such purposes notwithstanding any other law to the contrary. Authority for administration and control of the state ~~historical history~~ center is conferred on the Minnesota historical society. The society is not exempt from rental or lease costs by the state. The state will maintain and provide custodial, security, and climate control services for the ~~historical history~~ center.

Subd. 2. [USER FEES.] *The society may charge fees it deems reasonable for uses relating to the state history center including parking and special exhibits.*

Sec. 58. Minnesota Statutes 1990, section 162.02, subdivision 12, is amended to read:

Subd. 12. [SYSTEM TO INCLUDE FORMER MUNICIPAL STATE-AID STREETS.] Former municipal state-aid streets located in a city that previously received money from the municipal state-aid street fund but whose population fell below 5,000 under the 1980 or 1990 federal census

must be included in the county state-aid highway system, subject to the approval of the governing bodies of the city and the county. An action taken by a county board approving the inclusion of a former municipal state-aid street in the county state-aid highway system must also include a resolution taking over the street as a county highway under section 163.11. The county state-aid highway system is increased in extent by the addition of the mileage of municipal state-aid streets reverting or turned over to the jurisdiction of the counties under this subdivision.

Sec. 59. Minnesota Statutes 1990, section 168C.04, is amended to read:
168C.04 [REGISTRATION FEE.]

Subdivision 1. The registration fee for bicycles shall be \$3 until January 1, 1985, and shall be \$5 thereafter \$9 after July 1, 1991. These fees shall be paid at the time of registration. The fees, and any donations in excess of the fees must be deposited in the general fund a bicycle transportation account in the special revenue fund. Proof of purchase is required for registration. Bicycles lacking proof of purchase may be registered if there is no evidence that the bicycle is stolen. However, the registration record must be marked to indicate that no proof of purchase was provided. The registration is valid for three calendar years. A person registering a bicycle may add an additional amount to the registration fee, and all amounts so added must be deposited in the same manner as registration fees. A person registering a bicycle must at the time of registration be informed that a registrant may add an additional amount to the fee and that all such additional amounts will be used for the purposes specified in subdivision 2.

Subd. 2. Funds received from bicycle registration may be expended only by legislative appropriation for the following purposes:

(a) for the costs incurred by the commissioner in administering the bicycle registration program;

(b) beginning July 1, 1984, for a program to be conducted by the commissioner to publicize the bicycle registration program and encourage participation in it by bicycle owners and local units of government;

(c) for the development of bicycle safety education programs and the development of bicycle transportation and recreational facilities including but not limited to bicycle lanes and ways on highway right-of-way, off-road bicycle trails and bicycle mapping. A bicycle transportation account is created in the special revenue fund. All funds in the account, up to a maximum of \$160,000 in a fiscal year, are annually appropriated as follows:

(1) one-half to the commissioner of transportation for the development of bicycle transportation and recreational facilities on public highways, including but not limited to bicycle lanes and ways on highways, off-road bicycle trails, and bicycle mapping; and

(2) one-half to the commissioner of public safety for bicycle safety programs, administration of the bicycle registration program, and public information and education designed to encourage participation in the program.

Subd. 3. An agency of the state expending funds from the bicycle program transportation account must, in making expenditures for the purposes of subdivision 2, paragraph (c) give consideration to participation or nonparticipation by a political subdivision in the bicycle registration program as provided in section 168C.13 and the extent of local public participation in the program before approving a project or expenditure in that political

subdivision.

~~Subd. 4. Not later than March 1, 1985 the commissioner shall report to the legislature on funds expended under subdivision 2, paragraph (b) and accomplishments in carrying out the purposes of that clause.~~

Sec. 60. Minnesota Statutes 1990, section 171.06, subdivision 2a, is amended to read:

Subd. 2a. [FEE INCREASED.] The fee for any duplicate drivers license which is obtained for the purpose of adding a two-wheeled vehicle endorsement is increased by ~~\$7.50~~ \$15 for each first such duplicate license and \$6 \$12 for each renewal thereof. The additional fee shall be paid into the state treasury and credited *as follows*:

(1) *\$7.50 of the additional fee for each first duplicate license, and \$6 of the additional fee for each renewal, must be credited to the motorcycle safety fund which is hereby created; provided that any fee receipts in excess of \$500,000 in a fiscal year shall be credited 90 percent to the trunk highway fund and ten percent to the general fund, as provided in section 171.26.*

(2) *The remainder of the additional fee must be credited to the general fund.*

All application forms prepared by the commissioner for two-wheeled vehicle endorsements shall clearly contain the information that of the total fee charged for the endorsement, \$6 is dedicated to the motorcycle safety fund.

Sec. 61. Minnesota Statutes 1990, section 171.26, is amended to read:

171.26 [MONEY CREDITED TO TRUNK HIGHWAY FUND AND TO GENERAL FUND.]

All money received under the provisions of this chapter shall be paid into the state treasury with 90 percent of such money credited to the trunk highway fund, and ten percent credited to the general fund, except as provided in ~~section~~ sections 171.06, subdivision 2a; and 171.29, subdivision 2.

Sec. 62. Minnesota Statutes 1990, section 174.24, is amended by adding a subdivision to read:

Subd. 2a. [ELIGIBLE ACTIVITIES.] *Activities eligible for assistance under the program include but are not limited to:*

- (1) *planning and engineering design for transit services and facilities;*
- (2) *capital assistance to purchase or refurbish transit vehicles and other capital expenditures necessary to provide a transit service;*
- (3) *operating assistance as provided under subdivision 3; and*
- (4) *other assistance for public transit services that furthers the purposes of section 174.21.*

Sec. 63. Minnesota Statutes 1990, section 182.651, is amended by adding a subdivision to read:

Subd. 21. [AFFECTED EMPLOYEE.] *"Affected employee" means a current employee of a cited employer who is exposed within the scope of employment to the alleged hazard described in the citation.*

Sec. 64. Minnesota Statutes 1990, section 182.651, is amended by adding

a subdivision to read:

Subd. 22. [AUTHORIZED EMPLOYEE REPRESENTATIVE.] "Authorized employee representative" means a labor organization that has a collective bargaining relationship with the cited employer and that represents affected employees.

Sec. 65. Minnesota Statutes 1990, section 182.651, is amended by adding a subdivision to read:

Subd. 23. [RESPONDENT.] "Respondent" means a person against whom a complaint has been issued or served.

Sec. 66. Minnesota Statutes 1990, section 182.661, subdivision 1, is amended to read:

Subdivision 1. If, after an inspection or investigation, the commissioner issues a citation under section 182.66, the commissioner shall notify the employer by certified mail of the penalty, if any, proposed to be assessed under section 182.666 and that the employer has ~~45 working~~ 20 calendar days within which to ~~notify the commissioner in writing~~ file a notice of contest and certification of service, on a form provided by the commissioner, indicating that the employer wishes to contest the citation, type of violation, proposed assessment of penalty, or the period of time fixed in the citation given for correction of violation. A copy of the citation and the proposed assessment of penalty shall also be mailed to the ~~bargaining~~ authorized employee representative and, in the case of the death of an employee, to the next of kin if requested and ~~designated representative of the employee if known to the department of labor and industry~~. If within ~~45 working~~ 20 calendar days from the receipt of the penalty notice issued by the commissioner the employer fails to ~~notify the commissioner in writing that the employer intends to contest the citation or proposed assessment of penalty~~ file the notice of contest, and no notice ~~contesting either the citation, the type of violation, proposed penalty, or the time fixed for abatement in the citation of contest~~ is filed by any employee or authorized representative of employees under subdivision 3 within such time, the citation and assessment, as proposed, shall be deemed a final order of the ~~board~~ commissioner and not subject to review by any court or agency.

Sec. 67. Minnesota Statutes 1990, section 182.653, subdivision 9, is amended to read:

Subd. 9. [STANDARD INDUSTRIAL CLASSIFICATION LIST.] The commissioner shall adopt, in accordance with section 182.655, a rule specifying a list of standard industrial classifications of employers who must comply with subdivision 8. The commissioner shall demonstrate the need to include each industrial classification on the basis of the safety record or workers' compensation record of that industry segment. An employer must comply with subdivision 8 six months following the date the standard industrial classification that applies to the employee is placed on the list. An employer having less than 51 employees must comply with subdivision 8 six months following the date the standard industrial classification that applies to the employee is placed on the list or by July 1, 1993, whichever is later. The list shall be updated every two years.

Sec. 68. Minnesota Statutes 1990, section 182.661, subdivision 2, is amended to read:

Subd. 2. If the commissioner has reason to believe that an employer has

failed to correct a violation for which a citation has been issued within the period permitted for its correction, which period shall not begin to run until the entry of a final order by the ~~board~~ commissioner in case of any review proceedings under this section initiated by the employer in good faith and not solely for delay or avoidance of penalties, the commissioner shall notify the employer by certified mail of such failure and of the penalty proposed to be assessed under section 182.666 by reason of such failure, and that the employer has ~~45 working~~ 20 calendar days within which to ~~notify in writing the commissioner~~ file a notice of contest and certification of service, on a form provided by the commissioner, indicating that the employer wishes to contest the commissioner's notification or the proposed assessment of penalty. If, within ~~45 working~~ 20 calendar days from the receipt of penalty notification issued by the commissioner, the employer fails to ~~notify in writing the commissioner~~ file the notice of contest indicating that the employer intends to contest the notification or proposed assessment of penalty, the ~~penalty~~ notification and assessment, as proposed, shall be deemed a final order of the ~~board~~ commissioner and not subject to review by any court or agency.

Sec. 69. Minnesota Statutes 1990, section 182.661, subdivision 2a, is amended to read:

Subd. 2a. The commissioner may bring an action in district court for injunctive or other appropriate relief including monetary damages if the employer fails to comply with a final order of the ~~board~~ commissioner.

Sec. 70. Minnesota Statutes 1990, section 182.661, subdivision 3, is amended to read:

Subd. 3. If an employer notifies the commissioner that the employer intends to contest the citation or the proposed assessment of penalty or the employee or the authorized employee representative notifies the commissioner that the employee intends to contest the time fixed for abatement in the citation issued under section 182.66, the citation, the type of alleged violation, the proposed penalty, or notification issued under subdivisions 1 or 2, the ~~board~~ commissioner shall ~~conduct~~ resolve the matter by settlement agreement, petition the board for a decision based on stipulated facts, or refer the matter to an administrative law judge for a hearing in accordance with the applicable provisions of chapter 14, ~~for hearings in contested cases.~~ Where the commissioner refers a matter for a contested case hearing, the administrative law judge shall make findings of fact, conclusions of law, and any appropriate orders. The determinations shall be the final decision of the commissioner and may be appealed to the board by any party. The rules of procedure prescribed by the ~~board~~ commissioner shall provide affected employees or authorized representatives of affected employees an opportunity to participate as parties to hearings under this subdivision. Upon receipt of notice of hearing under this subdivision, the employer shall serve such notice as required by rule.

Sec. 71. Minnesota Statutes 1990, section 182.661, subdivision 3a, is amended to read:

Subd. 3a. As prescribed in rules issued by the ~~board~~ commissioner, each notice of intent to contest the citation, proposed assessment of penalty, or period of time fixed in the citation for correction of the violation shall be prominently posted at or near each place a violation referred to in the citation occurred or served on affected employers, employees, and authorized

employee representatives. If the contesting employer, employee, or ~~authorized employee representation~~ representative fails to post or serve the notice of intent to contest the citation, the proposed assessment of penalty, or the period of time fixed for correction of the violation within the time prescribed in rules issued by the ~~board~~ commissioner, the ~~board~~ administrative law judge may render a default judgment in favor of the commissioner.

Sec. 72. Minnesota Statutes 1990, section 182.661, is amended by adding a subdivision to read:

Subd. 3b. [SERVICE OF NOTICES.] The contesting party shall serve a copy of the notice of contest and notice to employees, on forms provided by the commissioner, upon unrepresented affected employees and authorized employee representatives on or before the date the notice of contest is filed with the commissioner. For purposes of this section, a document is considered filed upon receipt by the commissioner.

Sec. 73. Minnesota Statutes 1990, section 182.661, is amended by adding a subdivision to read:

Subd. 5. [SETTLEMENT.] Where the parties resolve a contested matter by settlement agreement, the contesting party shall serve a copy of the agreement upon affected employees and authorized employee representatives. Affected employees and authorized employee representatives may file, with the commissioner, an objection to the settlement agreement. The objections must be filed within ten calendar days after service of the agreement. Upon receipt of an objection to a settlement agreement, the commissioner may refer the agreement to the office of administrative hearings for assignment to an administrative law judge who shall give consideration to the objection before approving or disapproving the agreement. If no timely objection is made, the settlement agreement becomes a final order of the commissioner.

Sec. 74. Minnesota Statutes 1990, section 182.661, is amended by adding a subdivision to read:

Subd. 6. [COMPLAINT AND ANSWER.] The commissioner shall serve a complaint on all parties no later than 90 calendar days after receiving a notice of contest. The contesting party shall serve an answer on all the parties within 20 calendar days after service of the complaint.

Sec. 75. Minnesota Statutes 1990, section 182.664, subdivision 3, is amended to read:

Subd. 3. The review board or its appointed administrative law judges may hold hearings at places of convenience to the parties concerned shall review and decide appeals from final decisions and orders of the commissioner, including decisions issued by administrative law judges, petitions to vacate final orders of the commissioner, and with the agreement of the parties, may review and decide petitions for decisions based on stipulated facts. The powers of the board in the conduct of hearings, including the power to administer oaths and subpoena persons sign decisions and orders, may be exercised on its behalf by delegated to a member, members, or an administrative law judge appointed by the board chair. The board may administer oaths and subpoena persons, including parties, as witnesses and may compel them to produce documentary evidence for hearings schedule a hearing for purposes of taking oral argument. A notice stating the time and place of the hearing must be given ten days in advance of such a hearing to the parties and copies of the notice of such hearing shall be posted served by the employer at such places as rules of the board shall require. The hearings

shall be open to the public and the records of hearings board's decisions and orders shall be maintained and available for examination. The hearing shall be conducted in compliance with rules contained in chapter 14. The rules of the board shall provide affected employers, employees or their representatives an opportunity to participate as parties provided they file notice at least five days before the start of the hearing.

Sec. 76. Minnesota Statutes 1990, section 182.664, subdivision 5, is amended to read:

Subd. 5. For the purpose of carrying out its functions under this chapter, two members of the board shall constitute a quorum and official action can be taken only on the affirmative vote of at least two members. The findings decisions and decision orders of an administrative law judge, or final orders of the commissioner, may be appealed to the review board by the employer, employee, or their authorized representatives or any party, within 30 days following publication service by mail of the administrative law judge's findings decision and decision order, or final order of the commissioner. The review board shall have authority to revise, confirm, or reverse the findings decision and decision order of administrative law judges, or to vacate and remand final orders of the commissioner. The board shall only vacate a final order of the commissioner upon a showing of good cause. For purposes of this section, good cause is limited to fraud, mistake of fact or law, or newly discovered evidence.

Sec. 77. Minnesota Statutes 1990, section 182.666, subdivision 1, is amended to read:

Subdivision 1. Any employer who willfully or repeatedly violates the requirements of section 182.653, or any standard, rule, or order promulgated adopted under the authority of the commissioner as provided in this chapter, may be assessed a fine not to exceed ~~\$20,000~~ \$70,000 for each violation. The minimum fine for a willful violation is \$5,000.

Sec. 78. Minnesota Statutes 1990, section 182.666, subdivision 2, is amended to read:

Subd. 2. Any employer who has received a citation for a serious violation of its duties under section 182.653, or any standard, rule, or order promulgated adopted under the authority of the commissioner as provided in this chapter, shall be assessed a fine not to exceed ~~\$2,000~~ \$7,000 for each such violation. If such the violation causes or contributes to the cause of the death of an employee, the employer shall be assessed a fine of up to \$10,000.

Sec. 79. Minnesota Statutes 1990, section 182.666, subdivision 3, is amended to read:

Subd. 3. Any employer who has received a citation for a violation of its duties under section 182.653, subdivisions 2 to 4, where such the violation is specifically determined not to be of a serious nature as provided in section 182.651, subdivision 12, may be assessed a fine of up to ~~\$2,000~~ \$7,000 for each such violation.

Sec. 80. Minnesota Statutes 1990, section 182.666, subdivision 4, is amended to read:

Subd. 4. Any employer who fails to correct a violation for which a citation has been issued under section 182.66 within the period permitted for its correction, which period shall not begin to run until the date of the final

order of the ~~board~~ commissioner in the case of any review proceedings under this chapter initiated by the employer in good faith and not solely for delay or avoidance of penalties, may be assessed a fine of not more than ~~\$2,000~~ \$7,000 for each day during which ~~such~~ the failure or violation continues.

Sec. 81. Minnesota Statutes 1990, section 182.666, subdivision 5, is amended to read:

Subd. 5. Any employer who violates any of the posting requirements, as prescribed under this chapter, except those prescribed under section 182.661, subdivision 3a, shall be assessed a fine of up to ~~\$2,000~~ \$7,000 for each violation.

Sec. 82. Minnesota Statutes 1990, section 182.666, subdivision 5a, is amended to read:

Subd. 5a. Any employer who knowingly violates section 182.6575 shall be assessed a fine of up to ~~\$2,000~~ \$7,000 for each violation. The employer shall also be liable to each aggrieved employee for civil punitive damages of \$400.

Sec. 83. Minnesota Statutes 1990, section 182.669, subdivision 1, is amended to read:

Subdivision 1. Any employee believed to have been discharged or otherwise discriminated against by any person because such employee has exercised any right authorized under the provisions of sections 182.65 to 182.674, may, within 30 days after such alleged discrimination occurs, file a complaint with the commissioner alleging the discriminatory act. Upon receipt of such complaint, the commissioner shall cause such investigation to be made as the commissioner deems appropriate. If upon such investigation the commissioner determines that a discriminatory act was committed against an employee, the commissioner shall refer the matter to the office of administrative hearings for a hearing before an administrative law judge pursuant to the provisions of chapter 14. *For purposes of this section, the commissioner shall file with the administrative law judge and serve upon the respondent, by registered or certified mail, a complaint and written notice of hearing. The respondent shall file with the administrative law judge and serve upon the commissioner, by registered or certified mail, an answer within 20 days after service of the complaint.* In all cases where the administrative law judge finds that an employee has been discharged or otherwise discriminated against by any person because the employee has exercised any right authorized under sections 182.65 to 182.674, the administrative law judge may order payment to the employee of back pay and compensatory damages. The administrative law judge may also order rehiring of the employee; reinstatement of the employee's former position, fringe benefits, and seniority rights; and other appropriate relief. In addition, the administrative law judge may order payment to the commissioner or to the employee of costs, disbursements, witness fees, and attorney fees. Interest shall accrue on, and be added to, the unpaid balance of an administrative law judge's order from the date the order is signed by the administrative law judge until it is paid, at the annual rate provided in section 549.09, subdivision 1, paragraph (c). An employee may bring a private action in the district court for relief under this section.

Sec. 84. Minnesota Statutes 1990, section 184.28, subdivision 2, is amended to read:

Subd. 2. The department shall hold such examinations at such times and

places as it shall determine. An examination fee of ~~\$40~~ \$20 shall be paid by each applicant in addition to the license fee, which examination fee shall be retained by the department whether or not the applicant passes the examination. The examination fee shall be forfeited if the applicant does not take the examination within six months of the application date. The examination fee of ~~\$40~~ \$20 shall cover the costs of preparing and printing the examinations and the cost of giving each person taking the examination a copy of the latest rules. Rules shall be kept on the premises readily available to the counselor, manager, or agent.

Sec. 85. Minnesota Statutes 1990, section 184.29, is amended to read:
184.29 [FEES.]

Before a license is granted to an applicant, the applicant shall pay the following fee:

(a) An employment agent shall pay an annual license fee of ~~\$200~~ \$250 for each license.

(b) A search firm exempt under section 184.22, subdivision 2, shall pay an annual registration fee of ~~\$200~~ \$250, accompanying the annual statement to the commissioner.

(c) An applicant for a counselor's license shall pay a license fee of ~~\$40~~ \$20 and a renewal fee of ~~\$5~~ \$10.

(d) An applicant for an employment agency manager's license shall pay a license fee of ~~\$40~~ \$20 and a renewal fee of ~~\$5~~ \$10.

Sec. 86. Minnesota Statutes 1990, section 184A.09, is amended to read:
184A.09 [LICENSE FEES.]

Before a license shall be granted to an applicant, the applicant shall pay a filing fee of \$25 and a license fee of ~~\$200~~ \$250.

An application for consent to transfer or assign a license shall be accompanied by a \$25 filing fee.

Sec. 87. Minnesota Statutes 1990, section 239.78, is amended to read:
239.78 [INSPECTION FEES.]

An inspection fee shall be charged on petroleum products when received by the distributor, and on petroleum products received and held for sale or use by any person when the petroleum products have not previously been received by a licensed distributor. The department shall adjust the inspection fee to recover the ~~amount~~ amounts appropriated for petroleum product quality inspection expenses and the ~~amount~~ appropriated, for the inspection and testing of petroleum product measuring devices as required by this chapter, and for petroleum supply monitoring under chapter 216C. The department shall review and adjust the inspection fee as required by section 16A.128, except the review of the fee shall occur annually on or before January 1.

The commissioner of revenue shall credit the distributor for inspection fees previously paid in error or for any material exported or sold for export from the state upon filing of a report in a manner approved by the department. The commissioner of revenue is authorized to collect the inspection fees along with any taxes due under chapter 296.

Sec. 88. Minnesota Statutes 1990, section 240.02, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS.] A member of the commission, ~~other than the commissioner,~~ must have been a resident of Minnesota for at least five years before appointment, and must have a background and experience as would qualify for membership on the commission. A member must, before taking a place on the commission, file a bond in the principal sum of \$100,000 payable to the state, conditioned upon the faithful performance of duties. No commissioner, nor any member of the commissioner's immediate family residing in the same household, may hold a license issued by the commission or have a direct or indirect financial interest in a corporation, partnership, or association which holds a license issued by the commission.

Sec. 89. Minnesota Statutes 1990, section 240.02, subdivision 1, is amended to read:

Subdivision 1. [COMMISSION.] A Minnesota racing commission is established ~~within the division of pari-mutuel racing~~ with the powers and duties specified in this section. ~~Until the effective date of the first vacancy on the commission that occurs after the effective date of Laws 1989, chapter 334, including a vacancy caused by the expiration of a term,~~ The commission consists of nine members appointed by the governor with the advice and consent of the senate ~~and the commissioner of gaming as a nonvoting member. After the date of the first vacancy, the commission consists of eight members appointed by the governor with the advice and consent of the senate, plus the commissioner as a voting member.~~ Not more than five of the members may belong to the same political party. The governor shall designate the chair of the commission. Appointments by the governor are for terms of six years. An appointment to fill a vacancy in an unexpired term is for the remainder of the term and is with the advice and consent of the senate.

Sec. 90. Minnesota Statutes 1990, section 240.02, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] The compensation of commission members is ~~\$35 per~~ *for each day spent on commission activities, when authorized by the commission, shall be the same as compensation provided for other members of boards and commissions under section 15.0575, subdivision 3,* plus expenses in the same manner and amount as provided in the commissioner's plan adopted according to section 43A.18, subdivision 2.

Sec. 91. Minnesota Statutes 1990, section 240.06, subdivision 8, is amended to read:

Subd. 8. [WORK AREAS.] A class A licensee must provide at no cost to the ~~division~~ *commission* suitable work areas for commission members, officers, employees, and agents, including agents of the division of gambling enforcement, who are directed or requested by the commission to supervise and control racing at the licensed racetrack.

Sec. 92. Minnesota Statutes 1990, section 240.155, is amended to read:

240.155 [REIMBURSEMENT ACCOUNT ACCOUNTS AND PROCEDURES.]

Subdivision 1. [REIMBURSEMENT ACCOUNT CREDIT.] Money received by the commission as reimbursement for the costs of services provided by assistant veterinarians and stewards must be deposited in the state treasury and credited to a racing commission reimbursement account, *except as provided under subdivision 2.* Receipts are appropriated to the commission to pay the costs of providing the services.

Subd. 2. [GENERAL FUND CREDIT.] Money received by the commission as reimbursement for the compensation of a steward who is an employee of the commission for which a general fund appropriation has been made must be credited to the general fund.

Sec. 93. Minnesota Statutes 1990, section 240.28, is amended to read:
240.28 [CONFLICT OF INTEREST.]

Subdivision 1. [FINANCIAL INTEREST.] No person may serve on or be employed by the commission or be employed by the division who has an interest in any corporation, association, or partnership which holds a license from the commission or which holds a contract to supply goods or services to a licensee or at a licensed racetrack, including concessions contracts. No member or employee of the commission or employee of the division may own, wholly or in part, or have an interest in a horse which races at a licensed racetrack in Minnesota. No member or employee of the commission or employee of the division may have a financial interest in or be employed in a profession or business which conflicts with the performance of duties as a member or employee.

Subd. 2. [BETTING.] No member or employee of the commission or employee of the division may bet or cause a bet to be made on a race at a licensed racetrack while serving on or being employed by the commission or being employed by the division. No person appointed or approved by the director as a steward may bet or cause a bet to be made at a licensed racetrack during a racing meeting at which the person is serving as a steward. The commission shall by rule prescribe such restrictions on betting by its licensees as it deems necessary to protect the integrity of racing.

Subd. 3. [VIOLATION.] A violation of subdivisions 1 and 2 is grounds for removal from the commission or termination of employment. A bet made directly or indirectly by a licensee in violation of a rule made by the commission under subdivision 2 is grounds for suspension or revocation of the license.

Sec. 94. Minnesota Statutes 1990, section 297B.09, subdivision 1, is amended to read:

Subdivision 1. [GENERAL FUND SHARE.] (a) Money collected and received under this chapter must be deposited in the state treasury and credited to the general fund. The amounts collected and received shall be credited as provided in this subdivision, and transferred from the general fund on July 15 and ~~January~~ February 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if the commissioner determines it is necessary or desirable to provide for the cash flow needs of the recipients of money from the transit assistance fund.

(b) ~~Twenty-five~~ Ten and sixty-seven hundredths percent of the money collected and received under this chapter after June 30, 1990, and before July 1, 1991, 1993 must be transferred to the highway user tax distribution trunk highway fund and the transit assistance fund for apportionment as follows: 75 percent must be transferred to the highway user tax distribution trunk highway fund for apportionment in the same manner and for the same purposes as other money in that fund, and the remaining 25 percent of the money

must be transferred to the transit assistance fund to be appropriated to the commissioner of transportation for transit assistance within the state and to the regional transit board.

(c) Five percent of the money collected and received under this chapter after June 30, 1989, and before July 1, 1991, must be transferred as follows: 75 percent must be transferred to the trunk highway fund and 25 percent must be transferred to the transit assistance fund.

(d) Thirty percent of the money collected and received under this chapter after June 30, 1991, must be transferred as follows: 75 percent must be transferred to the trunk highway fund and 25 percent must be transferred to the transit assistance fund.

(e) The distributions under this subdivision to the highway user tax distribution fund until June 30, 1991, and to the trunk highway fund thereafter, must be reduced by the amount necessary to fund the appropriation under section 41A.09, subdivision 1. For the fiscal years ending June 30, 1988, and June 30, 1989, the commissioner of finance, before making the transfers required on July 15 and January February 15 of each year, shall estimate the amount required to fund the appropriation under section 41A.09, subdivision 1, for the six-month period for which the transfer is being made. The commissioner shall then reduce the amount transferred to the highway user tax distribution trunk highway fund by the amount of that estimate. The commissioner shall reduce the estimate for any six-month period by the amount by which the estimate for the previous six-month period exceeded the amount needed to fund the appropriation under section 41A.09, subdivision 1, for that previous six-month period. If at any time during a six-month period in those fiscal years the amount of reduction in the transfer to the highway user tax distribution trunk highway fund is insufficient to fund the appropriation under section 41A.09, subdivision 1 for that period, the commissioner shall transfer to the general fund from the highway user tax distribution trunk highway fund an additional amount sufficient to fund the appropriation for that period, but the additional amount so transferred to the general fund in a six-month period may not exceed the amount transferred to the highway user tax distribution trunk highway fund for that six-month period.

Sec. 95. Minnesota Statutes 1990, section 299F.57, subdivision 1a, is amended to read:

Subd. 1a. [ADOPTION OF FEDERAL STANDARDS.] The federal safety standards adopted as Code of Federal Regulations, title 49, parts 191, 192, and 193, and 199, and standards that may be adopted that amend parts 191, 192, and 193, and 199, are adopted as minimum safety standards.

Sec. 96. Minnesota Statutes 1990, section 299F.641, subdivision 2, is amended to read:

Subd. 2. [FEDERAL STANDARDS ADOPTED.] The federal safety standards adopted as Code of Federal Regulations, title 49, part parts 195 and 199, and standards that may be adopted that amend part parts 195 and 199, are adopted as minimum safety standards. The commissioner may by rule adopt additional or more stringent safety standards for intrastate hazardous liquid pipeline facilities and the transportation of hazardous liquids associated with those facilities, if the state standards are compatible with the federal standards. The standards may not prescribe the location or routing of a pipeline facility.

Sec. 97. Minnesota Statutes 1990, section 299K.07, is amended to read:

299K.07 [NOTIFICATION TO EMERGENCY ~~RESPONSE~~ MANAGEMENT CENTER.]

(a) The notification of the commission required under the federal act shall be made to the state emergency ~~response~~ management center. The owner or operator of a facility shall immediately notify the state emergency ~~response~~ management center of the release of a reportable quantity of the following materials:

(1) a hazardous substance on the list established under United States Code, title 42, section 9602; or

(2) an extremely hazardous substance on the list established under United States Code, title 42, section 11002.

(b) This section does not apply to a release that results in exposure to persons solely within the site or sites on which a facility is located or to a release specifically authorized by state law.

(c) A person who is required to report to or notify a state agency of a discharge, release, or incident under section 221.034, chapter 18B, 18C, 18D, 115, 115A, 115B, 115C, 115D, 116, 299J, or 299K, or any other statute, administrative rule or federal rule may satisfy the requirement to report by notifying the emergency management center established in this section. The commissioner of the department of public safety shall ensure that the center is staffed with adequate personnel to answer all calls 24 hours a day and that those staff are adequately trained to efficiently notify all appropriate state and federal agencies with jurisdiction over the discharge or release, and provide emergency responder information. No state agency may adopt a rule or guideline that requires a person who notifies the emergency management center to also notify that agency. The commissioner of each affected state agency shall include the telephone number of the emergency management center in all files, permits, correspondence, educational publications, and other communications with the public and other persons, and shall designate personnel to coordinate receipt of reports or notifications with emergency management center personnel.

Sec. 98. Minnesota Statutes 1990, section 299K.09, subdivision 2, is amended to read:

Subd. 2. [FEE STRUCTURE.] The fee established under subdivision 1 may not exceed, in the aggregate, the amount necessary to cover the costs for all data management, including administration of fees, by the commission and regional review committees, and a portion of the costs of operation of the emergency management center.

Sec. 99. Minnesota Statutes 1990, section 336.9-413, is amended to read:

336.9-413 [UNIFORM COMMERCIAL CODE ACCOUNT.]

(a) The uniform commercial code account is established as an account in the state treasury.

(b) The filing officer with whom a financing statement, amendment, assignment, statement of release, or continuation statement is filed, or to whom a request for search is made, shall collect a \$3 \$4 surcharge on each filing or search. By the 15th day following the end of each fiscal quarter, each county recorder shall forward the receipts from the surcharge accumulated during that fiscal quarter to the secretary of state. The surcharge

does not apply to a search request made by a natural person who is the subject of the data to be searched except when a certificate is requested as a part of the search.

(c) The surcharge amounts received from county recorders and the surcharge amounts collected by the secretary of state's office must be deposited in the state treasury and credited to the general fund.

(d) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing a service under sections 336.9-411 to 336.9-413 must be deposited in the state treasury and credited to the uniform commercial code account.

(e) Fees that are not expressly set by statute but are charged by the secretary of state to offset the costs of providing information contained in the computerized records maintained by the secretary of state must be deposited in the state treasury and credited to the uniform commercial code account.

(f) Money in the uniform commercial code account is continuously appropriated to the secretary of state to implement and maintain the computerized uniform commercial code filing system under section 336.9-411 and to provide electronic-view-only access to other computerized records maintained by the secretary of state.

Sec. 100. Minnesota Statutes 1990, section 349.12, subdivision 10, is amended to read:

Subd. 10. [DIRECTOR.] "Director" is the director of the ~~division of~~ gambling control *board*.

Sec. 101. Minnesota Statutes 1990, section 349.151, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] (a) *Until July 1, the board consists of six members appointed by the governor with the advice and consent of the senate and the commissioner of gaming as a voting member. Of the members first appointed, one is for a term expiring June 30, 1990; two are for a term expiring June 30, 1991; two are for a term expiring June 30, 1992; and one is for a term expiring June 30, 1993.*

(b) On and after July 1, 1991, the board consists of seven members, as follows: (1) those members appointed by the governor before July 1, 1991, whose terms expire June 30, 1992, June 30, 1993, and June 30, 1994; (2) one member appointed by the governor for a term expiring June 30, 1994; (3) one member appointed by the commissioner of public safety for a term expiring June 30, 1995; and (4) one member appointed by the attorney general for a term expiring June 30, 1995.

(c) All appointments under this subdivision are with the advice and consent of the senate.

(d) After expiration of the initial terms, appointments are for four years.

(e) The board shall select one of its members, other than the commissioner, to serve as chair. No more than three members appointed by the governor under this subdivision may belong to the same political party.

Sec. 102. Minnesota Statutes 1990, section 349A.01, subdivision 5, is amended to read:

Subd. 5. [DIRECTOR.] "Director" is the director of the state lottery

division.

Sec. 103. Minnesota Statutes 1990, section 349A.01, subdivision 9, is amended to read:

Subd. 9. [LOTTERY.] "Lottery" is the state lottery ~~operated by the state lottery division of the department.~~

Sec. 104. Minnesota Statutes 1990, section 349A.02, subdivision 1, is amended to read:

Subdivision 1. [DIRECTOR.] A state lottery ~~division~~ is established in ~~the department of gaming,~~ under the supervision and control of the director of the state lottery appointed by the governor with the advice and consent of the senate. The governor shall appoint the first director from a list of at least three persons recommended to the governor by the governor's commission on the lottery which was appointed by the governor on December 8, 1988. The director must be qualified by experience and training to supervise the lottery. The director serves in the unclassified service.

Sec. 105. Minnesota Statutes 1990, section 349A.03, subdivision 1, is amended to read:

Subdivision 1. [BOARD CREATED.] There is created ~~within the division~~ a state lottery board. The board consists of ~~six~~ *seven* members appointed by the governor ~~plus the commissioner as a voting member.~~ Not more than ~~three~~ *four* of the members ~~appointed by the governor under this subdivision~~ may belong to the same political party and at least three members must reside outside the seven-county metropolitan area. The terms of office, removal from office, and compensation of members of the board, ~~other than the commissioner,~~ are as provided in section 15.059 except the board does not expire as provided under section 15.059, subdivision 5. The members of the board shall select the chair of the board, ~~who shall not be the commissioner.~~

Sec. 106. Minnesota Statutes 1990, section 349A.10, subdivision 5, is amended to read:

Subd. 5. [DEPOSIT OF NET PROCEEDS.] Within 30 days after the end of each month, the director shall deposit in the state treasury the net proceeds of the lottery, which is the balance in the lottery fund after transfers to the lottery prize fund and credits to the lottery operations account. Of the net proceeds, 40 percent must be credited to the Minnesota environment and natural resources trust fund, ~~28.3 percent must be credited to the infrastructure development fund for capital improvement projects at state institutions of higher education,~~ 6.7 percent must be credited to the infrastructure development fund for capital improvement projects to develop or protect the state's environment and natural resources, and, through the first ten full fiscal years during which proceeds from the lottery are received, 25 percent must be credited to the Greater Minnesota account in the special revenue fund ~~and the remainder must be credited to the general fund.~~

Sec. 107. Minnesota Statutes 1990, section 626.861, subdivision 1, is amended to read:

Subdivision 1. [LEVY OF ASSESSMENT.] There is levied a penalty assessment of ~~ten~~ *12* percent on each fine imposed and collected by the courts of this state for traffic offenses in violation of chapters 168 to 173 or equivalent local ordinances, other than a fine or forfeiture for a violation of a local ordinance or other law relating to the parking of a vehicle. In

cases where the defendant is convicted but a fine is not imposed, or execution of the fine is stayed, the court shall impose a penalty assessment of not less than \$5 nor more than \$10 when the conviction is for a misdemeanor or petty misdemeanor, and shall impose a penalty assessment of not less than \$10 but not more than \$50 when the conviction is for a gross misdemeanor or felony. Where multiple offenses are involved, the penalty assessment shall be assessed separately on each offense for which the defendant is sentenced. If imposition or execution of sentence is stayed for all of the multiple offenses, the penalty assessment shall be based upon the most serious offense of which the defendant was convicted. Where the court suspends a portion of a fine, the suspended portion shall not be counted in determining the amount of the penalty assessment unless the offender is ordered to pay the suspended portion of the fine. Suspension of an entire fine shall be treated as a stay of execution for purposes of computing the amount of the penalty assessment.

Sec. 108. Minnesota Statutes 1990, section 626.861, subdivision 4, is amended to read:

Subd. 4. [PEACE OFFICERS TRAINING ACCOUNT.] Receipts from penalty assessments must be credited to the general fund. The peace officers standards and training board may allocate from funds appropriated as follows:

(a) Up to 30 percent may be provided for reimbursement to board approved skills courses.

(b) *Up to 15 percent may be used for the school of law enforcement.*

(c) The balance may be used to pay each local unit of government an amount in proportion to the number of licensed peace officers and constables employed, at a rate to be determined by the board. The disbursed amount must be used exclusively for reimbursement of the cost of in-service training required under this chapter and chapter 214.

Sec. 109. [REVISOR INSTRUCTIONS.]

Subdivision 1. The revisor shall change the following terms in Minnesota Statutes and Minnesota Rules to reflect the intent of this act to abolish the department of gaming and the divisions within it:

(1) "division" or similar term to "commission" or similar term wherever it appears in reference to the Minnesota racing commission;

(2) "division" or similar term to "board" or similar term in reference to the gambling control board; and

(3) "division" or similar term to "lottery" or similar term in reference to the state lottery board.

Subd. 2. In the next edition of Minnesota Statutes, the revisor of statutes shall delete the term "division" where it appears:

(1) in Minnesota Statutes, sections 349.153; 349.163, subdivision 4; 349.167, subdivision 4; 349.169, subdivision 2; and 349.18, subdivision 1, and insert the term "board"; and

(2) in Minnesota Statutes, sections 349A.02, subdivisions 4, 5, 6, and 8; 349A.06, subdivisions 2 and 5; 349A.08, subdivision 7; 349A.10, subdivisions 3 and 4; 349A.11; and 349A.12, and insert the term "lottery".

Sec. 110. [REPEALER.]

(a) *Laws 1989, chapter 322, section 7, is repealed.*

(b) *Minnesota Statutes 1990, section 182.664, subdivision 2, is repealed.*

(c) *Minnesota Statutes 1990, sections 240.01, subdivision 15; 349.12, subdivision 12; 349A.01, subdivisions 3, 4, and 6; and 349B.01, are repealed.*

Sec. 111. [EFFECTIVE DATE.]

(a) *Sections 33 and 110, paragraph (a), are effective the day following final enactment.*

(b) *Sections 63; 64; 65; 66; 67; 68; 69; 70; 71; 72; 73; 74; 75; 76; 77; 78; 79; 80; 81; 82; 83; and 110, paragraph (b), are effective August 1, 1991.*

(c) *Sections 43 and 44 are effective July 1, 1992.*

(d) *All other provisions of this article are effective July 1, 1991."*

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for the department of transportation and other agencies with certain conditions; providing for regulation of certain activities and practices; providing for certain rights-of-way; requiring studies and reports; fixing and limiting accounts and fees; amending Minnesota Statutes 1990, sections 10A.02, by adding a subdivision; 12.14; 15A.081, subdivision 1; 16A.662, subdivisions 2, 4, and 5; 60A.14, subdivision 1; 60A.17, subdivision 1d; 72B.04, subdivision 7; 80C.04, subdivision 1; 80C.07; 80C.08, subdivision 1; 82.22, subdivisions 1, 5, 10, and 11; 115C.09, by adding a subdivision; 129D.04, by adding subdivisions; 129D.05; 138.91; 138.94; 162.02, subdivision 12; 168C.04; 171.06, subdivision 2a; 171.26; 174.24, by adding a subdivision; 182.651, by adding subdivisions; 182.653, subdivision 9; 182.661, subdivisions 1, 2, 2a, 3, 3a, and by adding subdivisions; 182.664, subdivisions 3 and 5; 182.666, subdivisions 1, 2, 3, 4, 5, and 5a; 182.669, subdivision 1; 184.28, subdivision 2; 184.29; 184A.09; 239.78; 240.02, subdivisions 1, 2, and 3; 240.06, subdivision 8; 240.155; 240.28; 297B.09, subdivision 1; 299F.57, subdivision 1a; 299F.641, subdivision 2; 299K.07; 299K.09, subdivision 2; 336.9-413; 349.12, subdivision 10; 349.151, subdivision 2; 349A.01, subdivisions 5 and 9; 349A.02, subdivision 1; 349A.03, subdivision 1; 349A.10, subdivision 5; and 626.861, subdivisions 1 and 4; Laws 1989, chapter 269, sections 11, subdivision 7; and Laws 1990, chapter 610, article 1, section 13, subdivision 4; repealing Minnesota Statutes 1990, sections 182.664, subdivision 2; 240.01, subdivision 15; 349.12, subdivision 12; 349A.01, subdivisions 3, 4, and 6; and 349B.01; and Laws 1989, chapter 322, section 7."

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

House Conferees: (Signed) James I. Rice, Bernard L. "Bernie" Lieder, John J. Sarna, Henry J. Kalis, Art Seaberg

Senate Conferees: (Signed) Keith Langseth, Gary M. DeCramer, Tracy L. Beckman, Lyle G. Mehrkens, James P. Metzner

Mr. Langseth moved that the foregoing recommendations and Conference Committee Report on H.F. No. 53 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.

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.

The question recurred on H.F. No. 53.

H.F. No. 53 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 38 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Johnson, D.E.	Mehrkens	Renneke
Beckman	Day	Johnson, D.J.	Merriam	Sams
Benson, J.E.	DeCramer	Johnston	Metzen	Samuelson
Bernhagen	Finn	Kelly	Moe, R.D.	Spear
Bertram	Flynn	Laidig	Morse	Storm
Chmielewski	Frederickson, D.J.	Langseth	Novak	Vickerman
Cohen	Frederickson, D.R.	Lessard	Pappas	
Dahl	Hughes	Luther	Price	

Those who voted in the negative were:

Berglin	Hottinger	Larson	Olson	Ranum
Brataas	Knaak	McGowan	Pariseau	Riveness
Frank				

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Berg moved that the following members be excused for a Conference Committee on H.F. No. 887 from 9:30 to 11:30 a.m.:

Messrs. Berg; Frederickson, D.R. and Lessard. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Ms. Ranum moved that the following members be excused for a Conference Committee on S.F. No. 802 from 10:45 a.m. to 12:40 p.m.:

Messrs. Knaak, Merriam and Ms. Ranum. The motion prevailed.

MESSAGES FROM THE HOUSE - CONTINUED

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. 922, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 922 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 922

A bill for an act relating to crimes; imposing a duty to investigate and render aid when a person is injured in a shooting accident; imposing penalties; providing immunity from civil liability under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 609.

May 16, 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. 922, 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. 922 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 97A.051, subdivision 2, is amended to read:

Subd. 2. [SUMMARY OF FISH AND GAME LAWS.] (a) The commissioner shall prepare a summary of the hunting and fishing laws and deliver a sufficient supply to county auditors to furnish one copy to each person obtaining a hunting, fishing, or trapping license.

(b) At the beginning of the summary, under the heading "Trespass," the commissioner shall summarize the trespass provisions under sections 97B.001 to 97B.945, state that conservation officers and peace officers must enforce the trespass laws, and state the penalties for trespassing.

(c) In the summary the commissioner shall, under the heading "Duty to Render Aid," summarize the requirements under section 609.662 and state the penalties for failure to render aid to a person injured by gunshot.

Sec. 2. [609.662] [SHOOTING VICTIM; DUTY TO RENDER AID.]

Subdivision 1. [DEFINITION.] As used in this section, "reasonable assistance" means aid appropriate to the circumstances, and includes obtaining or attempting to obtain assistance from a conservation or law enforcement officer, or from medical personnel.

Subd. 2. [DUTY TO RENDER AID.] (a) A person who discharges a firearm and knows or has reason to know that the discharge has caused bodily harm to another person, shall:

- (1) immediately investigate the extent of the person's injuries; and
- (2) render immediate reasonable assistance to the injured person.

(b) A person who violates this subdivision is guilty of a crime and may be sentenced as follows:

- (1) if the injured person suffered death or great bodily harm as a result

of the discharge, to imprisonment for not more than two years or to payment of a fine of not more than \$4,000, or both;

(2) if the injured person suffered substantial bodily harm as a result of the discharge, to imprisonment for not more than one year and one day or to payment of a fine of not more than \$3,000, or both;

(3) otherwise, to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

(c) Notwithstanding section 609.035 or 609.04, a prosecution for or conviction under this subdivision is not a bar to conviction of or punishment for any other crime committed by the defendant as part of the same conduct.

Subd. 3. [DUTY OF WITNESS.] (a) A person who witnesses the discharge of a firearm and knows or has reason to know that the discharge caused bodily harm to a person shall:

(1) immediately investigate the extent of the injuries; and

(2) render immediate reasonable assistance to the injured person.

(b) A person who violates this subdivision is guilty of a crime and may be sentenced as follows:

(1) if the defendant was a companion of the person who discharged the firearm at the time of the discharge, to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both;

(2) otherwise, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both.

Subd. 4. [DEFENSE.] It is an affirmative defense to a charge under this section if the defendant proves by a preponderance of the evidence that the defendant failed to investigate or render assistance as required under this section because the defendant reasonably perceived that these actions could not be taken without a significant risk of bodily harm to the defendant or others.

Subd. 5. [WITNESSES; IMMUNITY FROM CIVIL LIABILITY.] Any person who is subject to the duty imposed by subdivision 3 who, without compensation or expectation of compensation, renders assistance to the injured person, is not liable for any civil damages as a result of acts or omissions by that person in rendering the assistance unless that person acts in a willful and wanton or reckless manner in rendering the assistance. Any person who is subject to the duty imposed by subdivision 3 who renders assistance during the course of regular employment and receives compensation or expects to receive compensation for rendering the assistance, shall be excluded from the protection of this subdivision.

Sec. 3. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to crimes; imposing a duty to investigate and render aid when a person is injured in a shooting incident; imposing penalties; providing immunity from civil liability under certain circumstances; amending Minnesota Statutes 1990, section 97A.051, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609."

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

House Conferees: (Signed) Don Ostrom, Kathleen Vellenga, Bill Macklin

Senate Conferees: (Signed) Dennis R. Frederickson, William P. Luther, Bob Lessard

Mr. Frederickson, D.R. moved that the foregoing recommendations and Conference Committee Report on H.F. No. 922 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. 922 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 45 and nays 1, as follows:

Those who voted in the affirmative were:

Adkins	Davis	Hottinger	Luther	Olson
Beckman	Day	Johnson, D.E.	Marty	Pappas
Belanger	DeCramer	Johnson, J.B.	Mehrkens	Pariseau
Benson, J.E.	Finn	Johnston	Merriam	Pogemiller
Berglin	Flynn	Kelly	Metzen	Price
Bernhagen	Frank	Knaak	Moe, R.D.	Ranum
Bertram	Frederickson, D.R.	Laidig	Mondale	Samuelson
Chmielewski	Gustafson	Larson	Morse	Storm
Cohen	Halberg	Lessard	Novak	Vickerman

Mr. Neuville voted in the negative.

So the bill, as amended by the Conference Committee, 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. 1128: A bill for an act relating to insurance; providing for replacement cost insurance coverage for personal property; prohibiting insurers from requiring more than one residential renter's insurance policy be written to cover a single household; amending Minnesota Statutes 1990, section 65A.10; proposing coding for new law in Minnesota Statutes, chapter 65A.

Senate File No. 1128 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 17, 1991

CONCURRENCE AND REPASSAGE

Mr. Luther moved that the Senate concur in the amendments by the House to S.F. No. 1128 and that the bill be placed on its repassage as amended.

The motion prevailed.

S.F. No. 1128 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 45 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Hughes	Luther	Olson
Belanger	DeCramer	Johnson, D.E.	Marty	Pappas
Benson, D.D.	Finn	Johnson, J.B.	Mehrrens	Pariseau
Benson, J.E.	Flynn	Johnston	Metzen	Price
Berglin	Frank	Kelly	Moe, R.D.	Ranum
Bernhagen	Frederickson, D.R.	Knaak	Mondale	Riveness
Bertram	Gustafson	Laidig	Morse	Samuelson
Chmielewski	Halberg	Larson	Neuville	Storm
Cohen	Hottinger	Lessard	Novak	Vickerman

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 326, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 326 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 326

A bill for an act relating to elections; providing for time off to vote in primaries; amending Minnesota Statutes 1990, section 204C.04.

May 16, 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. 326, 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. 326 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 204C.04, is amended to read:

204C.04 [EMPLOYEES; TIME OFF TO VOTE.]

Subdivision 1. [RIGHT TO BE ABSENT.] Every employee who is eligible

to vote at a state general in an election or at an election to fill a vacancy in the office of United States senator or United States representative has the right to be absent from work for the purpose of voting during the morning of election the day of that election, without penalty or deduction from salary or wages because of the absence. An employer or other person may not directly or indirectly refuse, abridge, or interfere with this right or any other election right of an employee.

Subd. 2. [ELECTIONS COVERED.] For purposes of this section, "election" means a regularly scheduled state primary or general election, an election to fill a vacancy in the office of United States senator or United States representative, or a presidential primary as described in section 207A.01 unless it is conducted by mail.

Subd. 3. [PENALTY.] A person who violates this section is guilty of a misdemeanor, and the county attorney shall prosecute the violation."

Delete the title and insert:

"A bill for an act relating to elections; providing for time off to vote in state primaries and the presidential primary; amending Minnesota Statutes 1990, section 204C.04."

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

House Conferees: (Signed) Tom Osthoff, Linda Scheid, Ron Abrams

Senate Conferees: (Signed) Jerome M. Hughes, Lawrence J. Pogemiller, Dean E. Johnson

Mr. Hughes moved that the foregoing recommendations and Conference Committee Report on H.F. No. 326 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. 326 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 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnson, J.B.	Mehrkens	Price
Belanger	Finn	Johnston	Metzen	Ranum
Benson, D.D.	Flynn	Kelly	Moe, R.D.	Riveness
Benson, J.E.	Frank	Knaak	Mondale	Samuelson
Berglin	Frederickson, D.R.	Kroening	Morse	Solon
Bernhagen	Gustafson	Larson	Neuville	Storm
Bertram	Halberg	Lessard	Olson	Vickerman
Cohen	Hottinger	Luther	Pappas	
Day	Hughes	Marty	Pariseau	

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

MESSAGES FROM THE HOUSE - CONTINUED

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 800,

and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 800: A bill for an act relating to natural resources; revising certain provisions relating to the taking, possession, and transportation of wild animals; amending Minnesota Statutes 1990, sections 97A.445, subdivision 2; 97A.535, subdivision 1; 97B.055, subdivision 3; 97B.106; and 97B.935, subdivision 3.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1991

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1027, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1027: A bill for an act relating to natural resources; establishing a Minnesota adopt-a-park program; requiring the department of natural resources to report to the legislature on the program; proposing coding for new law in Minnesota Statutes, chapter 85.

Senate File No. 1027 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1991

CONFIRMATION

Mr. DeCramer moved that the report from the Committee on Transportation, reported May 3, 1991, pertaining to appointments, be taken from the table. The motion prevailed.

Mr. DeCramer moved that the foregoing report be now adopted. The motion prevailed.

Mr. DeCramer moved that in accordance with the reports from the Committee on Transportation, reported May 3, 1991, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF PUBLIC SAFETY COMMISSIONER

Ralph Church, 2328 145th Avenue Northwest, Andover, Anoka County, Minnesota, effective January 7, 1991, for a term expiring on the first Monday in January, 1995.

CALL OF THE SENATE

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

The question was taken on the adoption of the motion of Mr. DeCramer.

The roll was called, and there were yeas 38 and nays 22, as follows:

Those who voted in the affirmative were:

Adkins	Brataas	Halberg	Lessard	Renneke
Beckman	Chmielewski	Johnson, D.E.	McGowan	Sams
Belanger	Dahl	Johnston	Mehrkens	Solon
Benson, D.D.	Day	Knaak	Merriam	Storm
Benson, J.E.	Frank	Kroening	Neuville	Stumpf
Berg	Frederickson, D.J.	Laidig	Novak	Vickerman
Bernhagen	Frederickson, D.R.	Langseth	Olson	
Bertram	Gustafson	Larson	Pariseau	

Those who voted in the negative were:

Berglin	Flynn	Marty	Pogemiller	Spear
Cohen	Hottinger	Metzen	Price	Waldorf
Davis	Johnson, J.B.	Mondale	Ranum	
DeCramer	Kelly	Morse	Reichgott	
Dicklich	Luther	Pappas	Riveness	

The motion prevailed. So the appointment was confirmed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Sams moved that the following members be excused for a Conference Committee on H.F. No. 702 at 12:30 p.m.:

Messrs. Sams, Beckman and Renneke. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Luther moved that the following members be excused for a Conference Committee on H.F. No. 1142 at 2:00 p.m.:

Messrs. Luther, Halberg and Ms. Ranum. The motion prevailed.

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 Senate Bills.

REPORTS OF COMMITTEES

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

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

S.F. No. 1517: A bill for an act relating to taxation; authorizing the department of finance to issue obligations to finance construction of aircraft maintenance and repair facilities; providing tax credits for job creation; providing an exemption from sales tax for certain equipment and materials; authorizing establishment of tax increment financing districts in the cities of Duluth and Hibbing and on property located at the Minneapolis-St. Paul International Airport; authorizing the metropolitan airports commission to operate outside the metropolitan area; authorizing the metropolitan airports commission to issue obligations to finance construction of aircraft maintenance facilities; amending Minnesota Statutes 1990, sections 290.06, by adding a subdivision; 360.013, subdivision 5; 360.032, subdivision 1; 360.038, subdivision 4; 473.608, subdivision 1; and 473.667, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapters

297A and 473; proposing coding for new law as Minnesota Statutes, chapter 116R.

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

Page 1, after line 25, insert:

"Section 1. Minnesota Statutes 1990, section 3.885, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP.] The legislative commission on planning and fiscal policy consists of ~~48~~ 20 members of the senate and the house of representatives appointed by the legislative coordinating commission. Vacancies on the commission are filled in the same manner as original appointments. The commission shall elect a chair and a vice-chair from among its members. The chair alternates between a member of the senate and a member of the house in January of each odd-numbered year."

Page 1, line 28, delete "1 to 16" and insert "2 to 17"

Page 1, line 30, delete "2" and insert "3"

Page 2, line 2, delete "13" and insert "14"

Page 2, line 6, delete "commissioner of trade and"

Page 2, line 7, delete "economic development" and insert "governor and with the approval of the legislative commission on planning and fiscal policy"

Page 2, lines 8 and 27, delete "1 to 15" and insert "2 to 16"

Page 2, line 10, after "bonds" insert "and deficiency bonds"

Page 2, line 13, delete "and" and insert a comma and delete "4" and insert "5, and section 14, subdivision 3"

Page 3, line 35, delete "1 to 16" and insert "2 to 17"

Page 4, lines 20 and 34, delete "13" and insert "14"

Page 4, line 22, delete "the lesser of"

Page 4, line 23, delete "or" and insert "with such terms and rates as shall produce proceeds from the sale thereof equal to not less than"

Page 4, line 24, before the semicolon, insert "plus all costs related to the issuance and sale"

Page 5, lines 16 and 17, delete "1 to 15" and insert "2 to 16"

Page 6, line 8, delete "may" and insert "shall"

Page 6, line 9, delete "or other party"

Page 6, line 10, after the period, insert "All revenues derived from the lease must be used to pay the principal of and interest on the bonds described in section 3, subdivision 1, until the bonds are fully retired or defeased."

Page 6, line 32, before the period, insert ", provided that the approval of the commissioner is not required if a bond trustee has taken possession of the facility as a result of the default"

Page 6, line 33, before "Before" insert "(a)"

Page 7, line 3, delete ": (1)" and insert "aircraft noise abatement."

Page 7, delete lines 4 to 8 and insert:

"(b) The leases for each of the facilities described in subdivisions 5 and 6 must contain covenants and agreements by the airline corporation and any successor in interest providing for the retention and location of employees, operations, domestic and international, and facilities, including headquarters, of the airline corporation in the state until the principal and interest on the last series of deficiency bonds and general obligation revenue bonds issued under subdivision 4, paragraph (a), clause (2), are paid."

Page 7, lines 13, 24, and 25, delete "1 to 15" and insert "2 to 16"

Page 7, after line 21, insert:

"Subd. 9. [PROJECT COST REPORT.] Before the commissioner of finance issues bonds, approves financial assistance, or enters into loan, lease, or other revenue agreements for the facilities described in subdivisions 5 and 6, the commissioner of trade and economic development shall report to the governor and the legislative commission on planning and fiscal policy on total public costs related to the construction of the facilities. The report must include: an estimate of the total state and local tax costs for the project; and an estimate of the total state and local capital costs, and method of financing, of any airport and off-airport improvements related to the construction of the facilities but not included in the cost of the facilities, including any runway or taxiway improvements and road, highway, sewer, or other public facility or utility improvement costs."

Page 7, line 29, delete "2" and insert "3"

Page 7, lines 34 and 35, delete "1 to 15" and insert "2 to 16"

Page 8, line 14, delete "1 to 15" and insert "2 to 16" and delete "1"

Page 8, line 15, delete "to 15" and insert "2 to 16"

Page 8, line 23, delete "1 to 15" and insert "2 to 16"

Page 8, lines 31 and 32, delete "1 to 15" and insert "2 to 16"

Page 8, lines 33 and 36, delete "2" and insert "3"

Page 8, line 34, delete "and" and delete the second "4" and insert "5" and after "3," insert "and an order of the commissioner or indenture authorizing the bonds,"

Page 9, line 27, delete "secured" and insert "payable"

Page 10, line 33, delete "2" and insert "3"

Page 11, lines 3, 9, and 18, delete "2" and insert "3"

Page 11, line 4, delete "1 to 15" and insert "2 to 16"

Page 11, line 7, delete "11 or 12" and insert "12 or 13"

Page 11, after line 9, insert:

"(6) amounts for payment of the bonds described in section 24, subdivision 2, and section 25, subdivision 2;"

Page 11, line 10, delete "(6)" and insert "(7)"

Page 11, line 11, delete "(7)" and insert "(9)"

Page 11, line 12, delete "(7)" and insert "(8)"

Page 11, line 14, delete "(8)" and insert "(9)"

Page 12, lines 32 and 33, delete "1 to 15" and insert "2 to 16"

Page 13, line 28, delete "1 to 15" and insert "2 to 16"

Page 14, lines 1, 5, 19, and 21, delete "1 to 15" and insert "2 to 16"

Page 14, line 4, before "FUNDS" insert "AIRCRAFT FACILITIES"

Page 14, lines 7, 10, and 14, delete "2" and insert "3"

Page 14, line 20, before "ACCOUNTS" insert "DEBT SERVICE"

Page 15, line 10, delete "1 to 15" and insert "2 to 16"

Page 16, line 30, delete the first comma and insert a semicolon and delete "2" and insert "3"

Page 17, line 6, delete "2" and insert "3"

Page 17, line 35, delete "1 to 15" and insert "2 to 16"

Page 18, line 3, delete "1 to 15" and insert "2 to 16"

Page 18, lines 12 and 31, delete "2" and insert "3"

Page 19, after line 2, insert:

"Sec. 18. Minnesota Statutes 1990, section 272.01, subdivision 2, is amended to read:

Subd. 2. (a) When any real or personal property which is exempt from ad valorem taxes, and taxes in lieu thereof, is leased, loaned, or otherwise made available and used by a private individual, association, or corporation in connection with a business conducted for profit, there shall be imposed a tax, for the privilege of so using or possessing such real or personal property, in the same amount and to the same extent as though the lessee or user was the owner of such property.

(b) The tax imposed by this subdivision shall not apply to:

(1) property leased or used as a concession in or relative to the use in whole or part of a public park, market, fairgrounds, port authority, economic development authority established under chapter 458C, municipal auditorium, municipal parking facility, municipal museum, or municipal stadium;

(2) property of an airport owned by a city, town, county, or group thereof which is:

(i) leased to or used by any person or entity including a fixed base operator; and

(ii) used as a hangar for the storage or repair of aircraft or to provide aviation goods, services, or facilities to the airport or general public;

the exception from taxation provided in this clause does not apply to:

(i) property located at an airport owned or operated by the metropolitan airports commission, or *property constituting facilities described in section 3, subdivision 6*, by a city of over 50,000 population according to the most recent federal census or such a city's airport authority; or

(ii) hangars leased by a private individual, association, or corporation in

connection with a business conducted for profit other than an aviation-related business;

(3) property constituting or used as a public pedestrian ramp or concourse in connection with a public airport; or

(4) property constituting or used as a passenger check-in area or ticket sale counter, boarding area, or luggage claim area in connection with a public airport but not the airports owned or operated by the metropolitan airports commission or cities of over 50,000 population or an airport authority therein. Real estate owned by a municipality in connection with the operation of a public airport and leased or used for agricultural purposes is not exempt.

(c) Taxes imposed by this subdivision are payable as in the case of personal property taxes and shall be assessed to the lessees or users of real or personal property in the same manner as taxes assessed to owners of real or personal property, except that such taxes shall not become a lien against the property. When due, the taxes shall constitute a debt due from the lessee or user to the state, township, city, county, and school district for which the taxes were assessed and shall be collected in the same manner as personal property taxes. If property subject to the tax imposed by this subdivision is leased or used jointly by two or more persons, each lessee or user shall be jointly and severally liable for payment of the tax.

(d) The tax on real property of the state or any of its political subdivisions that is leased by a private individual, association, or corporation and becomes taxable under this subdivision or other provision of law must be assessed and collected as a personal property assessment. The taxes do not become a lien against the real property."

Page 19, line 9, delete "2" and insert "3"

Page 19, line 17, after "year" insert "*, provided that the maximum amount of the credit for any taxable year for each employee shall not exceed an amount equal to 20 percent of the amount paid to each employee at the facility by the corporation during that year*"

Page 20, lines 3 and 21, delete "2" and insert "3"

Page 20, line 11, after the period, insert "*The exemption provided in this subdivision is available for purchases made before January 1, 1995.*"

Page 21, lines 1, 16, and 24, delete "2" and insert "3"

Page 22, lines 27 and 29, delete "2" and insert "3"

Page 23, lines 8, 24, and 36, delete "2" and insert "3"

Page 23, line 13, after "DISTRICT" insert "WITH CITY FUNDS PLEDGE"

Page 23, line 35, before "The" insert "*With the consent of St. Louis county,*"

Page 24, line 1, delete everything after "and"

Page 24, line 2, delete "board,"

Page 24, line 11, after "obligation" insert a comma

Page 24, line 35, delete "2" and insert "3"

Page 25, line 3, delete "18" and insert "26" and after "is" insert "to

promote the public welfare and national security; serve public interest, convenience, and necessity; promote air navigation and transportation, international, national, state, and local, in and through this state; promote the efficient, safe, and economical handling of air commerce; ensure the inclusion of this state in national and international programs of air transportation; and to those ends to develop the full potentialities of this state as an aviation center, and to correlate all aviation facilities in the entire state so as to provide for the most economical and effective use of aeronautic facilities and services in the state;"

Page 25, line 24, delete "2" and insert "3"

Page 25, line 27, delete "17" and insert "19"

Renumber the sections of article I in sequence

Page 26, line 14, after "of" insert "*the legislative commission on planning and fiscal policy,*"

Page 26, line 15, after "finance" insert a comma

Page 28, line 24, after "of" insert "*the legislative commission on planning and fiscal policy,*"

Page 28, line 25, after "finance" insert a comma

Page 31, line 25, after "commission" insert "*and the commissioners of finance and revenue*"

Page 32, line 24, after the first "of" insert "*the legislative commission on planning and fiscal policy,*" and after "finance" insert a comma

Page 32, line 31, after the period, insert "*The lease must contain covenants and agreements by the airline corporation and any successor in interest providing for: (1) the retention and location of employees, operations, domestic and international, and facilities, including headquarters, of the airline corporation in the state until the principal and interest on the last series of bonds are paid; and (2) aircraft noise abatement.*"

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "expanding the membership of the legislative commission on planning and fiscal policy;"

Page 1, line 10, after the semicolon, insert "authorizing the pledge of city funds by the city of Duluth to pay debt service on certain obligations;"

Page 1, line 15, after "sections" insert "3.885, subdivision 1; 272.01, subdivision 2;"

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

SECOND READING OF SENATE BILLS

S.F. No. 1517 was read the second time.

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, herewith returned: S.F. No. 1571.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1991

Mr. President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

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, 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.

There has been appointed as such committee on the part of the House: Dawkins, Pugh and Swenson.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1991

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 303:

H.F. No. 303: A bill for an act relating to waste management; making changes to state and local government responsibility and authority for waste management; placing emphasis on waste reduction and recycling; adjusting waste facility siting processes; amending Minnesota Statutes 1990, sections 3.195, subdivision 1; 16B.122; 16B.61, subdivision 3a; 115A.02; 115A.03, subdivision 17a; 115A.06, subdivision 2; 115A.14, subdivision 4; 115A.15, subdivisions 7 and 9; 115A.151; 115A.411, subdivision 1; 115A.46, subdivision 1, and by adding a subdivision; 115A.49; 115A.53; 115A.551, subdivisions 1 and 4; 115A.552, subdivisions 1, 2, and by adding a subdivision; 115A.554; 115A.557, subdivision 4; 115A.64, subdivision 2; 115A.67; 115A.83; 115A.84, subdivision 2; 115A.86, subdivision 5, and by adding a subdivision; 115A.882; 115A.9162, subdivision 2; 115A.919; 115A.923, subdivisions 1 and 1a; 115A.931; 115A.94, subdivision 4; 115A.9561; 115A.96, subdivision 6; 115B.04, subdivision 4; 115B.22, subdivision 8; 116.07, subdivision 4j; 325E.042, subdivision 2; 325E.115, subdivision 1; 325E.1151, subdivision 3; 400.08, subdivision 1; 473.803, subdivision 2; 473.811, subdivisions 1, 3, and 5; 473.823, subdivision 5;

473.845, subdivision 4; 473.848, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 115A; 116; 325E; and 473; repealing Minnesota Statutes 1990, sections 16B.125; 325E.045; and 473.844, subdivision 3; Laws 1989, chapter 325, section 72, subdivision 2.

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

Wagenius, Rukavina, Ozment, McGuire and Hausman have been appointed as such committee on the part of the House.

House File No. 303 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

Mr. Merriam moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 303, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 1422, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 1422 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 17, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 1422

A bill for an act relating to workers' compensation; regulating benefits and insurance; establishing a permanent commission on workers' compensation; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 79.252, by adding a subdivision; 176.011, subdivisions 3, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivisions 1, 2, 3, 3a, 4, 6, 9, and 11; 176.111, subdivision 18; 176.135, subdivisions 1, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.155, subdivision 1; 176.645, subdivisions 1 and 2; 176.83, subdivisions 5, 6, and by adding a subdivision; 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 175 and 176; repealing Minnesota Statutes 1990, sections 175.007; and 176.136, subdivision 5; and chapters 79, 175A, and 176.

May 16, 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. 1422, 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. 1422 be further amended as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

COMPENSATION BENEFITS

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

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

Sec. 2. Minnesota Statutes 1990, section 176.011, subdivision 9, is amended to read:

Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire including the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, police officer, firefighter,

county highway engineer, and peace officer while engaged in the enforcement of peace or in the pursuit or capture of a person charged with or suspected of crime;

(4) a person requested or commanded to aid an officer in arresting or retaking a person who has escaped from lawful custody, or in executing legal process, in which cases, for purposes of calculating compensation under this chapter, the daily wage of the person shall be the prevailing wage for similar services performed by paid employees;

(5) a county assessor;

(6) an elected or appointed official of the state, or of a county, city, town, school district, or governmental subdivision in the state. An officer of a political subdivision elected or appointed for a regular term of office, or to complete the unexpired portion of a regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;

(7) an executive officer of a corporation, except those executive officers excluded by section 176.041;

(8) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioners of human services and corrections similar to those of officers and employees of the institutions, and whose services have been accepted or contracted for by the commissioner of human services or corrections as authorized by law. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(9) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or other duty by the state or any political subdivision of it. The daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed by paid employees;

(10) a voluntary uncompensated worker participating in a program established by a county welfare board. In the event of injury or death of the worker, the wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid in the county at the time of the injury or death for similar services performed by paid employees working a normal day and week;

(11) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089. The daily wage of the worker for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

(12) a voluntary uncompensated worker in the building and construction industry who renders services for joint labor-management nonprofit community service projects. The daily wage of the worker for the purpose of calculating compensation under this chapter shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

~~(12)~~ (13) a member of the military forces, as defined in section 190.05,

while in state active service, as defined in section 190.05, subdivision 5a. The daily wage of the member for the purpose of calculating compensation under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

~~(13)~~ (14) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138. The daily wage of the worker, for the purposes of calculating compensation under this chapter, shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

~~(14)~~ (15) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota state academy for the deaf or the Minnesota state academy for the blind, and whose services have been accepted or contracted for by the state board of education, as authorized by law. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed in institutions by paid employees;

~~(15)~~ (16) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed in institutions by paid employees;

~~(16)~~ (17) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of human services for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose;

~~(17)~~ (18) students enrolled in and regularly attending the medical school of the University of Minnesota in the graduate school program or the postgraduate program. The students shall not be considered employees for any other purpose. In the event of the student's injury or death, the weekly wage of the student for the purpose of calculating compensation under this chapter, shall be the annualized educational stipend awarded to the student, divided by 52 weeks. The institution in which the student is enrolled shall be considered the "employer" for the limited purpose of determining responsibility for paying benefits under this chapter;

~~(18)~~ (19) a faculty member of the University of Minnesota employed for an academic year is also an employee for the period between that academic year and the succeeding academic year if:

(a) the member has a contract or reasonable assurance of a contract from the University of Minnesota for the succeeding academic year; and

(b) the personal injury for which compensation is sought arises out of and in the course of activities related to the faculty member's employment by the University of Minnesota;

~~(19)~~ (20) a worker who performs volunteer ambulance driver or attendant services is an employee of the political subdivision, nonprofit hospital, nonprofit corporation, or other entity for which the worker performs the

services. The daily wage of the worker for the purpose of calculating compensation under this chapter shall be the usual wage paid at the time of injury or death for similar services performed by paid employees;

~~(20)~~ (21) a voluntary uncompensated worker, accepted by the commissioner of administration, rendering services as a volunteer at the department of administration. In the event of injury or death of the worker, the daily wage of the worker, for the purpose of calculating compensation under this chapter, shall be the usual wage paid at the time of the injury or death for similar services performed in institutions by paid employees;

~~(21)~~ (22) a voluntary uncompensated worker rendering service directly to the pollution control agency. The daily wage of the worker for the purpose of calculating compensation payable under this chapter is the usual going wage paid at the time of injury or death for similar services if the services are performed by paid employees; and

~~(22)~~ (23) a voluntary uncompensated worker while volunteering services as a first responder or as a member of a law enforcement assistance organization while acting under the supervision and authority of a political subdivision. The daily wage of the worker for the purpose of calculating compensation payable under this chapter is the usual going wage paid at the time of injury or death for similar services if the services are performed by paid employees.

If it is difficult to determine the daily wage as provided in this subdivision, the trier of fact may determine the wage upon which the compensation is payable.

Sec. 3. Minnesota Statutes 1990, section 176.011, subdivision 11a, is amended to read:

Subd. 11a. [FAMILY FARM.] (a) "Family farm" means any farm operation which:

(1) pays or is obligated to pay less than ~~\$8,000~~ \$20,000 in cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year; and

(2) has total liability and medical payment coverage equal to \$300,000 and \$5,000, respectively, under a farm liability insurance policy, and the policy covers injuries to farm laborers under clause (1).

(b) For purposes of this subdivision, farm laborer does not include any spouse, parent or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation as defined in section 500.24, subdivision 2, or any spouse, parent or child, regardless of age, of such an officer employed by that family farm corporation, or other farmers in the same community or members of their families exchanging work with the employer. Notwithstanding any law to the contrary, a farm laborer shall not be considered as an independent contractor for the purposes of this chapter; provided that a commercial baler or commercial thrasher shall be considered an independent contractor.

Sec. 4. Minnesota Statutes 1990, section 176.011, subdivision 18, is amended to read:

Subd. 18. [WEEKLY WAGE.] "Weekly wage" is arrived at by multiplying the daily wage by the number of days and fractional days normally worked in the business of the employer for the employment involved. If the employee

normally works less than five days per week or works an irregular number of days per week, the number of days normally worked shall be computed by dividing the total number of days in which the employee actually performed any of the duties of employment in the last 26 weeks by the number of weeks in which the employee actually performed such duties; ~~provided that.~~ *For the purpose of this computation where the employee works less than five days per week or irregularly, holiday pay and vacation pay actually received and the corresponding days for which it is paid shall be included in the total amount actually earned and the total days actually performing duties, respectively.* The weekly wage for part time employment during a period of seasonal or temporary layoff shall be computed on the number of days and fractional days normally worked in the business of the employer for the employment involved. If, at the time of the injury, the employee was regularly employed by two or more employers, the employee's days of work for all such employments shall be included in the computation of weekly wage. Occasional overtime is not to be considered in computing the weekly wage, but if overtime is regular or frequent throughout the year it shall be taken into consideration. The maximum weekly compensation payable to an employee, or to the employee's dependents in the event of death, shall not exceed 66 2/3 percent of the product of the daily wage times the number of days normally worked, provided that the compensation payable for permanent partial disability under section 176.101, subdivision 3, and for permanent total disability under section 176.101, subdivision 4, or death under section 176.111, shall not be computed on less than the number of hours normally worked in the employment or industry in which the injury was sustained, subject also to such maximums as are specifically otherwise provided.

Sec. 5. Minnesota Statutes 1990, section 176.101, subdivision 1, is amended to read:

Subdivision 1. [TEMPORARY TOTAL DISABILITY.] For injury producing temporary total disability, the compensation is 66-2/3 percent of the weekly wage at the time of injury,

~~(4) provided that, during the year commencing on October 1, 1979 1991, and each year thereafter, commencing on October 1;~~

(1) the maximum weekly compensation payable is the statewide average weekly wage for the period ending December 31, of the preceding year, provided that, for injuries occurring on or after July 1, 1993, during the year commencing October 1, 1993, and each year thereafter, the maximum weekly compensation payable is 105 percent of the statewide average weekly wage for the period ending December 31 of the preceding year; and

(2) The minimum weekly compensation benefits for temporary total disability shall be not less than 50 payable for injuries occurring on or after October 1, 1991, is 35 percent of the statewide average weekly wage for the period ending December 31 of the preceding year or the injured employee's actual weekly wage, whichever is less. In no case shall a weekly benefit be less than 20 percent of the statewide average weekly wage.

Subject to subdivisions 3a to 3u this compensation shall be paid during the period of disability, payment to be made at the intervals when the wage was payable, as nearly as may be.

Sec. 6. Minnesota Statutes 1990, section 176.101, subdivision 2, is amended to read:

Subd. 2. [TEMPORARY PARTIAL DISABILITY.] (a) In all cases of temporary partial disability the compensation shall be 66-2/3 percent of the difference between the weekly wage of the employee at the time of injury and the wage the employee is able to earn in the employee's partially disabled condition. This compensation shall be paid during the period of disability except as provided in this section, payment to be made at the intervals when the wage was payable, as nearly as may be, and subject to ~~a the maximum compensation equal to the statewide average weekly wage rate for temporary total compensation.~~

(b) Except as provided under subdivision 3k, temporary partial compensation may be paid only while the employee is employed, earning less than the employee's weekly wage at the time of the injury, and the reduced wage the employee is able to earn in the employee's partially disabled condition is due to the injury. Except as provided in section 176.102, subdivision 11, paragraph (b), temporary partial compensation may not be paid for more than 260 weeks or after 450 weeks after the date of injury, whichever occurs first.

(c) Temporary partial compensation may not exceed the maximum rate for temporary total compensation and must be reduced to the extent that the wage the employee is able to earn in the employee's partially disabled condition plus the temporary partial disability payment otherwise payable under this subdivision exceeds 500 percent of the statewide average weekly wage.

Sec. 7. Minnesota Statutes 1990, section 176.101, subdivision 3f, is amended to read:

Subd. 3f. [LIGHT-DUTY JOB PRIOR TO THE END OF TEMPORARY TOTAL COMPENSATION.] (a) If the employer offers a job prior to the end of the 90-day period referred to in subdivision 3e, paragraph (a) and the job is consistent with an approved plan of rehabilitation or if no rehabilitation plan has been approved and the job is within the employee's physical limitations; or the employer procures a job for the employee with another employer which meets the requirements of this subdivision; or the employee accepts a job with another employer which meets the requirements of this subdivision, the employee's temporary total compensation shall cease. In this case the employee shall receive impairment compensation for the permanent partial disability which is ascertainable at that time. This impairment compensation shall be paid at the same rate that temporary total compensation was last paid. Upon the end of temporary total compensation under subdivision 3e, paragraph (a), the provisions of subdivision 3e or 3p apply, whichever is appropriate, and economic recovery compensation or impairment compensation is payable accordingly except that the compensation shall be offset by impairment compensation received under this subdivision.

(b) If an employee accepts a job under paragraph (a), begins work at that job, and is subsequently unemployed at that job through no fault of the employee, that employee shall receive temporary total compensation, subject to the provisions of subdivision 3e or paragraph (a), as may be applicable. In addition, the employer who was the employer at the time of the injury shall provide rehabilitation consultation by a qualified rehabilitation consultant if the employee remains unemployed for 45 calendar days. The commissioner may waive this rehabilitation consultation if the commissioner

determines that rehabilitation is unnecessary. Further rehabilitation, if considered appropriate, is subject to section 176.102.

Sec. 8. Minnesota Statutes 1990, section 176.102, subdivision 11, is amended to read:

Subd. 11. [RETRAINING; COMPENSATION.] (a) Retraining is limited to 156 weeks. An employee who has been approved for retraining may petition ~~the commissioner~~ for additional compensation not to exceed 25 percent of the compensation otherwise payable. If the commissioner or compensation judge determines that this additional compensation is warranted due to unusual or unique circumstances of the employee's retraining plan, the commissioner or compensation judge may award additional compensation in an amount ~~the commissioner determines is appropriate~~, not to exceed the employee's request. This additional compensation shall cease at any time the commissioner or compensation judge determines the special circumstances are no longer present.

(b) If the employee is not employed during a retraining plan that has been specifically approved under this section, temporary total compensation is payable for up to 90 days after the end of the retraining plan; except that, payment during the 90-day period is subject to cessation in accordance with section 176.101. If the employee is employed during the retraining plan but earning less than at the time of injury, temporary partial compensation is payable at the rate of 66-2/3 percent of the difference between the employee's weekly wage at the time of injury and the weekly wage the employee is able to earn in the employee's partially disabled condition, subject to the maximum rate for temporary total compensation. Temporary partial compensation is not subject to the 260-week or 450-week limitations provided by section 176.101, subdivision 2, during the retraining plan, but is subject to those limitations before and after the plan.

Sec. 9. Minnesota Statutes 1990, section 176.111, subdivision 18, is amended to read:

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

Sec. 10. Minnesota Statutes 1990, section 176.645, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] For injuries occurring after October 1, 1975 for which benefits are payable under section 176.101, subdivisions 1, 2 and 4, and section 176.111, subdivision 5, the total benefits due the employee or any dependents shall be adjusted in accordance with this section. On October 1, 1981, and thereafter on the anniversary of the date of the employee's injury the total benefits due shall be adjusted by multiplying the total benefits due prior to each adjustment by a fraction, the denominator of which is the statewide average weekly wage for December 31, of the year two years previous to the adjustment and the numerator of which is

the statewide average weekly wage for December 31, of the year previous to the adjustment. For injuries occurring after October 1, 1975, all adjustments provided for in this section shall be included in computing any benefit due under this section. Any limitations of amounts due for daily or weekly compensation under this chapter shall not apply to adjustments made under this section. No adjustment increase made on or after October 1, 1977 ~~or thereafter but prior to October 1, 1991~~, under this section shall exceed six percent a year; in those instances where the adjustment under the formula of this section would exceed this maximum, the increase shall be deemed to be six percent. *No adjustment increase made on October 1, 1991, or thereafter under this section shall exceed four percent a year; in those instances where the adjustment under the formula of this section would exceed this maximum, the increase shall be deemed to be four percent.*

Sec. 11. Minnesota Statutes 1990, section 176.645, subdivision 2, is amended to read:

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

Sec. 12. [EFFECTIVE DATE.]

This article is effective October 1, 1991.

ARTICLE 2

MEDICAL AND REHABILITATION

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

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

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

Sec. 2. Minnesota Statutes 1990, section 176.102, subdivision 1a, is amended to read:

Subd. 1a. [SURVIVING SPOUSE.] Upon the request of a qualified dependent surviving spouse, rehabilitation services shall be provided through the rehabilitation services section of the workers' compensation division. For the purposes of this subdivision a qualified dependent surviving spouse is a dependent surviving spouse, as determined under section 176.111, who is in need of rehabilitation assistance to become self-supporting. A spouse

who is provided rehabilitation services under this subdivision is ~~not~~ entitled to compensation under subdivision 11 *only if the commissioner or a compensation judge determines retraining is necessary to ensure that when benefits under section 176.111 cease, the surviving spouse is able to be self-supporting and will not become a recipient of a public assistance program administered by the state.*

Sec. 3. Minnesota Statutes 1990, section 176.102, subdivision 2, is amended to read:

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

Sec. 4. Minnesota Statutes 1990, section 176.102, subdivision 3, is amended to read:

Subd. 3. [REVIEW PANEL.] There is created a rehabilitation review panel composed of the commissioner or a designee, who shall serve as an ex officio member, and ~~two three~~ members ~~each from~~ *who shall represent both employers, and insurers, rehabilitation, and medicine, one member representing chiropractors, and four one member representing medical doctors, three members representing labor, two members representing rehabilitation vendors, and five members representing qualified rehabilitation consultants.* The members shall be appointed by the commissioner and shall serve four-year terms which may be renewed. Compensation for members shall be governed by section 15.0575. The panel shall select a chair. The panel shall review and make a determination with respect to appeals from orders of the commissioner regarding certification approval of qualified rehabilitation consultants and vendors. The hearings are de novo and initiated by the panel under the contested case procedures of chapter 14, and are appealable to the workers' compensation court of appeals in the manner provided by section 176.421.

Sec. 5. Minnesota Statutes 1990, section 176.102, subdivision 3a, is amended to read:

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

and delivery, develop and recommend rehabilitation rules to the commissioner, and assist the commissioner in accomplishing public education.

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

Sec. 6. Minnesota Statutes 1990, section 176.102, subdivision 4, is amended to read:

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

For purposes of this section "lost work time" means only those days during which the employee would actually be working but for the injury. In the case of the construction industry, mining industry, or other industry where the hours and days of work are affected by seasonal conditions, "lost work time" shall be computed by using the normal schedule worked when employees are working full time. A rehabilitation consultation must be provided by the employer to an injured employee upon request of the employee, the employer, or the commissioner. If a rehabilitation consultation is requested, the employer shall provide a qualified rehabilitation consultant. If the injured employee objects to the employer's selection, the employee may select a qualified rehabilitation consultant of the employee's own choosing within 30 days following the first in-person contact between the employee and the original qualified rehabilitation consultant. If the consultation indicates that rehabilitation services are appropriate under subdivision 1, the employer shall provide the services. If the consultation indicates that rehabilitation services are not appropriate under subdivision 1, the employer shall notify the employee of this determination within seven days after the consultation.

(b) In order to assist the commissioner in determining whether or not to request rehabilitation consultation for an injured employee, an employer shall notify the commissioner whenever the employee's temporary total disability will likely exceed 13 weeks. The notification must be made within 90 days from the date of the injury or when the likelihood of at least a 13-week disability can be determined, whichever is earlier, and must include a current physician's report. The employer or insurer must notify the employee by certified mail of the right to rehabilitation consultation services within 90 days after the injury if the employee has not returned to work. The commissioner shall impose a reasonable fine on an employer or insurer that fails to notify the employee under this section.

(c) The qualified rehabilitation consultant appointed by the employer or insurer shall disclose in writing at the first meeting or written communication

with the employee any ownership interest or affiliation between the firm which employs the qualified rehabilitation consultant and the employer, insurer, adjusting or servicing company, including the nature and extent of the affiliation or interest. The consultant shall also disclose to all parties any affiliation, business referral or other arrangement between the consultant or the firm employing the consultant and any other party to, attorney, or health care provider involved in the case, including any attorneys, doctors, or chiropractors.

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

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

(1) once during the first 60 30 days following the first in-person contact between the employee and the original consultant;

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

(3) subsequent requests receipt by the employee of the rehabilitation plan developed under paragraph (e). Thereafter, the employee may request a different qualified rehabilitation consultant which shall be determined granted or denied by the commissioner or compensation judge according to the best interests of the parties.

(e) The employee and employer shall enter into a program if one is prescribed in develop a rehabilitation plan within 30 days of the rehabilitation consultation if the qualified rehabilitation consultant determines that rehabilitation is appropriate. A copy of the plan, including a target date for return to work, shall be submitted to the commissioner within 30 days after the plan has been developed.

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

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

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

Sec. 7. Minnesota Statutes 1990, section 176.102, subdivision 6, is amended to read:

Subd. 6. [PLAN, ELIGIBILITY FOR REHABILITATION, APPROVAL AND APPEAL.] The commissioner or a compensation judge shall determine eligibility for rehabilitation services and shall review, approve, modify, or reject rehabilitation plans developed under subdivision 4. The commissioner or a compensation judge shall also make determinations regarding rehabilitation issues not necessarily part of a plan including, but not limited to, determinations regarding whether an employee is eligible for further rehabilitation and the benefits under subdivisions 9 and 11 to which an employee is entitled. *A plan that is not completed within six months or after \$5,000 has been paid in rehabilitation benefits shall be specifically monitored by the commissioner. The commissioner shall review the progress of the plan and may take actions including, but not limited to, redirecting, amending, suspending, or terminating the plan. Activity under the plan shall not be discontinued solely because the plan is under review by the commissioner.*

Sec. 8. Minnesota Statutes 1990, section 176.102, subdivision 9, is amended to read:

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

- (a) Cost of rehabilitation evaluation and preparation of a plan;
- (b) Cost of all rehabilitation services and supplies necessary for implementation of the plan;
- (c) Reasonable cost of tuition, books, travel, and custodial day care; and, in addition, reasonable costs of board and lodging when rehabilitation requires residence away from the employee's customary residence;
- (d) Reasonable costs of travel and custodial day care during the job interview process;
- (e) Reasonable cost for moving expenses of the employee and family if a job is found in a geographic area beyond reasonable commuting distance after a diligent search within the present community. Relocation shall not be paid more than once during any rehabilitation program, and relocation shall not be required if the new job is located within the same standard metropolitan statistical area as the employee's job at the time of injury. An employee shall not be required to relocate and a refusal to relocate shall not result in a suspension or termination of compensation under this chapter; and

- (f) Any other expense agreed to be paid.

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

Sec. 9. Minnesota Statutes 1990, section 176.106, is amended by adding a subdivision to read:

Subd. 10. [LOCATION OF CONFERENCE.] *If personal attendance is required to fully determine issues, all conferences shall be held within 150 miles of the residence of the employee unless the issues do not relate to a dispute with the employee. In the discretion of the workers' compensation division a telephone conference may be ordered.*

Sec. 10. Minnesota Statutes 1990, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, PSYCHOLOGICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] (a) The employer shall furnish any medical, psychological, chiropractic, podiatric, surgical and hospital treatment, including nursing, *foreign language translation services*, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. *Except in an emergency or unless authorized by a compensation judge or the commissioner, treatment under this section must be provided by a health care provider certified by the commissioner and in accordance with standards under section 176.1351, subdivision 6. An employee may receive compensable medical treatment from a health care provider who is not certified under section 176.1351 if the provider maintains the employee's medical records and has a documented history of treatment with the employee; provided that the health care provider agrees to refer the injured employee to a certified managed care provider for any specialized treatment, including physical therapy, to be furnished by another provider that the employee may require, and provided that the health care provider agrees to comply with all the rules regarding service performed by certified managed care providers adopted by the commissioner. A provider who is not eligible for certification may provide treatment only under the direction of or upon referral from a certified provider and in accordance with section 176.1351, subdivision 6.*

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

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

(d) The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or refusal seasonably to ~~do so~~ provide the items required to be provided under this section, the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. ~~The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability.~~

~~(b)~~ (e) Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 176.106 and 176.305.

Sec. 11. Minnesota Statutes 1990, section 176.135, subdivision 6, is amended to read:

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

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

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

Sec. 12. Minnesota Statutes 1990, section 176.135, subdivision 7, is amended to read:

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

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

Sec. 13. [176.1351] [MANAGED CARE.]

Subdivision 1. [DEFINITION.] Managed care is medical service rendered or coordinated by a health care provider certified by the commissioner to treat injured employees in accordance with standards, procedures, and fees developed by the commissioner under this chapter.

Subd. 2. [ELIGIBILITY.] The commissioner shall develop a network of managed care providers. All health care providers as defined in section 176.011, subdivision 24, and other business entities are eligible for certification and must make written application to the commissioner to become

certified to provide managed care to injured employees for injuries and diseases compensable under this chapter. Notwithstanding any other law regulating access to patient care, providers who are not health care providers as defined in section 176.011, subdivision 24, may provide services for those injuries or diseases only under the direction of or upon referral from a certified provider.

After the rules for provider certification have been adopted and are effective, a provider must be certified in accordance with this section, or, if ineligible for certification, must provide services under the direction of or upon referral from a certified provider in order to receive payment for services rendered under section 176.135. A provider not in compliance with this section may not receive payment or attempt to collect from any source, including the employee, any insurer or self-insured employer, the special compensation fund, or any government program, except that retroactive certification may be permitted pursuant to guidelines established by rule, for up to one year after the service was provided unless otherwise ordered by the commissioner or compensation judge. A list of currently certified providers must be given to all self-insured employers and insurers. The list must be made available to others upon request. Employers shall post in a place easily visible to employees a list of certified health care providers in the area.

Subd. 3. [APPLICATION.] Each application for certification shall be accompanied by a reasonable fee determined by the commissioner to be sufficient to cover the cost of certification. The fee shall be deposited in the special compensation fund. A certificate is valid for the period the commissioner prescribes unless revoked or suspended. The application for certification must be made in the form and manner and set forth information the commissioner may prescribe. The application shall include, but not be limited to:

(a) the name of the health care provider who will provide services, together with appropriate evidence of compliance with any licensing, registration, or certification requirements for the provider to practice in this state;

(b) a description of the place and nature of the medical service to be provided;

(c) a signed acknowledgment form approved by the commissioner that the provider is familiar with and will comply with workers' compensation rules and laws pertaining to the services provided; and

(d) satisfactory evidence of the ability to comply with any requirements in subdivision 4 that the commissioner may prescribe.

Subd. 4. [CERTIFICATION.] Upon receipt of an application that meets the requirements of subdivision 3, the commissioner shall certify the health care provider within 30 days unless the commissioner by rule requires additional conditions for certification, which may include but are not limited to, whether the provider:

(a) proposes to provide services that meet quality, continuity, or other treatment or procedural standards required by the commissioner or this chapter;

(b) proposes to provide services in cooperation with employees, employers, insurers, and rehabilitation providers to promote workplace health and safety and expedite return to work for injured employees;

(c) provides a timely and accurate method of reporting information prescribed by the commissioner about medical and health care services cost and utilization; and

(d) complies with any other requirement the commissioner determines is necessary to provide quality cost-effective medical services and health care to injured employees.

Subd. 5. [REVOCAION, SUSPENSION, AND REFUSAL TO CERTIFY.] If the commissioner refuses to certify a health care provider or determines certification should be revoked or suspended for a violation of this chapter or rules adopted under this chapter, and the provider disagrees with the commissioner's determination, the provider may appeal to the medical services review board for a hearing with the procedure and right to appeal provided by section 176.103, subdivision 3, paragraph (b). The commissioner may report professional misconduct to an appropriate licensing board.

Subd. 6. [REVIEW.] The commissioner, in consultation with the medical services review board, shall develop utilization review and quality assurance procedures and standards that shall be applied by self-insured employers, insurers, the commissioner, and compensation judges in determining compensability of a medical service under this chapter. These standards and procedures must balance the need for medical cost containment with the need for quality medical care and must be based on accepted medical standards. The commissioner may adopt these standards and procedures by rule.

Subd. 7. [DATA PRIVACY.] Data generated by utilization review or quality assurance activities pursuant to this section including written reports, notes, or records, shall be private and shall not be disclosed or used in any action, suit, or proceeding except in the administration of this chapter.

Subd. 8. [PRIVILEGED COMMUNICATIONS.] A person participating in utilization review or quality assurance activities pursuant to this section shall not be examined about any communication made in the course of the activities or the findings, except in the administration of this chapter, nor shall any person be subject to an action for civil damages for affirmative actions taken or statements made in good faith.

Subd. 9. [MEDICAL RECORDS CONFIDENTIALITY.] This section shall not affect the confidentiality or admission in evidence of a claimant's medical treatment records.

Subd. 10. [RULES.] In addition to rules required by subdivision 6, the commissioner may consult with the commissioners of the department of health, department of commerce, and department of human services, and shall adopt rules necessary to carry out this section. The commissioners of the departments of health, commerce, and human services shall cooperate and consult with the commissioner upon request of the commissioner. The commissioner may contract with any person or organization to assist in the development of standards, procedures, or rules required or authorized by this section.

Sec. 14. Minnesota Statutes 1990, section 176.136, subdivision 1, is amended to read:

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

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

Sec. 15. Minnesota Statutes 1990, section 176.136, is amended by adding a subdivision to read:

Subd. 1a. [RELATIVE VALUE FEE SCHEDULE.] The liability of an employer for services included in the medical fee schedule is limited to the maximum fee allowed by the schedule in effect on the date of the medical service, or the provider's actual fee, whichever is lower. The medical fee schedule effective on October 1, 1990, shall remain in effect until the commissioner adopts a new schedule by permanent rule, but may remain in effect no later than June 1, 1993. The commissioner shall adopt permanent rules regulating fees allowable for medical, chiropractic, podiatric, surgical, hospital, and other health care provider treatment or services by implementing a relative value fee schedule to be effective on October 1, 1992, or as soon thereafter as possible. The schedule shall not apply to fees regulated by subdivision 1b. The conversion factors for the relative value fee schedule must reasonably reflect a 15 percent overall reduction from 1991 charges, based on a sample of the most common services billed in the first three months of 1991 that is large enough to be statistically valid.

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

Sec. 16. Minnesota Statutes 1990, section 176.136, is amended by adding a subdivision to read:

Subd. 1b. [LIMITATION OF LIABILITY.] (a) The liability of the employer for treatment, articles, and supplies provided to an employee while an inpatient at a small hospital shall be the hospital's usual and customary charge, unless the charge is determined by the commissioner or a compensation judge to be unreasonably excessive. A "small hospital," for purposes of this paragraph, is a hospital which has 50 or fewer licensed beds, including the licensed beds of all other hospitals owned in common with or

otherwise affiliated with it.

(b) The liability of the employer for the treatment, articles, and supplies that are not limited by subdivision 1a or paragraph (a) shall be limited to 80 percent of the provider's usual and customary charge, or 80 percent of the prevailing charges for similar treatment, articles, and supplies furnished to an injured person when paid for by the injured person, whichever is less. On this basis, the commissioner or compensation judge may determine the reasonable value of all treatment, services, and supplies, and the liability to the employer is limited to that amount.

Sec. 17. Minnesota Statutes 1990, section 176.136, subdivision 2, is amended to read:

Subd. 2. [EXCESSIVE FEES.] *(a) If the employer or insurer determines that the charge for a health service or medical service is excessive, no payment in excess of the reasonable charge for that service shall be made under this chapter nor may the A provider, including a hospital, may not collect or attempt to collect from the injured employee or any other insurer or government amounts in excess of the amount payable any charge or portion of a charge that is excessive under this chapter unless the commissioner, compensation judge, or court of appeals determines otherwise. In such a case, the health care provider may initiate an action under this chapter for recovery of the amounts deemed excessive by the employer or insurer, but the employer or insurer shall have the burden of proving excessiveness.*

(b) A charge for a health service or medical service is excessive if it is:

(1) in excess of the maximum permissible charge pursuant to this section or section 176.135;

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

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

(4) otherwise considered excessive or inappropriate pursuant to rules adopted under this chapter.

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

Sec. 18. Minnesota Statutes 1990, section 176.155, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYER'S PHYSICIAN.] *The injured employee must submit to examination by the employer's physician, if requested by the employer, and at reasonable times thereafter upon the employer's request. The examination must be scheduled at a location within 150 miles of the employee's residence unless the employer can show cause to the department to order an examination at a location further from the employee's residence. The employee is entitled upon request to have a personal physician present at any such examination. Each party shall defray the cost of that party's physician. Any report or written statement made by the employer's physician*

as a result of an examination of the employee, regardless of whether the examination preceded the injury or was made subsequent to the injury, shall be made available, upon request and without charge, to the injured employee or representative of the employee. The employer shall pay reasonable travel expenses incurred by the employee in attending the examination including mileage, parking, and, if necessary, lodging and meals. The employer shall also pay the employee for any lost wages resulting from attendance at the examination. A self-insured employer or insurer who is served with a claim petition pursuant to section 176.271, subdivision 1, or 176.291, shall schedule any necessary examinations of the employee, if an examination by the employer's physician or health care provider is necessary to evaluate benefits claimed. The examination shall be completed and the report of the examination shall be served on the employee and filed with the commissioner within 120 days of service of the claim petition.

No evidence relating to the examination or report shall be received or considered by the commissioner, a compensation judge, or the court of appeals in determining any issues unless the report has been served and filed as required by this section, unless a written extension has been granted by the commissioner or compensation judge. The commissioner or a compensation judge shall extend the time for completing the adverse examination and filing the report upon good cause shown. The extension must not be for the purpose of delay and the insurer must make a good faith effort to comply with this subdivision. Good cause shall include but is not limited to:

(1) that the extension is necessary because of the limited number of physicians or health care providers available with expertise in the particular injury or disease, or that the extension is necessary due to the complexity of the medical issues, or

(2) that the extension is necessary to gather additional information which was not included on the petition as required by section 176.291.

Sec. 19. Minnesota Statutes 1990, section 176.155, is amended by adding a subdivision to read:

Subd. 2a. [EXAMINATION FEES.] The commissioner, after consultation with the medical services review board, shall adopt rules establishing a single fee schedule for examinations under this section.

Sec. 20. Minnesota Statutes 1990, section 176.83, subdivision 5, is amended to read:

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

If it is determined by the payer that the level, frequency or cost of a procedure or service of a provider is excessive according to the standards established by the rules, the provider shall not be paid for the excessive procedure, service, or cost by an insurer, self-insurer, or group self-insurer, and the provider shall not be reimbursed or attempt to collect reimbursement for the excessive procedure, service, or cost from any other source, including

the employee, another insurer, the special compensation fund, or any government program unless the commissioner or compensation judge determines at a hearing or administrative conference that the level, frequency, or cost was not excessive in which case the insurer, self-insurer, or group self-insurer shall make the payment deemed reasonable.

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

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

Sec. 21. Minnesota Statutes 1990, section 176.83, is amended by adding a subdivision to read:

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

Sec. 22. Minnesota Statutes 1990, section 176.83, subdivision 6, is amended to read:

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

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

Sec. 23. [REPEALER.]

Minnesota Statutes 1990, section 176.136, subdivision 5, is repealed.

Sec. 24. [EFFECTIVE DATE.]

Sections 1 to 12 and 14 to 23 are effective October 1, 1991. Section 13 is effective July 1, 1992, except that the authority to adopt rules granted by subdivisions 6 and 10 is effective the day following final enactment.

ARTICLE 3 INSURANCE

Section 1. Minnesota Statutes 1990, section 79.252, is amended by adding a subdivision to read:

Subd. 6. [COVERAGE OUTSIDE STATE.] Policies issued by the assigned risk plan pursuant to this chapter may also provide workers' compensation coverage required under the laws of states other than Minnesota, including coverages commonly known as "all states coverage." The commissioner, on behalf of the assigned risk plan, may apply for and obtain any licensure required in any other state to issue that coverage.

Sec. 2. Minnesota Statutes 1990, section 176.185, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF COVERAGE, TERMINATION, CANCELLATION.] (a) Within ten days after the issuance of a policy of insurance covering the liability to pay compensation under this chapter written by an insurer licensed to insure such liability in this state, the insurer shall file notice of coverage with the commissioner under rules and on forms prescribed by the commissioner. No policy shall be canceled by the insurer within the policy period nor terminated upon its expiration date until a notice in writing is delivered or mailed to the insured and filed with the commissioner, fixing the date on which it is proposed to cancel it, or declaring that the insurer does not intend to renew the policy upon the expiration date. A cancellation or termination is not effective until 30 days after written notice has been filed with the commissioner in a manner prescribed by the commissioner unless prior to the expiration of the 30-day period the employer obtains other insurance coverage or an order exempting the employer from carrying insurance as provided in section 176.181. Upon receipt of the notice, the commissioner shall notify the insured that the insured must obtain coverage from some other licensed carrier and that, if unable to do so, the insured shall request the commissioner of commerce to require the issuance of a policy as provided in section 79.251, subdivision 4. Upon a cancellation or termination of a policy by the insurer, the employer is entitled to be assigned a policy in accordance with sections 79.251 and 79.252.

(b) Notice of cancellation or termination by the insured shall be served upon the insurer by written statement mailed or delivered to the insurer. Upon receipt of the notice, the insurer shall notify the commissioner of the cancellation or termination and the commissioner shall ask the employer for the reasons for the cancellation or termination and notify the employer of the duty under this chapter to insure the employer's employees.

(c) In addition to the requirements under paragraphs (a) and (b), with respect to any trucker employer in classification 7219, 7230, 7231, or 7360, or 8293 pursuant to the classification plan required to be filed under section 79.61, if the insurer or its agent has delivered or mailed a written certificate of insurance certifying that a policy in the name of a trucker employer under this paragraph is in force, then the insurer or its agent shall also deliver or mail written notice of any midterm cancellation to the trucker employer recipient of the certificate of insurance at the address listed on the certificate. If an insurer or its agent fails to mail or deliver notice of any midterm cancellation of the trucker employer's policy to the trucker employer recipient of the certificate of insurance, then the special compensation fund shall

indemnify and hold harmless the recipient from any award of benefits or other damages under this chapter resulting from the failure to give notice.

Sec. 3. Minnesota Statutes 1990, section 176A.03, is amended by adding a subdivision to read:

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

Sec. 4. [MANDATED REDUCTIONS.]

(a) As a result of the workers' compensation law changes in this act and the resulting savings to the costs of Minnesota's workers' compensation system, an insurer's approved schedule of rates in effect on October 1, 1991, must be reduced by 12 percent and applied by the insurer to all policies issued, renewed, or outstanding on or after that date. An insurer may not adjust its filed rating plan to recoup the 12 percent mandated rate reduction under this section. The reduction must be computed on the basis of a 12 percent premium reduction prorated from October 1, 1991, to the expiration of that policy. An insurer shall provide written notice by January 1, 1992, to all employers having an outstanding policy with the insurer as of October 1, 1991, to read as follows: "As a result of the changes in the workers' compensation insurance system enacted by the 1991 legislature, you are entitled to a credit or refund to your current premium in an amount of \$ which reflects a 12 percent mandated premium reduction prorated from October 1, 1991, to the expiration of your policy."

(b) No rating plan increases may be filed between April 1, 1991, and January 1, 1993.

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

Sec. 5. [TRUCK DRIVER CLASSIFICATIONS.]

The commissioner of commerce shall evaluate the current system of classification of truck drivers for workers' compensation rate purposes that separates truck drivers in classes 7219, 7380, and 8293 from the classifications for the vast majority of truck drivers employed in the private carrier industry as defined in Minnesota Statutes, section 221.011, subdivision 26. The commissioner shall determine if the classification is fair and equitable to employers of truck drivers in those three classes. If the commissioner determines that those classifications are not fair and equitable to those three classes, the commissioner shall make findings and issue an order correcting the unfairness or inequity.

Sec. 6. [EFFECTIVE DATE.]

Sections 1 and 3 are effective the day following final enactment. Section 2 is effective August 1, 1991. Section 4, paragraphs (a) and (c), are effective October 1, 1991. Section 4, paragraph (b), is effective the day following final

enactment and is retroactive to April 1, 1991.

ARTICLE 4

MISCELLANEOUS

Section 1. Minnesota Statutes 1990, section 176.191, subdivision 1, is amended to read:

Subdivision 1. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner, compensation judge, or court of appeals upon appeal shall direct, unless action is taken under subdivision 2, that one or more of the employers or insurers make payment of the benefits pending a determination of liability. A temporary order may be issued under this subdivision whether or not the employers or insurers agree to pay under the order.

When liability has been determined, the party held liable for the benefits shall be ordered to reimburse any other party for payments which the latter has made, including interest at the rate of ~~42 percent a year~~ *set by section 549.09*. The claimant shall also be awarded a reasonable attorney fee, to be paid by the party held liable for the benefits.

An order directing payment of benefits pending a determination of liability may not be used as evidence before a compensation judge, the workers' compensation court of appeals, or court in which the dispute is pending.

Sec. 2. Minnesota Statutes 1990, section 176.191, subdivision 2, is amended to read:

Subd. 2. Where compensation benefits are payable under this chapter, and a dispute exists between two or more employers or two or more insurers as to which is liable for payment, the commissioner or a compensation judge upon petition shall order, unless action is taken under subdivision 1, the special compensation fund established in section 176.131 to make payment of the benefits pending a determination of liability.

The personal injury for which the commissioner or a compensation judge shall order compensation from the special fund is not limited by section 176.131, subdivision 8.

When liability has been determined, the party held liable for benefits shall be ordered to reimburse the special compensation fund for payments made, including interest at the rate of ~~42 percent a year~~ *set by section 549.09*.

Sec. 3. Minnesota Statutes 1990, section 176.191, subdivision 3, is amended to read:

Subd. 3. If a dispute exists as to whether an employee's injury is compensable under this chapter and the employee is otherwise covered by an insurer pursuant to chapters 62A, 62C and 62D, that insurer shall pay any medical costs incurred by the employee for the injury up to the limits of the applicable coverage and shall make any disability payments otherwise payable by that insurer in the absence of or in addition to workers' compensation liability. If the injury is subsequently determined to be compensable pursuant to this chapter, the workers' compensation insurer shall be ordered to reimburse the insurer that made the payments for all payments made under this subdivision by the insurer, including interest at a ~~rate of 42 percent a year~~ *the rate set by section 549.09*. If a payment pursuant to this subdivision exceeds the reasonable value as permitted by sections

176.135 and 176.136, the provider shall reimburse the workers' compensation insurer for all the excess as provided by rules promulgated by the commissioner.

Sec. 4. Minnesota Statutes 1990, section 176.191, subdivision 4, is amended to read:

Subd. 4. If the employee's medical expenses for a personal injury are paid pursuant to any program administered by the commissioner of human services, or if the employee or spouse or dependents living with the employee receive subsistence or other payments pursuant to such a program, and it is subsequently determined that the injury is compensable pursuant to this chapter, the workers' compensation insurer shall reimburse the commissioner of human services for the payments made, including interest at a rate of 12 percent a year the rate set by section 549.09.

Amounts paid to an injured employee or spouse or dependents living with the employee pursuant to such a program and attributable to the personal injury shall be deducted from any settlement or award of compensation or benefits under this chapter, including, but not limited to, temporary and permanent disability benefits.

The insurer shall attempt, with due diligence, to ascertain whether payments have been made to an injured employee pursuant to such a program prior to any settlement or issuance of a binding award and shall notify the department of human services, benefit recovery section, when such payments have been made. An employee who has received public assistance payments shall notify the department of human services, benefit recovery section, of its potential intervention claim prior to making or settling a claim for benefits under this chapter. Notice served on local human services agencies is not sufficient to meet the notification requirement in this subdivision.

Sec. 5. [176.191] [DISPUTES; ARBITRATION.]

Subdivision 1. [BINDING ARBITRATION.] Where a dispute exists between an employee, employer, insurer, the special compensation fund, the reopened case fund, or the workers' compensation reinsurance association, regarding benefits payable under this chapter, the dispute may be submitted with consent of all interested parties to binding arbitration by a neutral arbitrator. The decision of the arbitrator shall be conclusive with respect to all issues presented except as provided in subdivisions 2 and 3. An arbitration award is admissible in any other proceeding under this chapter and is binding on the parties to the arbitration proceeding.

A person with material information of the matters to be arbitrated shall attend the arbitration proceeding if any party to the proceeding deems it necessary. Reasonable expenses of meals, lost wages, and travel of the employee or witnesses in attending shall be reimbursed on a pro rata basis. Arbitration costs shall be paid by the parties, except the employee, on a pro rata basis. Any issue in dispute may be submitted to arbitration. Issues not submitted to arbitration may be resolved by other available procedures.

Subd. 2. [INCONSISTENT AWARDS.] If the employee commences an action under this chapter for benefits arising out of the same injury which resulted in the dispute arbitrated under subdivision 1, and if the benefits awarded to the employee under the employee's claim are inconsistent with the arbitration decision, any increase in benefits over those paid pursuant to the arbitration proceeding is paid by the party or parties who ordinarily

would have been required to pay the increased benefits but for the arbitration. Any reimbursement from the employee of any decrease in benefits from those paid pursuant to the arbitration is paid to the party or parties who previously had paid the increased benefits. The provisions of this subdivision apply regardless of whether more or fewer employers and insurers or the special fund have been added or omitted as parties to the employee's subsequent action after arbitration.

Subd. 3. [ATTORNEY REPRESENTATION.] If an employee brings an action under the circumstances described in subdivision 2, the parties to the previous arbitration may be represented at the new action by a common or joint attorney.

Subd. 4. [ATTORNEY FEES.] No attorney's fees shall be awarded under either section 176.081, subdivision 8, or 176.191 against any employer or insurer in connection with any arbitration proceeding unless the employee chooses to retain an attorney to represent the employee's interests during arbitration.

Sec. 6. Minnesota Statutes 1990, section 176.221, subdivision 7, is amended to read:

Subd. 7. [INTEREST.] Any payment of compensation, charges for treatment under section 176.135, rehabilitation expenses under section 176.102, subdivision 9, or penalties assessed under this chapter not made when due shall bear interest at the rate of eight percent a year from the due date to the date the payment is made or the rate set by section 549.09, subdivision 1, whichever is greater.

For the purposes of this subdivision, permanent partial disability payment is due 14 days after receipt of the first medical report which contains a disability rating if such payment is otherwise due under this chapter, and charges for treatment under section 176.135 are due 30 calendar days after receiving the bill and necessary medical data.

If the claim of the employee or dependent for compensation is contested in a proceeding before a compensation judge, *arbitrator*, or the commissioner, the decision of the judge, *arbitrator*, or commissioner shall provide for the payment of unpaid interest on all compensation awarded, including interest accruing both before and after the filing of the decision.

Sec. 7. [176.325] [CERTIFIED QUESTION.]

Subdivision 1. [WHEN CERTIFIED.] The chief administrative law judge may certify a question of workers' compensation law to the workers' compensation court of appeals as important and doubtful under the following circumstances:

(1) all parties to the case have stipulated in writing to the facts;

(2) the issue to be resolved is a question of workers' compensation law that has not been resolved by the workers' compensation court of appeals or the Minnesota supreme court; and

(3) all parties request that the matter be resolved by certification to the workers' compensation court of appeals as an important and doubtful question.

Subd. 2. [SUPREME COURT REVIEW.] Review by the supreme court of any decision of the workers' compensation court of appeals pursuant to this section shall be pursuant to section 176.471.

Subd. 3. [EXPEDITED DECISION.] It is the legislature's intent that the workers' compensation court of appeals and the Minnesota supreme court resolve the certified question as expeditiously as possible, after compliance by the parties with any requirements of the workers' compensation court of appeals or the Minnesota supreme court regarding submission of legal memoranda, oral argument, or other matters, and after the participation of amicus curiae, should the workers' compensation court of appeals or Minnesota supreme court consider such participation advisable.

Subd. 4. [NOTICE.] The chief administrative law judge shall notify all persons who request to be notified of a certification under this section.

Sec. 8. [176.307] [COMPENSATION JUDGES; BLOCK SYSTEM.]

The chief administrative law judge must assign workers' compensation cases to compensation judges using a block system type of assignment that, among other things, ensures that a case will remain with the same judge from commencement to conclusion unless the judge is removed from the case by exercise of a legal right of a party or by incapacity. The block system must be the principal means of assigning cases, but it may be supplemented by other systems of case assignment to ensure that cases are timely decided.

Sec. 9. [REPEALER.]

Minnesota Statutes 1990, section 176.191, subdivisions 5, 6, 7, and 8, are repealed.

Sec. 10. [EFFECTIVE DATE.]

Sections 1 to 6, 8, and 9 are effective July 1, 1991. Section 7 is effective October 1, 1991.

ARTICLE 5

COMMISSION ON WORKERS' COMPENSATION

Section 1. [175.0075] [COMMISSION ON WORKERS' COMPENSATION.]

Subdivision 1. [CREATION; COMPOSITION.] (a) There is created a permanent commission on workers' compensation consisting of ten voting members as follows: the president of the Minnesota chamber of commerce; the president of the Minnesota AFL-CIO; four additional members representing business and four additional members representing labor. The presidents of the Minnesota chamber of commerce and Minnesota AFL-CIO shall serve as commission co-chairs. The governor shall select four members: two representing business and two representing labor. One of the business representatives the governor selects must be the owner or operator of a small employer as defined in section 177.24, subdivision 1, paragraph (a), clause (2). The majority leader of the senate shall select two members: one representing business and one representing labor. The speaker of the house of representatives shall select two members: one representing business and one representing labor. Each co-chair shall appoint an alternate. The governor, senate majority leader, and speaker of the house shall appoint alternates for each member they appoint. Alternates shall serve in the absence of the member they replace. All labor representatives and alternates selected must be elected or appointed officials of the AFL-CIO or any of its affiliates.

(b) The additional voting members shall serve for terms of five years and may be reappointed. The commissioner of labor and industry shall serve as an ex officio, nonvoting member of the commission.

(c) The commission shall designate liaisons to the commission representing workers' compensation insurers; medical, hospital, and rehabilitation providers; and the legal profession. The speaker and minority leader of the house of representatives shall appoint a member of their respective caucus as a liaison to the commission. The majority and minority leaders of the senate shall appoint a member of their respective caucus to serve as a liaison to the commission.

Subd. 2. [EXPENSES.] Commission members shall serve without pay but are entitled to per diem and reimbursement for expenses as provided under section 15.059.

Subd. 3. [DUTIES.] (a) The commission shall thoroughly examine all elements of Minnesota's current system of workers' compensation and make specific recommendations for reform to the legislature with respect to the development of a workers' compensation system that fairly and justly serves injured workers in this state, at a cost that is affordable by Minnesota employers. The commission shall also advise the department of labor and industry in carrying out the purposes of chapter 176.

(b) In order to carry out its duties and responsibilities in an effective manner, the commission may consult with any government official or employee or other party.

(c) The commission shall submit its findings and recommendations to the legislature with respect to amendments to this chapter by February 1 of each year, and shall also report its views upon any pending bill relating to chapter 176 to the proper legislative committees.

(d) At the request of the chairpersons of the senate employment committee and the house labor-management relations committee, the commission shall schedule meetings with members of those respective committees to review and discuss matters of legislative concern arising under chapter 176.

Subd. 4. [MEETINGS; VOTING.] (a) The commission shall meet as frequently as necessary to carry out its duties and responsibilities. The commission shall also conduct public hearings throughout the state as may be necessary to give interested persons an opportunity to comment and make suggestions on the operation of the state's workers' compensation law.

(b) The meetings of the commission are subject to the state's open meeting law, section 471.705; except that, the five employer voting members and the five labor voting members may meet in separate closed caucuses for the purpose of deliberating on matters before the commission. All votes of the commission must be public and recorded.

Subd. 5. [EXECUTIVE DIRECTOR.] (a) The commission shall employ an executive director for the commission, who shall be a state employee in the unclassified service and participate in the state unclassified employee retirement program. The range of salary and the salary level within it for the executive director shall be set by the commission. The executive director shall serve at the pleasure of the commission.

(b) The executive director shall provide administrative support and information to the commission in order to allow it to monitor all elements of Minnesota's workers' compensation system. Specific duties of the executive director shall include:

(1) examining the activities of the various entities involved in Minnesota's

workers' compensation system and identifying problem areas for the commission's consideration;

(2) identifying trends and developments in the workers' compensation law of other states, and reporting to the commission on issues that are developing and solutions that are being proposed or attempted;

(3) monitoring the decisions of Minnesota courts, including the workers' compensation court of appeals and the supreme court, to determine the impact of court decisions on the workers' compensation system;

(4) monitoring workers' compensation research activities and bringing important research findings and recommendations to the attention of the commission; and

(5) conducting other activities and duties as may be requested by the commission.

Subd. 6. [ADMINISTRATIVE SUPPORT.] The commissioner of labor and industry shall supply necessary office space, supplies, and staff support to assist the commission and its executive director in their duties.

Subd. 7. [CONSULTANTS.] The commission may contract with outside consultants having recognized expertise in the field of workers' compensation as may be needed to perform its duties and responsibilities.

Subd. 8. [APPROPRIATION.] The annual operating costs incurred by the commission in carrying out its duties and responsibilities must be charged to the state general fund.

Sec. 2. [CERTAIN INITIAL STUDIES.] In addition to any other studies and recommendations the commission on workers' compensation conducts and makes, the commission shall study the following issues:

(1) the provision of medical services through a managed care system and other methods to control rapidly rising medical costs;

(2) workplace safety and the safety programs of employers;

(3) eligibility for and the amount of supplementary benefits;

(4) the effect of local labor market conditions on benefit levels and eligibility;

(5) whether the workers' compensation court of appeals should be abolished and other issues related to litigation costs and frequency; and

(6) whether insurance rates should be regulated by a system of prior approval.

The listing of the items to be studied in this section is not intended to limit the commission's authority to study other issues related to workers' compensation nor to study these same issues again at another time.

The commission shall report the results of the studies required by this section and its recommendations to the legislature by February 1, 1992.

Sec. 3. [APPROPRIATION.]

\$300,000 is appropriated from the general fund for the biennium ending June 30, 1993, to the commission on workers' compensation for the purposes of carrying out its duties and responsibilities as provided under section 1.

Sec. 4. [REPEALER.]

Minnesota Statutes 1990, section 175.007, is repealed. Minnesota Statutes, chapters 79, 175A, and 176 are repealed effective July 1, 1993.

Sec. 5. [EFFECTIVE DATE.]

This article is effective July 1, 1991.

ARTICLE 6

WORKERS' COMPENSATION REHABILITATION PROGRAM

Section 1. [VOCATIONAL REHABILITATION.]

The responsibilities of the workers' compensation program of the rehabilitation services division of the department of jobs and training are transferred to the department of labor and industry pursuant to Minnesota Statutes, section 15.039. The transferred employees shall constitute the vocational rehabilitation unit of the department of labor and industry.

Sec. 2. Minnesota Statutes 1990, section 176.104, subdivision 1, is amended to read:

Subdivision 1. [DISPUTE.] If there exists a dispute regarding medical causation or whether an injury arose out of and in the course and scope of employment and an employee has been disabled for the requisite time under section 176.102, subdivision 4, prior to determination of liability, the employee shall be referred by the commissioner to the ~~division of department's~~ vocational rehabilitation unit which shall provide rehabilitation consultation if appropriate. The services provided by the ~~division of department's~~ vocational rehabilitation unit and the scope and term of the rehabilitation are governed by section 176.102 and rules adopted pursuant to that section. Rehabilitation costs and services under this subdivision shall be monitored by the commissioner.

Sec. 3. Minnesota Statutes 1990, section 176.1041, is amended to read:

176.1041 [CERTIFICATION FOR FEDERAL TAX CREDIT.]

Subdivision 1. [CERTIFICATION PROGRAM.] The ~~division of~~ vocational rehabilitation unit shall establish a program authorizing qualified rehabilitation consultants and approved vendors to refer an employee to the ~~division unit~~ for the sole purpose of federal targeted jobs tax credit eligibility determination. The ~~division unit~~ shall set forth the specific requirements, procedures and eligibility criteria for purposes of this section. The ~~division unit~~ shall not be required to certify an injured employee who does not meet the eligibility requirements set forth in the federal Rehabilitation Act of 1973, as amended.

Subd. 2. [FEE.] The ~~division unit~~ is authorized to collect a fee from the qualified rehabilitation consultant or approved vendor in the amount necessary to determine eligibility and to certify an employee for this program.

Sec. 4. Minnesota Statutes 1990, section 268A.03, is amended to read:

268A.03 [POWERS AND DUTIES.]

The commissioner shall:

(a) certify the rehabilitation facilities to offer extended employment programs, grant funds to the extended employment programs, and perform the duties as specified in section 268A.09;

(b) provide vocational rehabilitation services to persons with disabilities

in accordance with the state plan for vocational rehabilitation. These services include but are not limited to: diagnostic and related services incidental to determination of eligibility for services to be provided, including medical diagnosis and vocational diagnosis; vocational counseling, training and instruction, including personal adjustment training; physical restoration, including corrective surgery, therapeutic treatment, hospitalization and prosthetic and orthotic devices, all of which shall be obtained from appropriate established agencies; transportation; occupational and business licenses or permits, customary tools and equipment; maintenance; books, supplies, and training materials; initial stocks and supplies; placement; on-the-job skill training and time-limited postemployment services leading to supported employment; acquisition of vending stands or other equipment, initial stocks and supplies for small business enterprises; supervision and management of small business enterprises, merchandising programs, or services rendered by severely disabled persons. Persons with a disability are entitled to free choice of vendor for any medical, dental, prosthetic, or orthotic services provided under this paragraph;

(c) expend funds and provide technical assistance for the establishment, improvement, maintenance, or extension of public and other nonprofit rehabilitation facilities or centers;

(d) ~~formulate plans of cooperation with the commissioner of labor and industry for providing services to workers covered under the workers' compensation act;~~

~~(e)~~ maintain a contractual or regulatory relationship with the United States as authorized by the Social Security Act, as amended. Under this relationship, the state will undertake to make determinations referred to in those public laws with respect to all individuals in Minnesota, or with respect to a class or classes of individuals in this state that is designated in the agreement at the state's request. It is the purpose of this relationship to permit the citizens of this state to obtain all benefits available under federal law;

~~(f)~~ (e) provide an in-service training program for division of rehabilitation services employees by paying for its direct costs with state and federal funds;

~~(g)~~ (f) conduct research and demonstration projects; provide training and instruction, including establishment and maintenance of research fellowships and traineeships, along with all necessary stipends and allowances; disseminate information to persons with a disability and the general public; and provide technical assistance relating to vocational rehabilitation and independent living;

~~(h)~~ (g) receive and disburse pursuant to law money and gifts available from governmental and private sources including, but not limited to, the federal Department of Education and the Social Security Administration, for the purpose of vocational rehabilitation or independent living. ~~Money received from workers' compensation carriers for vocational rehabilitation services to injured workers must be deposited in the general fund;~~

~~(i)~~ (h) design all state plans for vocational rehabilitation or independent living services required as a condition to the receipt and disbursement of any money available from the federal government;

~~(j)~~ (i) cooperate with other public or private agencies or organizations for the purpose of vocational rehabilitation or independent living. Money

received from school districts, governmental subdivisions, mental health centers or boards, and private nonprofit organizations is appropriated to the commissioner for conducting joint or cooperative vocational rehabilitation or independent living programs;

~~(k)~~ (j) enter into contractual arrangements with instrumentalities of federal, state, or local government and with private individuals, organizations, agencies, or facilities with respect to providing vocational rehabilitation or independent living services;

~~(l)~~ (k) take other actions required by state and federal legislation relating to vocational rehabilitation, independent living, and disability determination programs;

~~(m)~~ (l) hire staff and arrange services and facilities necessary to perform the duties and powers specified in this section; and

~~(n)~~ (m) adopt, amend, suspend, or repeal rules necessary to implement or make specific programs that the commissioner by sections 268A.01 to 268A.10 is empowered to administer.

Sec. 5. [REPEALER.]

Minnesota Statutes 1990, section 268A.05, subdivision 2, is repealed.

Sec. 6. [EFFECTIVE DATE.]

This article is effective July 1, 1991.

ARTICLE 7

SELF-INSURANCE

Section 1. Minnesota Statutes 1990, section 79A.02, is amended by adding a subdivision to read:

Subd. 3. [AUDIT OF SELF-INSURANCE APPLICATION.] (a) The self-insurer's security fund shall retain a certified public accountant who shall perform services for, and report directly to, the commissioner of commerce. The certified public accountant shall review each application to self-insure, including the applicant's financial data. The certified public accountant shall provide a report to the commissioner of commerce indicating whether the applicant has met the requirements of section 79A.03, subdivisions 2 and 3. Additionally, the certified public accountant shall provide advice and counsel to the commissioner about relevant facts regarding the applicant's financial condition.

(b) If the report of the certified public accountant is used by the commissioner as the basis for the commissioner's determination regarding the applicant's self-insurance status, the certified public accountant shall be made available to the commissioner for any hearings or other proceedings arising from that determination.

(c) The commissioner shall provide the advisory committee with the summary report by the certified public accountant and any financial data in possession of the department of commerce that is otherwise available to the public.

The cost of the review shall be the obligation of the self-insurer's security fund.

Sec. 2. Minnesota Statutes 1990, section 79A.02, is amended by adding a subdivision to read:

Subd. 4. [RECOMMENDATIONS TO COMMISSIONER REGARDING REVOCATION.] After each fifth anniversary from the date each individual and group self-insurer becomes certified to self-insure, the committee shall review all relevant financial data filed with the department of commerce that is otherwise available to the public and make a recommendation to the commissioner about whether each self-insurer's certificate should be revoked.

Sec. 3. Minnesota Statutes 1990, section 79A.03, subdivision 3, is amended to read:

Subd. 3. [NET WORTH.] Each individual self-insurer shall have and maintain a net worth at least equal to the greater of ten times the retention limit selected with the workers' compensation reinsurance association or one-third the amount of the self-insurer's current annual modified premium. ~~The requirements of this subdivision shall be modified if the self-insurer can demonstrate through a reinsurance program, other than coverage provided by the workers' compensation reinsurance association, that it can pay expected losses without endangering the financial stability of the company.~~

Sec. 4. Minnesota Statutes 1990, section 79A.03, subdivision 7, is amended to read:

Subd. 7. [FINANCIAL STANDARDS.] A group proposing to self-insure shall have and maintain:

(a) A combined net worth of all of the members of an amount at least equal to the greater of ten times the retention selected with the workers' compensation reinsurance association or one-third of the current annual modified premium of the members. ~~The requirements of this paragraph shall be modified if the self-insurer can demonstrate that through excess insurance, other than coverage provided by the workers' compensation reinsurance association, it can pay expected losses.~~

(b) Sufficient assets, net worth, and liquidity to promptly and completely meet all obligations of its members under chapter 176 or this chapter. In determining whether a group is in sound financial condition, consideration shall be given to the combined net worth of the member companies; the consolidated long-term and short-term debt to equity ratios of the member companies; any excess insurance other than reinsurance with the workers' compensation reinsurance association, purchased by the group from an insurer licensed in Minnesota or from an authorized surplus line carrier; other financial data requested by the commissioner or submitted by the group; and the combined workers' compensation experience of the group for the last four years.

Sec. 5. Minnesota Statutes 1990, section 79A.03, subdivision 9, is amended to read:

Subd. 9. [FILING REPORTS.] (a) Incurred losses, paid and unpaid, specifying indemnity and medical losses by classification, payroll by classification, and current estimated outstanding liability for workers' compensation shall be reported to the commissioner by each self-insurer on a calendar year basis, in a manner and on forms available from the commissioner. Payroll information must be filed by April 1 of the following year, and loss information and total workers' compensation liability must be filed by August 1 of the following year.

(b) Each self-insurer shall, under oath, attest to the accuracy of each

report submitted pursuant to paragraph (a). Upon sufficient cause, the commissioner shall require the self-insurer to submit a certified audit of payroll and claim records conducted by an independent auditor approved by the commissioner, based on generally accepted accounting principles and generally accepted auditing standards, and supported by an actuarial review and opinion of the future contingent liabilities. The basis for sufficient cause shall include the following factors: where the losses reported appear significantly different from similar types of businesses; where major changes in the reports exist from year to year, which are not solely attributable to economic factors; or where the commissioner has reason to believe that the losses and payroll in the report do not accurately reflect the losses and payroll of that employer. If any discrepancy is found, the commissioner shall require changes in the self-insurer's or workers' compensation service company record keeping practices.

(c) With the annual loss report due August 1, each self-insurer shall report to the commissioner any workers' compensation claim from the previous year where the full, undiscounted value is estimated to exceed \$50,000, in a manner and on forms prescribed by the commissioner.

(d) Each individual self-insurer shall, within four months after the end of its fiscal year, annually file with the commissioner its latest 10K report required by the Securities and Exchange Commission. If an individual self-insurer does not prepare a 10K report, it shall file an annual certified financial statement, together with such other financial information as the commissioner may require to substantiate data in the financial statement.

(e) Each group self-insurer shall, within ~~four~~ six months after the end of the fiscal year for that group, annually file a statement showing the combined net worth of its members based upon an accounting review performed by a certified public accountant, together with such other financial information the commissioner may require to substantiate data in the group's summary statement.

(f) In addition to the financial statements required by paragraphs (d) and (e), interim financial statements or 10Q reports required by the Securities and Exchange Commission may be required by the commissioner upon an indication that there has been deterioration in the self-insurer's financial condition, including a worsening of current ratio, lessening of net worth, net loss of income, the downgrading of the company's bond rating, or any other significant change that may adversely affect the self-insurer's ability to pay expected losses. Any self-insurer that files an 8K report with the Securities and Exchange Commission shall also file a copy of the report with the commissioner within 30 days of the filing with the Securities and Exchange Commission.

Sec. 6. Minnesota Statutes 1990, section 79A.04, subdivision 2, is amended to read:

Subd. 2. [MINIMUM DEPOSIT.] The minimum deposit is 110 percent of the private self-insurer's estimated future liability. Up to ten percent of that deposit may be used to secure payment of all administrative and legal costs relating to or arising from the employer's self-insuring. As used in this section, "private self-insurers' estimated future liability" means the private self-insurers' total of estimated future liability as determined by a member of the casualty actuarial society ~~every two years for nongroup~~

~~member private self-insurers, and every year for group member private self-insurers and, for a nongroup member private self-insurer's authority to self-insure, every year for the first five years. After the first five years, the nongroup member's total shall be as determined by a member of the casualty actuarial society every two years, and each such actuarial study shall include a projection of future losses during the two-year period until the next scheduled actuarial study, less payments anticipated to be made during that time.~~ Estimated future liability is determined by first taking the total amount of the self-insured's future liability of workers' compensation claims and then deducting the total amount which is estimated to be returned to the self-insurer from any specific excess insurance coverage, aggregate excess insurance coverage, and any supplementary benefits or second injury benefits which are estimated to be reimbursed by the special compensation fund. Supplementary benefits or second injury benefits will not be reimbursed by the special compensation fund unless the special compensation fund assessment pursuant to section 176.129 is paid and the reports required thereunder are filed with the special compensation fund. In the case of surety bonds, bonds shall secure administrative and legal costs in addition to the liability for payment of compensation reflected on the face of the bond. In no event shall the security be less than the last retention limit selected by the self-insurer with the workers' compensation reinsurance association. The posting or depositing of security pursuant to this section shall release all previously posted or deposited security from any obligations under the posting or depositing and any surety bond so released shall be returned to the surety. Any other security shall be returned to the depositor or the person posting the bond.

Sec. 7. Minnesota Statutes 1990, section 79A.06, subdivision 5, is amended to read:

Subd. 5. [PRIVATE EMPLOYERS WHO HAVE CEASED TO BE SELF-INSURED.] Private employers who have ceased to be private self-insurers shall discharge their continuing obligations to secure the payment of compensation which is accrued during the period of self-insurance, for purposes of Laws 1988, chapter 674, sections 1 to 21, by compliance with all of the following obligations of current certificate holders:

(1) Filing reports with the commissioner to carry out the requirements of this chapter;

(2) Depositing and maintaining a security deposit for accrued liability for the payment of any compensation which may become due, pursuant to chapter 176. However, if a private employer who has ceased to be a private self-insurer purchases an insurance policy from an insurer authorized to transact workers' compensation insurance in this state which provides coverage of all claims for compensation arising out of injuries occurring during the period the employer was self-insured, whether or not reported during that period, the policy will discharge the obligation of the employer to maintain a security deposit for the payment of the claims covered under the policy. The policy may not be issued by an insurer unless it has previously been approved as to form and substance by the commissioner; and

(3) Paying within 30 days all assessments of which notice is sent by the security fund, for a period of seven years from the last day its certificate of self-insurance was in effect. Thereafter, the private employer who has ceased to be a private self-insurer may either: (a) continue to pay within 30 days all assessments of which notice is sent by the security fund until

it has no incurred liabilities for the payment of compensation arising out of injuries during the period of self-insurance; or (b) pay the security fund a cash payment equal to four percent of the net present value of all remaining incurred liabilities for the payment of compensation under sections 176.101 and 176.111 as certified by a member of the casualty actuarial society. Assessments shall be based on the benefits paid by the employer during the ~~last full~~ calendar year of self-insurance ~~on claims incurred during that year~~ immediately preceding the calendar year in which the employer's right to self-insure is terminated or withdrawn.

In addition to proceedings to establish liabilities and penalties otherwise provided, a failure to comply may be the subject of a proceeding before the commissioner. An appeal from the commissioner's determination may be taken pursuant to the contested case procedures of chapter 14 within 30 days of the commissioner's written determination.

Any current or past member of the self-insurers' security fund is subject to service of process on any claim arising out of chapter 176 or this chapter in the manner provided by section 303.13, subdivision 1, clause (3), or as otherwise provided by law. The issuance of a certificate to self-insure to the private self-insured employer shall be deemed to be the agreement that any process which is served in accordance with this section shall be of the same legal force and effect as if served personally within this state.

Sec. 8. [79A.071] [CUSTODIAL ACCOUNTS.]

Subdivision 1. [DEPOSIT.] All securities shall be deposited with the state treasurer or in a custodial account with a depository institution acceptable to the state treasurer. Surety bonds shall be filed with the commissioner. The commissioner and the state treasurer may sell or collect, in the case of default of the employer or fund, the amount that yields sufficient funds to pay compensation due under the workers' compensation act.

Subd. 2. [ASSIGNMENT.] Securities in physical form deposited with the state treasurer must bear the following assignment, which shall be signed by an officer, partner, or owner: "Assigned to the state of Minnesota for the benefit of injured employees of the self-insured employer under the Minnesota workers' compensation act." Any securities held in a custodial account, whether in physical form, book entry, or other form, need not bear the assignment language. The instrument or contract creating and governing any custodial account must contain the following assignment language: "This account is assigned to the state treasurer by the Company to pay compensation and perform the obligations of employers imposed under Minnesota Statutes, chapter 176. A depositor or other party has no right, title, or interest in the security deposited in the account until released by the state."

Subd. 3. [CUSTODY.] All securities in physical form on deposit with the state treasurer and surety bonds on deposit shall remain in the custody of the state treasurer or the commissioner for a period of time dictated by the applicable statute of limitations provided in the workers' compensation act. All original instruments and contracts creating and governing custodial accounts shall remain with the state treasurer or the commissioner for a period of time dictated by the applicable statute of limitations provided in the workers' compensation act.

Subd. 4. [RELEASE.] No securities in physical form on deposit with the state treasurer or custodial accounts assigned to the state shall be released

without an order from the commissioner.

Subd. 5. [EXCHANGING OR REPLACING.] Any securities deposited with the state treasurer or with a custodial account assigned to the state treasurer or surety bonds held by the commissioner may be exchanged or replaced by the depositor with other acceptable securities or surety bonds of like amount so long as the market value of the securities or amount of the surety bond equals or exceeds the amount of deposit required. If securities are replaced by a surety bond, the self-insurer must maintain securities on deposit in an amount sufficient to meet all outstanding workers' compensation liability arising during the period covered by the deposit of the replaced securities, subject to the limitations on maximum security deposits established in Minnesota Rules, part 2780.2600.

Sec. 9. [REPEALER.]

Minnesota Rules, part 2780.0400, subparts 2, 3, 6, 7, and 8, are repealed."

Delete the title and insert:

"A bill for an act relating to workers' compensation; regulating benefits and insurance; establishing a permanent commission on workers' compensation; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 79.252, by adding a subdivision; 79A.02, by adding subdivisions; 79A.03, subdivisions 3, 7, and 9; 79A.04, subdivision 2; 79A.06, subdivision 5; 176.011, subdivisions 3, 9, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivisions 1, 1a, 2, 3, 3a, 4, 6, 9, and 11; 176.104, subdivision 1; 176.1041; 176.106, by adding a subdivision; 176.111, subdivision 18; 176.135, subdivisions 1, 6, and 7; 176.136, subdivisions 1, 2, and by adding subdivisions; 176.155, subdivision 1, and by adding a subdivision; 176.185, subdivision 1; 176.191, subdivisions 1, 2, 3, and 4; 176.221, subdivision 7; 176.645, subdivisions 1 and 2; 176.83, subdivisions 5, 6, and by adding a subdivision; 176A.03, by adding a subdivision; 268A.03; proposing coding for new law in Minnesota Statutes, chapters 79A; 175; and 176; repealing Minnesota Statutes 1990, sections 175.007; 176.136, subdivision 5; 176.191; and 268A.05, subdivision 2; and Minnesota Statutes, chapters 79; 175A; and 176."

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

House Conferees: (Signed) Tom Rukavina, John J. Sarna, Ted Winter, Bob Anderson, Pat Beard

Senate Conferees: (Signed) Florian Chmielewski, Harold R. "Skip" Finn, Phil J. Riveness, Carol Flynn

Mr. Chmielewski moved that the foregoing recommendations and Conference Committee Report on H.F. No. 1422 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.

CALL OF THE SENATE

Mr. Chmielewski imposed a call of the Senate for the balance of the proceedings on H.F. No. 1422. The Sergeant at Arms was instructed to bring in the absent members.

H.F. No. 1422 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.

Mr. Moe, R.D. moved that those not voting be excused from voting. The motion prevailed.

The roll was called, and there were yeas 41 and nays 23, as follows:

Those who voted in the affirmative were:

Adkins	Flynn	Kroening	Novak	Solon
Beckman	Frank	Lessard	Pappas	Spear
Berglin	Frederickson, D.J.	Luther	Piper	Stumpf
Chmielewski	Hottinger	Marty	Pogemiller	Vickerman
Cohen	Hughes	Merriam	Price	Waldorf
Dahl	Johnson, D.E.	Metzen	Ranum	
Davis	Johnson, D.J.	Moe, R.D.	Reichgott	
DeCramer	Johnson, J.B.	Mondale	Riveness	
Finn	Kelly	Morse	Samuelson	

Those who voted in the negative were:

Belanger	Bertram	Halberg	Larson	Renneke
Benson, D.D.	Brataas	Johnston	McGowan	Sams
Benson, J.E.	Day	Knaak	Mehrkens	Storm
Berg	Frederickson, D.R.	Laidig	Neuville	
Bernhagen	Gustafson	Langseth	Pariseau	

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

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Davis moved that the following members be excused for a Conference Committee on H.F. No. 1 at 3:00 p.m.:

Messrs. Davis, Merriam, Berg, Renneke and Vickerman. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Marty moved that the following members be excused for a Conference Committee on S.F. No. 765 at 3:00 p.m.:

Mr. Marty, Ms. Flynn and Mrs. Benson, J.E. The motion prevailed.

CONFERENCE COMMITTEE EXCUSED

Pursuant to Rule 21, Mr. Merriam moved that the following members be excused for a Conference Committee on H.F. No. 459 from 3:00 to 3:40 p.m.:

Messrs. Merriam, Spear and Neuville. The motion prevailed.

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. 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; requiring the commissioner of transportation to include light rail transit facilities in the design for reconstruction of interstate highways I-94 and I-35W; requiring a report on metropolitan transportation development and transit development consistent with the report; authorizing the commissioner of transportation to plan, acquire, construct, and equip light rail transit facilities; creating a light rail transit joint powers board; establishing a paratransit advisory council; 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; 296.16, 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, chapters 161; 457A; and 473; repealing Laws 1989, chapter 339, section 21.

Senate File No. 598 is herewith returned to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned May 18, 1991

Mr. Langseth moved that the Senate do not concur in the amendments by the House to S.F. No. 598, 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 that the House refuses to concur in the Senate amendments to House File No. 930:

H.F. No. 930: A bill for an act relating to economic development; changing the name of the Greater Minnesota Corporation; adding duties; providing for a new structure for the board of directors; amending Minnesota Statutes

1990, sections 116O.03, subdivision 2; 116O.04, subdivision 2; 116O.05, subdivision 2; and 116O.09, subdivision 3, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 116O; repealing Minnesota Statutes 1990, sections 116J.970; 116J.971; and 116O.03, subdivision 2a.

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

Krueger, Bishop and Lourey have been appointed as such committee on the part of the House.

House File No. 930 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

Mr. Bernhagen moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 930, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 143:

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

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

Greenfield, Murphy and Anderson, R. have been appointed as such committee on the part of the House.

House File No. 143 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

Mr. Samuelson moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 143, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

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

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.

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

Ogren, Skoglund, Welle, Greenfield and Anderson, R. have been appointed as such committee on the part of the House.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

Ms. Berglin moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 2, and that a Conference Committee of 5 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 783:

H.F. No. 783: A bill for an act relating to health; modifying requirements for drilling, sealing, and construction of wells, borings, and elevator shafts; amending Minnesota Statutes 1990, sections 103I.005, subdivisions 2, 22, and by adding a subdivision; 103I.101, subdivisions 2, 4, 5, and 6; 103I.105; 103I.111, subdivisions 2b, 3, and by adding a subdivision; 103I.205, subdivisions 1, 3, 4, 7, 8, and 9; 103I.208, subdivision 2; 103I.231; 103I.235; 103I.301, subdivision 1, and by adding a subdivision; 103I.311, subdivision 3; 103I.331, subdivision 2; 103I.525, subdivisions 1, 4, 8, and 9; 103I.531, subdivisions 5, 8, and 9; 103I.535, subdivisions 8 and 9; 103I.541, subdivisions 4 and 5; 103I.545, subdivision 2; 103I.621, subdivision 3; 103I.701, subdivisions 1 and 4; 103I.705, subdivisions 2, 3, 4, and 5; and 103I.711, subdivision 1; repealing Minnesota Statutes 1990, section 103I.005, subdivision 18.

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

Bishop, Murphy and Munger have been appointed as such committee on the part of the House.

House File No. 783 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

Mr. Morse moved that the Senate accede to the request of the House for a Conference Committee on H.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 appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House refuses to concur in the Senate amendments to House File No. 833:

H.F. No. 833: A bill for an act relating to economic development; regulating the use of tax-exempt revenue bonds; amending Minnesota Statutes 1990, sections 474A.02, subdivisions 1, 2b, 7, 8, 19, and by adding subdivisions; 474A.03; 474A.04, subdivision 1a; 474A.047, subdivisions 1 and 3; 474A.061, subdivisions 1, 2a, 2b, 2c, 3, and 4; 474A.091, subdivisions 1, 2, 3 and 5; 474A.131, by adding a subdivision; 474A.15; 474A.16; and 474A.17; proposing coding for new law in Minnesota Statutes, chapters 462A and 462C; repealing Minnesota Statutes 1990, sections 474A.048; and 474A.081, subdivisions 1, 2, and 4.

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

Rest, Schreiber and Scheid have been appointed as such committee on the part of the House.

House File No. 833 is herewith transmitted to the Senate with the request that the Senate appoint a like committee.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

Mr. Pogemiller moved that the Senate accede to the request of the House for a Conference Committee on H.F. No. 833, and that a Conference Committee of 3 members be appointed by the Subcommittee on Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on House File No. 126, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 126 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 126

A bill for an act relating to highways; designating the Paul Bunyan Expressway from Little Falls through Cass Lake to Bemidji; amending Minnesota Statutes 1990, section 161.14, by adding a subdivision.

May 17, 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. 126, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments.

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

House Conferees: (Signed) Bob Johnson, Kris Hasskamp, Anthony G. "Tony" Kinkel

Senate Conferees: (Signed) Don Samuelson, Harold R. "Skip" Finn

Mr. Samuelson moved that the foregoing recommendations and Conference Committee Report on H.F. No. 126 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. 126 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 46 and nays 4, as follows:

Those who voted in the affirmative were:

Adkins	Day	Kelly	Mondale	Riveness
Beckman	Finn	Knaak	Morse	Sams
Belanger	Frank	Kroening	Neuville	Samuelson
Benson, D.D.	Frederickson, D.J.	Langseth	Olson	Solon
Benson, J.E.	Frederickson, D.R.	Larson	Pappas	Stumpf
Berglin	Gustafson	Lessard	Pariseau	Waldorf
Bernhagen	Halberg	Luther	Piper	
Bertram	Hottinger	Marty	Price	
Cohen	Hughes	Metzen	Ranum	
Dahl	Johnson, D.J.	Moe, R.D.	Reichgott	

Mr. DeCramer, Ms. Flynn, Johnston and Mr. Mehrkens voted in the negative.

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

MESSAGES FROM THE HOUSE - CONTINUED

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. 683, and repassed said bill in accordance with the report of the Committee, so adopted.

House File No. 683 is herewith transmitted to the Senate.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted May 18, 1991

CONFERENCE COMMITTEE REPORT ON H.F. NO. 683

A bill for an act relating to alcoholic beverages; prohibiting a retailer from having an interest in a manufacturer, brewer, or wholesaler; prohibiting a retailer from renting space to a manufacturer, brewer, or wholesaler; providing that brand registration is for a three-year period; specifying that club on-sale licenses are subject to approval of the commissioner of public safety; consolidating provisions of law relating to seasonal on-sale licenses; providing extended duration of seasonal licenses in certain counties; removing certain restrictions on location of off-sale and combination licenses issued by counties; clarifying law on issuance of off-sale licenses by counties; allowing gambling on licensed premises when governed by tribal ordinance or a tribal-state compact; clarifying language on certain prohibitions on issuance of multiple licenses and repealing obsolete provisions relating thereto; prohibiting off-site storage of intoxicating liquor; specifying applicability of license limits to certain fourth-class cities; changing the expiration date for consumption and display permits; raising the minimum age for keeping intoxicating liquor in bottle clubs; authorizing commissioner of public safety to impose civil penalties for conducting or permitting unlawful gambling on licensed premises, or for failure to remove impure products; specifying applicability to municipal liquor stores of prohibitions against permitting consumption of alcoholic beverages by underage persons; clarifying language on sales of intoxicating liquor on Christmas day; providing for Sunday liquor elections in counties; prohibiting sale of certain beverages of more than 50 percent alcohol content; authorizing commissioner of public safety to inspect alcoholic beverages for purity of contents and to order the removal of impure products; specifying that a split liquor referendum is not required for issuance of club licenses; repealing restrictions on wine sales at Minneapolis-St. Paul International Airport; authorizing issuance of an on-sale intoxicating malt liquor license in St. Louis county; authorizing the issuance of an on-sale intoxicating liquor license to a location in Duluth; amending Minnesota Statutes 1990, sections 340A.301, subdivision 7; 340A.311; 340A.402; 340A.404, subdivisions 1 and 6; 340A.405, subdivisions 2 and 6; 340A.408, subdivision 2; 340A.410, subdivision 5; 340A.412, subdivisions 2, 3, and by adding a subdivision; 340A.413, subdivision 1; 340A.414, subdivisions 4 and 8; 340A.415; 340A.503, subdivision 1; 340A.504, subdivisions 2 and 3; 340A.506; 340A.508, by adding a subdivision; 340A.601, subdivision 5; and 340A.604; proposing coding for new law in Minnesota Statutes, chapter 340A; repealing Minnesota Statutes 1990, section 340A.404, subdivision 6a.

May 15, 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. 683, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendments and that H.F. No. 683 be further amended as follows:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 340A.301, subdivision 7, is amended to read:

Subd. 7. [INTEREST IN OTHER BUSINESS.] (a) Except as provided in this subdivision, a holder of a license as a manufacturer, brewer, or wholesaler may not have any ownership, in whole or in part, in a business holding a retail intoxicating liquor or nonintoxicating malt liquor license; ~~but. The commissioner may not issue a license under this section to a manufacturer, brewer, or wholesaler if a retailer of intoxicating liquor has a direct or indirect interest in the manufacturer, brewer, or wholesaler.~~ A manufacturer or wholesaler of intoxicating liquor may use or have property rented for retail intoxicating liquor sales *only* if the manufacturer or wholesaler has owned the property continuously since November 1, 1933. *A retailer of intoxicating liquor may not use or have property rented for the manufacture or wholesaling of intoxicating liquor.*

(b) A licensed brewer of malt liquor described in subdivision 6, clause (d) may be issued an on-sale intoxicating liquor or nonintoxicating malt liquor license by a municipality for a restaurant operated in or immediately adjacent to the place of manufacture.

(c) Except as provided in subdivision 7a, no brewer as defined in subdivision 7a may have any interest, in whole or in part, directly or indirectly, in the license, business, assets, or corporate stock of a licensed malt liquor wholesaler.

Sec. 2. Minnesota Statutes 1990, section 340A.311, is amended to read:

340A.311 [BRAND REGISTRATION.]

(a) A brand of intoxicating liquor or nonintoxicating malt liquor may not be manufactured ~~or~~, imported into, *or sold in* the state unless the brand label has been registered with and approved by the commissioner. *A brand registration must be renewed every three years in order to remain in effect.* The fee for *an initial* brand registration is \$20. ~~The brand label of a brand of intoxicating liquor or nonintoxicating malt liquor which has not been sold in the state for two years or more must be reregistered before its sale can be resumed.~~ The brand label of a brand of intoxicating liquor or nonintoxicating malt liquor ~~which has not been sold in the state for at least three years for which the brand registration has expired,~~ is conclusively deemed abandoned by the manufacturer or importer.

(b) In this section “brand” and “brand label” include trademarks and designs used in connection with labels.

(c) ~~A brand~~ *The label of any brand of wine or intoxicating or nonintoxicating malt beverage may be registered only by the brand owner or authorized agent. No such brand may be imported into the state for sale without the consent of the brand owner or authorized agent. This section does not limit the provisions of section 340A.307.*

Sec. 3. Minnesota Statutes 1990, section 340A.402, is amended to read:
340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

(1) a person not a citizen of the United States or a resident alien;

(2) a person under 21 years of age;

(3) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; ~~or~~

(4) a person not of good moral character and repute; *or*

(5) *a person who has a direct or indirect interest in a manufacturer, brewer, or wholesaler.*

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 4. Minnesota Statutes 1990, section 340A.404, subdivision 1, is amended to read:

Subdivision 1. [CITIES.] A city may issue an on-sale intoxicating liquor license to the following establishments located within its jurisdiction:

(1) hotels;

(2) restaurants;

(3) bowling centers;

(4) clubs or congressionally chartered veterans organizations *with the approval of the commissioner*, provided that the organization has been in existence for at least three years and liquor sales will only be to members and bona fide guests;

(5) sports facilities located on land owned by the metropolitan sports commission; and

(6) exclusive liquor stores.

Sec. 5. Minnesota Statutes 1990, section 340A.404, subdivision 2, is amended to read:

Subd. 2. [SPECIAL PROVISION; CITY OF MINNEAPOLIS.] (a) The city of Minneapolis may issue an on-sale intoxicating liquor license to the Guthrie Theatre, the Cricket Theatre, the Orpheum Theatre, and the State

Theatre, notwithstanding the limitations of law, or local ordinance, or charter provision relating to zoning or school or church distances. The licenses authorize sales on all days of the week to holders of tickets for performances presented by the theatres and to members of the nonprofit corporations holding the licenses and to their guests.

(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision.

~~(c) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale intoxicating liquor licenses to the owner of the sports arena located at 600 First Avenue North in the city of Minneapolis or an entity holding a concessions contract with the owner for use on the premises of that sports arena. The license authorizes sales on all days of the week to holders of tickets for sporting events or other events at the sports arena and to the owner of the sports arena and the owner's guests. The licensee may not dispense intoxicating liquor to any person attending or participating in an amateur athletic event held on the premises.~~

Sec. 6. Minnesota Statutes 1990, section 340A.404, is amended by adding a subdivision to read:

Subd. 2a. [CITY OF MINNEAPOLIS; ARENA.] (a) Notwithstanding any other law, local ordinance, or charter provision, the city of Minneapolis may issue one or more on-sale or combination on-sale and off-sale intoxicating liquor licenses to the owner of the sports arena located at 600 First Avenue North in Minneapolis, or to an entity holding a concessions contract with the owner for use on the premises of that sports arena.

(b) The license authorizes sales on all days of the week to holders of tickets for events at the sports arena, and to the owners of the sports arena and the owners' guests.

(c) The licensee may not dispense intoxicating liquor to any person attending or participating in an amateur athletic event held on the premises unless such dispensing is authorized by the city. The city may not authorize the dispensing of intoxicating liquor at any event held under the auspices of the Minnesota state high school league.

(d) The license authorized by this subdivision may be issued for space that is not compact and contiguous, provided that all such space is within the sports arena building and is included in the description of the licensed premises on the approved license application.

(e) Notwithstanding any law or rule to the contrary, a person licensed to make off-sales within the sports arena building may deliver alcoholic beverages to rooms and suites within the sports arena building (1) between midnight and 8:00 a.m. on Monday through Thursday, and (2) between midnight and 8:00 a.m. and between 10:00 p.m. and midnight on Friday through Sunday. No delivery authorized by this paragraph may be made to a room or suite within the building at any time when an event utilizing the room or suite is in progress.

(f) The holder of a license issued under this subdivision may dispense intoxicating liquor in miniature bottles if the intoxicating liquor is poured from the miniature bottles, mixed into another beverage, and dispensed on the premises by employees of the licensee.

Sec. 7. Minnesota Statutes 1990, section 340A.404, subdivision 6, is amended to read:

Subd. 6. [COUNTIES.] (a) A county board may issue an annual on-sale intoxicating liquor license within the area of the county that is unorganized or unincorporated to a bowling center, restaurant, or club with the approval of the commissioner.

(b) A county board may also *with the approval of the commissioner* issue up to ten seasonal on-sale licenses *to restaurants and clubs* for the sale of intoxicating liquor within the area of the county that is unorganized or unincorporated ~~to a restaurant or club with the approval of the commissioner~~. Notwithstanding section 340A.412, subdivision 8, a seasonal license is valid for a period specified by the board, not to exceed ~~six~~ *nine* months. Not more than one license may be issued for any one premises during any consecutive 12-month period.

Sec. 8. Minnesota Statutes 1990, section 340A.405, subdivision 2, is amended to read:

Subd. 2. [COUNTIES.] (a) A county may issue an off-sale intoxicating license with the approval of the commissioner to exclusive liquor stores located within unorganized territory of the county.

(b) A county board of any county except Ramsey county containing a town exercising powers under section 368.01, subdivision 1, may issue an off-sale license to an exclusive liquor store within that town with the approval of the commissioner. No license may be issued under this paragraph unless the town board adopts a resolution supporting the issuance of the license.

(c) A county board of any county except Ramsey county containing a town that may not exercise powers under section 368.01, subdivision 1, may issue a combination off-sale and on-sale license to restaurants within that town with the approval of the commissioner pursuant to section 340A.404, subdivision 6. No license may be issued under this paragraph unless the town board adopts a resolution supporting the issuance of the license.

(d) No license may be issued under this subdivision unless a public hearing is held on the issuance of the license. Notice must be given to all interested parties and to any city located within three miles of the premises proposed to be licensed. At the hearing the county board shall consider testimony and exhibits presented by interested parties and may base its decision to issue or deny a license upon the nature of the business to be conducted and its impact upon any municipality, the character and reputation of the applicant, and the propriety of the location. Any hearing held under this paragraph is not subject to chapter 14.

(e) A county board may not issue a license under this subdivision to a person for an establishment located less than one mile by the most direct route from the boundary of any statutory or home rule city ~~except cities of the first class or within Pine, Carlton, Carver, Itasca, or Red Lake county within one mile of a statutory or home rule city with that had established a municipal liquor store before August 1, 1991, provided, that a county board may not issue a new license under this subdivision to a person for an establishment located less than three miles by the most direct route from the boundary of a city that (1) is located outside the metropolitan area as defined in section 473.121, subdivision 2, (2) has a population over 5,000~~

according to the most recent federal decennial census, and (3) had established a municipal liquor store before August 1, 1991.

(f) The town board may impose an additional license fee in an amount not to exceed 20 percent of the county license fee.

(g) Notwithstanding any provision of this subdivision or Laws 1973, chapter 566, as amended by Laws 1974, chapter 200, a county board may transfer or renew a license that was issued by a town board under Minnesota Statutes 1984, section 340.11, subdivision 10b, prior to January 1, 1985.

Sec. 9. Minnesota Statutes 1990, section 340A.405, subdivision 6, is amended to read:

Subd. 6. [AIRPORTS COMMISSION.] The metropolitan airports commission may with the approval of the commissioner issue licenses for the off-sale of ~~Minnesota-produced~~ wine at the Minneapolis-St. Paul International Airport.

Sec. 10. Minnesota Statutes 1990, section 340A.4055, is amended to read:

340A.4055 [LICENSES IN INDIAN COUNTRY.]

Notwithstanding any law to the contrary, on-sale or off-sale licenses for the sale of intoxicating liquor or nonintoxicating malt liquor issued by the governing body of an Indian tribe in accordance with United States Code, title 18, section 1161, to an Indian tribal member or Indian tribal entity for an establishment located within Indian country as defined under United States Code, title 18, section 1154, is valid ~~with the approval of the commissioner. The commissioner shall approve the license if the establishment has complied with sections 340A.402; 340A.409; 340A.410; subdivisions 4, 5, and 7; 340A.412; subdivisions 1 to 7, 9, and 10; 340A.413; 340A.501; 340A.502; 340A.503; 340A.504; and 340A.506.~~ When a license is issued under this section, the issuing authority shall notify the commissioner of public safety of the name and address of the licensee. Upon receipt of the notice, the commissioner shall issue a retailer's identification card to the licensee to permit the licensee to purchase distilled spirits, wine, or malt beverages. An establishment issued a license under this ~~subdivision~~ section is not required to obtain a license from any municipality, county, or town.

Sec. 11. Minnesota Statutes 1990, section 340A.408, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] (a) The license fee for a retail on-sale intoxicating liquor license is the fee set by the city or county issuing the license subject to the limitations imposed under this subdivision.

(b) The annual license fee for an on-sale intoxicating liquor license issued by a ~~city municipality~~ to a club must be no greater than:

- (1) \$300 for a club with under 200 members;
- (2) \$500 for a club with between 201 and 500 members;
- (3) \$650 for a club with between 501 and 1,000 members;
- (4) \$800 for a club with between 1,001 and 2,000 members;
- (5) \$1,000 for a club with between 2,001 and 4,000 members;
- (6) \$2,000 for a club with between 4,001 and 6,000 members; or

(7) \$3,000 for a club with over 6,000 members.

(c) The license fee for the issuance of a wine license may not exceed one-half of the license fee charged for an on-sale intoxicating liquor license, or \$2,000, whichever is less.

(d) The town board of a town in which an on-sale establishment has been licensed by a county may impose an additional license fee on each such establishment in an amount not to exceed 20 percent of the county license fee.

Sec. 12. Minnesota Statutes 1990, section 340A.410, subdivision 5, is amended to read:

Subd. 5. [GAMBLING PROHIBITED.] (a) No retail establishment licensed to sell alcoholic beverages may keep, possess, or operate, or permit the keeping, possession, or operation on the licensed premises of dice or any gambling device as defined in section 349.30, or permit gambling therein except as provided in this subdivision.

(b) Gambling equipment may be kept or operated and raffles conducted on licensed premises and adjoining rooms when the use of the gambling equipment is authorized ~~under by~~ (1) chapter 349, (2) *a tribal ordinance in conformity with the Indian Gaming Regulatory Act, Public Law Number 100-497, or* (3) *a tribal-state compact authorized under section 3.9221.*

(c) Lottery tickets may be purchased and sold within the licensed premises as authorized by the director of the lottery under chapter 349A.

Sec. 13. Minnesota Statutes 1990, section 340A.412, subdivision 2, is amended to read:

Subd. 2. [INVESTIGATION OF ON-SALE LICENSES.] (a) The city or county having jurisdiction over on-sale licenses to sell intoxicating liquor shall on initial application for an on-sale license or on application for a transfer of an existing license conduct a preliminary background and financial investigation of the applicant. The application must be in the form prescribed by the ~~bureau of criminal apprehension~~ *commissioner* and with any additional information as the governing body of the city or county having jurisdiction over the license requires. If the governing body of the city or county having jurisdiction determines or if the ~~bureau of criminal apprehension~~ *commissioner* on ~~its~~ *the commissioner's* own initiative determines that a comprehensive background and investigation of the applicant is necessary, the governing body may conduct the investigation itself or contract with the ~~bureau of criminal apprehension~~ *commissioner* for the investigation. In addition, an investigation may be required prior to renewal of an existing on-sale license when the governing body of the city or county deems it in the public interest. An investigation fee not to exceed \$500 shall be charged an applicant by the city or county if the investigation is conducted within the state, or the actual cost not to exceed \$10,000 if the investigation is required outside the state.

(b) No license may be issued, transferred, or renewed if the results of the investigation show, to the satisfaction of the governing body, that issuance, transfer, or renewal would not be in the public interest.

Sec. 14. Minnesota Statutes 1990, section 340A.412, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS ON ISSUANCE OF LICENSES TO ONE PERSON OR PLACE.] (a) No more than one off-sale intoxicating liquor license may be directly or indirectly issued to any one person or for any one place in each city or county.

(b) For the purpose of this subdivision, the term "interest":

(1) includes any pecuniary interest in the ownership, operation, management, or profits of a retail liquor establishment, and a person who receives money from time to time directly or indirectly from a licensee, in the absence of consideration and excluding gifts or donations, has a pecuniary interest in the retail license; and

(2) does not include loans; rental agreements; open accounts or other obligations held with or without security arising out of the ordinary and regular course of business of selling or leasing merchandise, fixtures, supplies to the establishment; an interest in a corporation owning or operating a hotel but having at least 150 or more rental units holding a liquor license in conjunction therewith; or ten percent or less interest in any other corporation holding a license.

(c) In determining whether an "interest" exists, the transaction must have been bona fide and the reasonable value of the goods and things received as consideration for a payment by the licensee and all other facts reasonably tending to prove or disprove the existence of a purposeful scheme or arrangement to evade the restrictions of this subdivision must be considered. A municipality may not issue more than one off-sale intoxicating liquor license to any one person or for any one place.

Sec. 15. Minnesota Statutes 1990, section 340A.412, is amended by adding a subdivision to read:

Subd. 12. [OFF-SITE STORAGE PROHIBITION.] A holder of a retail intoxicating liquor license or a municipal liquor store may not store any intoxicating liquor at any location other than the licensed premises except with the written permission of the commissioner.

Sec. 16. Minnesota Statutes 1990, section 340A.413, subdivision 1, is amended to read:

Subdivision 1. [ON-SALE LICENSES.] No on-sale intoxicating liquor license may be issued in any city except as provided in this section in excess of the following limits:

(1) in cities of the first class, one license for every 1,500 population, up to 200 licenses;

(2) in cities of the second class, not more than 18 licenses plus one for every 2,500 population over 45,000;

(3) in cities of the third class, not more than 12 licenses;

(4) in cities of the fourth class, *including cities whose acts of incorporation were repealed by Laws 1973, chapter 123, article V, section 5*, not more than seven licenses;

(5) in statutory cities of 5,000 to 10,000 population, not more than six licenses;

(6) in statutory cities of 2,500 to 5,000 population, not more than five licenses;

(7) in statutory cities of 500 to 2,500 population, not more than four licenses; and

(8) in statutory cities under 500 population, not more than three licenses.

Sec. 17. Minnesota Statutes 1990, section 340A.414, subdivision 4, is amended to read:

Subd. 4. [PERMIT EXPIRATION.] All permits issued under this section expire on ~~June 30~~ *March 31* of each year.

Sec. 18. Minnesota Statutes 1990, section 340A.414, subdivision 8, is amended to read:

Subd. 8. [LOCKERS.] A club issued a permit under this section may allow members to bring and keep a personal supply of intoxicating liquor in lockers on the club's premises. All bottles kept on the premises must have attached to it a label signed by the member. No person under ~~49~~ *21* years of age may keep a supply of intoxicating liquor on club premises.

Sec. 19. Minnesota Statutes 1990, section 340A.415, is amended to read:

340A.415 [LICENSE REVOCATION OR SUSPENSION.]

The authority issuing or approving any retail license or permit under this chapter shall either suspend for up to 60 days or revoke the license or permit or impose a civil fine not to exceed \$2,000 for each violation on a finding that the license or permit holder has failed to comply with an applicable statute, rule, or ordinance relating to alcoholic beverages. No suspension or revocation takes effect until the license or permit holder has been afforded an opportunity for a hearing under sections 14.57 to 14.69 of the administrative procedure act. This section does not require a political subdivision to conduct the hearing before an employee of the office of administrative hearing. The issuing authority or the commissioner may impose the penalties provided in this section on a retail licensee who knowingly (1) sells alcoholic beverages to another retail licensee for the purpose of resale, ~~or on a retail licensee who~~ (2) purchases alcoholic beverages from another retail licensee for the purpose of resale, (3) *conducts or permits the conduct of gambling on the licensed premises in violation of the law, or* (4) *fails to remove or dispose of alcoholic beverages when ordered by the commissioner to do so under section 24.*

Sec. 20. Minnesota Statutes 1990, section 340A.503, subdivision 1, is amended to read:

Subdivision 1. [CONSUMPTION.] It is unlawful for any:

(1) retail intoxicating liquor or nonintoxicating liquor licensee, *municipal liquor store*, or bottle club permit holder under section 340A.414, to permit any person under the age of 21 years to consume alcoholic beverages on the licensed premises *or within the municipal liquor store*; or

(2) person under the age of 21 years to consume any alcoholic beverages. If proven by a preponderance of the evidence, it is an affirmative defense to a violation of this clause that the defendant consumed the alcoholic beverage in the household of the defendant's parent or guardian and with the consent of the parent or guardian.

Sec. 21. Minnesota Statutes 1990, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating

liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m. and 8:00 a.m. on the days of Monday through Saturday;

(2) after 1:00 a.m. on Sundays, except as provided by subdivision 3;

(3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, ~~except as provided that when December 25 occurs on a Sunday on-sales on that day are governed by subdivision 3.~~

Sec. 22. Minnesota Statutes 1990, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and 1:00 a.m. on Mondays.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and 1:00 a.m. on Mondays, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) ~~A municipality~~ *city* may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the ~~municipality~~ *city* voting on the question at a general or special election. *A county may issue a Sunday intoxicating liquor license in a town only if authorized to do so by the voters of the town as provided in paragraph (e). A county may issue a Sunday intoxicating liquor license in unorganized territory only if authorized to do so by the voters of the election precinct that contains the licensed premises, voting on the question at a general or special election.*

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 23. Minnesota Statutes 1990, section 340A.506, is amended to read:

340A.506 [SALES OF ETHYL ALCOHOL AND NEUTRAL SPIRITS PROHIBITED.]

Subdivision 1. [ETHYL ALCOHOL; NEUTRAL SPIRITS.] No person may sell at retail for beverage purposes ethyl alcohol or neutral spirits, or substitutes thereof, possessing the taste, aroma, and characteristics generally attributed to ethyl alcohol or neutral spirits. Nothing in this section prohibits

the manufacture or sale of other products obtained by use of ethyl alcohol or neutral spirits as defined in United States Treasury Department, Bureau of Internal Revenue, Regulations 125, Article II, Standards of Identity for Distilled Spirits.

Subd. 2. [MAXIMUM ALCOHOL CONTENT.] No person may sell for beverage purposes any spirits, distilled from grain or corn, with an alcohol content of 80 percent or more, which equals 160 proof or more, unless such spirits have been aged in wood casks for not less than two years.

Sec. 24. Minnesota Statutes 1990, section 340A.508, is amended by adding a subdivision to read:

Subd. 3. [PURITY OF CONTENTS.] The commissioner may examine the contents of any container of alcoholic beverages on the premises of any licensee under this chapter or any municipal liquor store, for the purpose of determining the purity of the alcoholic beverages. The commissioner may remove any container, or remove all or part of the contents thereof, for the purpose of conducting tests of purity. The commissioner may order the removal from inventory of any container the contents of which fail to meet standards of purity established by rules adopted under this subdivision, and may order the disposal of the contents. The commissioner may adopt rules that (1) provide standards of purity for alcoholic beverages and procedures for testing for purity, and (2) govern the removal from inventory and disposal of alcoholic beverages that do not meet the commissioner's standards of purity.

Sec. 25. Minnesota Statutes 1990, section 340A.601, subdivision 5, is amended to read:

Subd. 5. [ISSUANCE OF LICENSES TO PRIVATE PERSONS.] A city owning and operating a municipal liquor store may issue on-sale liquor licenses to hotels, clubs, and restaurants. A city issuing on-sale licenses under this subdivision may continue to operate the municipal liquor store or may resume operation of a municipal liquor store previously discontinued.

The number of on-sale licenses issued under this section by a city is governed by section 340A.413.

A city may not issue licenses under this section, *other than a license issued to a club under section 340A.404, subdivision 1, clause (4)*, until authorized by the voters of the city voting on the question at a special election called for that purpose.

Sec. 26. Minnesota Statutes 1990, section 340A.604, is amended to read:

340A.604 [SUSPENSION OF OPERATION.]

A court shall notify the commissioner in writing within ten days whenever a municipal officer or employee has been convicted of any of the following offenses committed in a municipal liquor store:

- (1) selling alcoholic beverages to persons or at times prohibited by law;
 - (2) selling alcoholic beverages for resale;
 - (3) selling alcoholic beverages on which state taxes have not been paid;
- or
- (4) violating the provisions of section 340A.410, subdivision 6 5, relating to gambling and gambling devices.

On receiving the notice of conviction the commissioner may suspend for up to 30 days the operation of the municipal liquor store where the offense occurred. The commissioner must notify in writing the municipality operating the store of the effective dates of the suspension. An appeal of the suspension is a contested case under sections 14.57 to 14.69 of the administrative procedure act.

Sec. 27. [ST. LOUIS COUNTY LICENSE.]

Notwithstanding any law to the contrary, the St. Louis county board may issue a license for the on-sale of intoxicating malt liquor to an establishment located in township 61, range 18, section 29, parcel no. 2150010050251. The county board shall set the fee for the license. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section, apply to the license authorized by this section.

Sec. 28. [CITY OF ALEXANDRIA; SUNDAY LIQUOR LICENSE.]

Notwithstanding Minnesota Statutes, section 340A.504, subdivision 3, paragraph (d), the city of Alexandria may issue licenses authorizing on-sales of intoxicating liquor on Sunday to restaurants and bowling centers in the city without authorization by the voters of the city. All other provisions of Minnesota Statutes, chapter 340A, apply to a license issued under this section.

Sec. 29. [ON-SALE LICENSES; CITY OF VIRGINIA.]

Notwithstanding Minnesota Statutes, section 340A.413, subdivision 1, the city of Virginia may issue not more than 21 on-sale intoxicating liquor licenses. The licenses authorized by this section include any licenses which the city may issue by special law or by a referendum conducted under Minnesota Statutes, section 340A.413, subdivision 3, before the effective date of this section. All other provisions of Minnesota Statutes, chapter 340A, including section 340A.413, subdivision 4, not inconsistent with this section apply to licenses issued under this section.

Sec. 30. [ON-SALE LICENSES; CITY OF HIBBING.]

Notwithstanding Minnesota Statutes, section 340A.413, subdivision 1, the city of Hibbing may issue not more than 20 on-sale intoxicating liquor licenses. All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to licenses issued under this section.

Sec. 31. [INSTRUCTION TO REVISOR.]

The revisor of statutes shall change in the next and subsequent editions of Minnesota Statutes and Minnesota Rules the term "nonintoxicating malt liquor" wherever it occurs to "3.2 percent malt liquor."

Sec. 32. [TRANSITION.]

Notwithstanding Minnesota Statutes, section 340A.414, subdivision 4, all consumption and display permits issued by the commissioner of public safety that expire June 30, 1991, are extended and are valid until March 31, 1992.

Sec. 33. [REPEALER.]

Subdivision 1. [SEASONAL LICENSE AUTHORITY.] Minnesota Statutes 1990, section 340A.404, subdivision 6a, is repealed.

Subd. 2. [VIRGINIA SPECIAL LAW.] Laws 1974, chapter 501, section

1, is repealed.

Subd. 3. [HIBBING SPECIAL LAW.] Laws 1989, chapter 72, is repealed.

Sec. 34. [EFFECTIVE DATE.]

Section 8 applies to new licenses issued on or after August 1, 1991. Sections 17 and 30 are effective June 1, 1991. Section 27 is effective on approval of the St. Louis county board and compliance with Minnesota Statutes, section 645.021. Section 28 is effective on approval by the Alexandria city council and compliance with Minnesota Statutes, section 645.021. Sections 29 and 33, subdivision 2, are effective on approval by the Virginia city council and compliance with Minnesota Statutes, section 645.021. Sections 30 and 33, subdivision 3, are effective on approval by the Hibbing city council and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; prohibiting a retailer from having an interest in a manufacturer, brewer, or wholesaler; prohibiting a retailer from renting space to a manufacturer, brewer, or wholesaler; providing that brand registration is for a three-year period; specifying that club on-sale licenses are subject to approval of the commissioner of public safety; consolidating provisions of law relating to seasonal on-sale licenses; providing for sale of intoxicating liquor at a sports arena in Minneapolis; providing extended duration of seasonal licenses in certain counties; removing certain restrictions on location of off-sale and combination licenses issued by counties; providing for the issuance of retailer identification cards to certain licensees; clarifying law on issuance of off-sale licenses by counties; allowing gambling on licensed premises when governed by tribal ordinance or a tribal-state compact; clarifying language on certain prohibitions on issuance of multiple licenses and repealing obsolete provisions relating thereto; prohibiting off-site storage of intoxicating liquor; specifying applicability of license limits to certain fourth-class cities; changing the expiration date for consumption and display permits; raising the minimum age for keeping intoxicating liquor in bottle clubs; authorizing commissioner of public safety to impose civil penalties for conducting or permitting unlawful gambling on licensed premises, or for failure to remove impure products; specifying applicability to municipal liquor stores of prohibitions against permitting consumption of alcoholic beverages by underage persons; clarifying language on sales of intoxicating liquor on Christmas day; providing for Sunday liquor elections in counties; prohibiting sale of certain beverages; authorizing commissioner of public safety to inspect alcoholic beverages for purity of contents and to order the removal of impure products; specifying that a split liquor referendum is not required for issuance of club licenses; repealing restrictions on wine sales at Minneapolis-St. Paul International Airport; authorizing issuance of an on-sale intoxicating malt liquor license in St. Louis county; authorizing the issuance of on-sale Sunday liquor licenses by the city of Alexandria; specifying the number of on-sale licenses which may be issued in the cities of Virginia and Hibbing; changing the name of nonintoxicating malt liquor; amending Minnesota Statutes 1990, sections 340A.301, subdivision 7; 340A.311; 340A.402; 340A.404, subdivisions 1, 2, 6, and by adding a subdivision; 340A.405, subdivisions 2 and 6; 340A.4055; 340A.408, subdivision 2; 340A.410, subdivision 5; 340A.412, subdivisions 2, 3, and by adding a subdivision; 340A.413,

subdivision 1; 340A.414, subdivisions 4 and 8; 340A.415; 340A.503, subdivision 1; 340A.504, subdivisions 2 and 3; 340A.506; 340A.508, by adding a subdivision; 340A.601, subdivision 5; and 340A.604; repealing Minnesota Statutes 1990, section 340A.404, subdivision 6a; Laws 1974, chapter 501, section 1; and Laws 1989, chapter 72."

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

House Conferees: (Signed) Joel Jacobs, Jerry Janezich, Ben Boo

Senate Conferees: (Signed) Sam G. Solon, James P. Metzen, William V. Belanger, Jr.

Mr. Solon moved that the foregoing recommendations and Conference Committee Report on H.F. No. 683 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. 683 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 48 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Cohen	Hughes	Marty	Price
Beckman	Dahl	Johnson, J.B.	Metzen	Reichgott
Belanger	Day	Johnston	Moe, R.D.	Riveness
Benson, D.D.	DeCramer	Kelly	Mondale	Sams
Benson, J.E.	Finn	Knaak	Morse	Samuelson
Berglin	Flynn	Kroening	Neuville	Solon
Bernhagen	Frank	Laidig	Olson	Stumpf
Bertram	Frederickson, D.R.	Langseth	Pappas	Waldorf
Brataas	Gustafson	Larson	Pariseau	
Chmielewski	Hottinger	Lessard	Piper	

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

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 299 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 299: A bill for an act relating to state government; describing conditions of certain employee interchange programs; authorizing the continuation of surviving spouse benefits for local police and salaried firefighter relief associations in the event of remarriage; amending Minnesota Statutes 1990, section 15.53, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 352 and 423A.

Mr. Waldorf moved to amend H.F. No. 299, as amended pursuant to Rule 49, adopted by the Senate April 22, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 377.)

Page 1, after line 11, insert:

“ARTICLE 1”

Page 3, after line 1, insert:

“ARTICLE 2

SURVIVING SPOUSE BENEFIT MODIFICATIONS

Section 1. Minnesota Statutes 1990, section 3A.04, subdivision 1, is amended to read:

Subdivision 1. [SURVIVING SPOUSE.] Upon the death of a member of the legislature while serving as a member, or upon the death of a former legislator who has rendered at least the number of years of service as required by section 3A.02, subdivision 1, clause (1) and who was not receiving a retirement allowance, the surviving spouse shall be entitled to receive a survivor benefit in the amount of one-half of the retirement allowance of the member of the legislature or former legislator computed as though the member or former legislator had attained at least the normal retirement age on the date of death and based upon the average monthly salary as of the date of death or as of the date of termination, whichever is applicable, and the allowable service of the member or the former legislator or eight years, whichever is greater. The augmentation provided in section 3A.02, subdivision 4, if applicable, shall be applied from the first day of the month next following the date of termination of service as a member of the legislature to the month of death. Upon the death of a former legislator who was receiving a retirement allowance, the surviving spouse shall be entitled to one-half of the amount of the allowance being paid to the former legislator. The surviving spouse benefit shall be paid during the lifetime of the surviving spouse, ~~but shall cease and terminate upon the remarriage of the surviving spouse.~~

Sec. 2. Minnesota Statutes 1990, section 352B.11, subdivision 2, is amended to read:

Subd. 2. [DEATH; PAYMENT TO SPOUSE AND CHILDREN.] If a member serving actively as a member, a member receiving the disability benefit provided by section 352B.10, subdivision 1, or a former member receiving a disability benefit as provided by section 352B.10, subdivision 2, dies from any cause, the surviving spouse and dependent children are entitled to benefit payments as follows:

(a) A member with at least three years of allowable service is deemed to have elected a 100 percent joint and survivor annuity payable to a surviving spouse only on or after the date the member or former member became or would have become 55.

(b) The surviving spouse of a member who had credit for less than three years of service shall receive, for life, a monthly annuity equal to 50 percent of that part of the average monthly salary of the member from which deductions were made for retirement. ~~If the surviving spouse remarries, the annuity shall cease as of the date of the remarriage.~~

(c) The surviving spouse of a member who had credit for at least three years service and who died after becoming 55 years old, may elect to receive a 100 percent joint and survivor annuity, for life, notwithstanding a subsequent remarriage, in lieu of the annuity prescribed in paragraph (b).

(d) The surviving spouse of any member who had credit for three years or more and who was not 55 years old at death, shall receive the benefit

equal to 50 percent of the average monthly salary as described in clause (b) until the deceased member would have become 55 years old, and beginning the first of the month following that date, may elect to receive the 100 percent joint and survivor annuity. ~~If the surviving spouse remarries before the deceased member's 55th birth date, benefits or annuities shall cease as of the date of remarriage. Remarriage after the deceased member's 55th birthday shall not affect the payment of the benefit.~~

(e) Each dependent child shall receive a monthly annuity equal to ten percent of that part of the average monthly salary of the former member from which deductions were made for retirement. A dependent child over 18 and under 23 years of age also may receive the monthly benefit provided in this section, if the child is continuously attending an accredited school as a full-time student during the normal school year as determined by the director. If the child does not continuously attend school but separates from full-time attendance during any part of a school year, the annuity shall cease at the end of the month of separation. In addition, a payment of \$20 per month shall be prorated equally to surviving dependent children when the former member is survived by one or more dependent children. Payments for the benefit of any qualified dependent child must be made to the surviving spouse, or if there is none, to the legal guardian of the child. The maximum monthly benefit for any one family must not be less than 50 nor exceed 70 percent of the average monthly salary for any number of children.

(f) If the member dies under circumstances that entitle the surviving spouse and dependent children to receive benefits under the workers' compensation law, the workers' compensation benefits received by them must not be deducted from the benefits payable under this section.

(g) The surviving spouse of a deceased former member who had credit for three or more years of allowable service, but not the spouse of a former member receiving a disability benefit under section 352B.10, subdivision 2, is entitled to receive the 100 percent joint and survivor annuity at the time the deceased member would have become 55 years old; ~~if the surviving spouse has not remarried before that date.~~ If a former member dies who does not qualify for other benefits under this chapter, the surviving spouse or, if none, the children or heirs are entitled to a refund of the accumulated deductions left in the fund plus interest at the rate of six percent per year compounded annually.

Sec. 3. Minnesota Statutes 1990, section 352C.04, subdivision 1, is amended to read:

Subdivision 1. [SURVIVING SPOUSE BENEFIT.] Upon the death of a constitutional officer or commissioner while actively serving in office, or a former constitutional officer or commissioner with at least eight years of allowable service, the surviving spouse is entitled to a survivor benefit in the amount of one-half of the retirement allowance of the constitutional officer or commissioner or the former constitutional officer or commissioner computed as though the constitutional officer or commissioner or the former constitutional officer or commissioner were at least age 62 on the date of death and based upon the attained allowable service or eight years, whichever is greater. The augmentation provided in section 352C.033, if applicable, shall be applied to the month of death. Upon the death of a former constitutional officer or commissioner receiving a retirement allowance, the surviving spouse shall be entitled to one-half of the amount of the retirement allowance being paid to the former constitutional officer or commissioner

as of the date of death. The benefit shall be paid to a surviving spouse eligible therefor during the remainder of the spouse's natural life ~~or until remarriage. Upon remarriage, the spouse shall no longer be eligible for the benefit except as provided in section 356.31.~~

Sec. 4. Minnesota Statutes 1990, section 352C.04, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FOR SURVIVOR BENEFITS.] A surviving spouse or a guardian of the estate of the dependent child or children entitled to the payment of benefits under this section shall file an application for the benefit with the director, and payment shall commence as of the first day of the month next following the filing of the application and shall be retroactive to the first of the month following the death of the constitutional officer or commissioner or the former constitutional officer or commissioner; provided, however, that no payment shall be retroactive for more than 12 months prior to the month in which the application is filed with the director. Such benefits shall be paid on the first day of each calendar month for that month. The surviving spouse benefit shall cease with the payment for the month in which the surviving spouse dies ~~or remarries as the case may be~~. The dependent child's benefit shall cease with the payment for the month in which the child no longer qualifies for payment as a dependent child.

Sec. 5. Minnesota Statutes 1990, section 353.01, subdivision 20, is amended to read:

Subd. 20. [SURVIVING SPOUSE.] "Surviving spouse" means the ~~unre-~~~~married~~ spouse of a deceased member who was legally married to the member at the time of death, or at the time the member became totally and permanently disabled.

Sec. 6. Minnesota Statutes 1990, section 353.31, subdivision 1, is amended to read:

Subdivision 1. [BENEFITS FOR SURVIVING SPOUSE AND DEPENDENT CHILDREN; BEFORE RETIREMENT.] Upon the death of a basic member before retirement or upon the death of a basic member who was disabled and receiving disability benefits pursuant to section 353.33 at the time of death who has had at least 18 months of credited allowable service, the surviving spouse and dependent children of the member, as defined in section 353.01, subdivisions 15 and 20, shall be entitled to receive the monthly benefit provided below:

- | | |
|--------------------------|--|
| (a) Surviving spouse | 50 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |
| (b) Each dependent child | 10 percent of the member's monthly average salary in effect over the last full six months of allowable service preceding the month in which death occurred |

Payments for the benefit of any dependent child, as defined in section

353.01, subdivision 15, shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit for a family shall not exceed \$1,000, and the minimum benefit per family shall not be less than 50 percent of the basic member's specified average monthly salary, subject to the aforementioned maximum. ~~The surviving spouse benefit shall terminate upon the remarriage of the spouse, and~~ The dependent children's benefit shall be reduced pro tanto when any child is no longer dependent.

Any survivor of a basic member whose average salary was less than \$75 per month shall not be entitled to the benefits provided in this subdivision. Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to section 353.32, subdivision 1a.

Except for any benefits provided pursuant to section 353.32, subdivisions 1 and 1a, there are no survivor benefits payable to the surviving spouse or dependent children of a deceased coordinated member.

Sec. 7. Minnesota Statutes 1990, section 353.657, subdivision 2, is amended to read:

Subd. 2. The spouse, for life ~~or until remarriage~~, shall receive a monthly benefit equal to 50 percent of the member's average full-time monthly salary rate as a police officer or firefighter in effect over the last six months of allowable service preceding the month in which death occurred.

Sec. 8. Minnesota Statutes 1990, section 353B.11, subdivision 6, is amended to read:

Subd. 6. [DISCONTINUATION; SURVIVING SPOUSE BENEFIT.] (a) Except as specified in paragraph (b) or (c), a surviving spouse benefit shall terminate upon the death or the subsequent marriage of the person entitled to receive or receiving a surviving spouse benefit.

(b) A surviving spouse benefit shall terminate upon the subsequent marriage of the person entitled to receive or receiving a surviving spouse benefit but shall recommence at the appropriate amount without any retroactive payments in the event of the termination of the subsequent marriage for any reason for the former members of the following consolidating relief associations:

- (1) Albert Lea firefighters relief association;
- (2) Albert Lea police relief association;
- (3) Duluth firefighters relief association;
- (4) ~~Duluth police pension association;~~
- (5) Minneapolis fire department relief association;
- (6) (5) St. Paul fire department relief association; and
- (7) (6) St. Paul police relief association.

(c) A surviving spouse benefit shall terminate only upon the death of the person entitled to receive or receiving a surviving spouse benefit for the former members of the following consolidating relief associations:

- (1) *Anoka police relief association;*

- (2) *Buhl police relief association;*
- (3) *Chisholm fire department relief association;*
- (4) *Chisholm police relief association;*
- (5) *Crookston fire department relief association;*
- (6) *Duluth police relief association;*
- (7) *Faribault fire department relief association;*
- (8) *Hibbing firefighters relief association;*
- (9) *Hibbing police relief association;*
- (10) *Mankato fire department relief association;*
- ~~(2)~~ (11) *Red Wing fire department relief association;*
- (12) *Red Wing police relief association;*
- (13) *Rochester fire department relief association;*
- (14) *Rochester police relief association;*
- (15) *St. Cloud fire department relief association;*
- (16) *St. Louis Park fire department relief association;*
- (17) *St. Louis Park police relief association;*
- (18) *South St. Paul firefighters relief association;*
- ~~(3)~~ (19) *South St. Paul police relief association;*
- ~~(4)~~ (20) *West St. Paul firefighters relief association; and*
- ~~(5)~~ (21) *Winona fire department relief association; and*
- (22) *Winona police relief association.*

Sec. 9. Minnesota Statutes 1990, section 354.05, subdivision 15, is amended to read:

Subd. 15. [DEPENDENT SPOUSE.] "Dependent spouse" means the spouse of a deceased member who ~~has not remarried and~~ was living with and dependent upon the member at the time of death.

Sec. 10. Minnesota Statutes 1990, section 354.46, subdivision 1, is amended to read:

Subdivision 1. [BASIC PROGRAM; BENEFITS FOR SPOUSE AND CHILDREN OF TEACHER.] If a basic member who has at least 18 months of allowable service credit and who has an average salary as defined in section 354.44, subdivision 6, equal to or greater than \$75 dies prior to retirement or if a former basic member who, at the time of death, was totally and permanently disabled and receiving disability benefits pursuant to section 354.48 dies prior to attaining the age of 65 years, the surviving dependent spouse and dependent children of the basic member or former basic member shall be entitled to receive a monthly benefit as follows:

(a) Surviving
dependent

spouse 50 percent of the basic member's monthly
average salary paid in the last full
fiscal year preceding death

- (b) Each dependent child ten percent of the basic member's monthly average salary paid in the last full fiscal year preceding death

Payments for the benefit of any dependent child under the age of 22 years shall be made to the surviving parent, or if there be none, to the legal guardian of the child. The maximum monthly benefit shall not exceed \$1,000 for any one family, and the minimum benefit per family shall not be less than 50 percent of the basic member's average salary, subject to the foregoing maximum. ~~The surviving dependent spouse benefit shall terminate upon remarriage, and the surviving dependent children's benefit shall be reduced pro tanto when any surviving child is no longer dependent.~~

If the basic member and the surviving dependent spouse are killed in a common disaster and if the total of all survivors benefits payable pursuant to this subdivision is less than the accumulated deductions plus interest payable, the surviving dependent children shall receive the difference in a lump sum payment.

If the survivor benefits provided in this subdivision exceed in total the monthly average salary of the deceased basic member, these benefits shall be reduced to an amount equal to the deceased basic member's monthly average salary.

Prior to payment of any survivor benefit pursuant to this subdivision, in lieu of that benefit, the surviving dependent spouse may elect to receive the joint and survivor annuity provided pursuant to subdivision 2, or may elect to receive a refund of accumulated deductions with interest in a lump sum as provided pursuant to section 354.47, subdivision 1. If there are any surviving dependent children, the surviving dependent spouse may elect to receive the refund of accumulated deductions only with the consent of the district court of the district in which the surviving dependent child or children reside.

Sec. 11. Minnesota Statutes 1990, section 354A.011, subdivision 26, is amended to read:

Subd. 26. [SPOUSE.] "Spouse" means the person who was legally married to and living with the member immediately prior to the member's death ~~and who has not remarried subsequent to the member's death.~~

Sec. 12. [SURVIVING SPOUSE BENEFITS.]

Subdivision 1. Notwithstanding any laws to the contrary, the benefit payable to the surviving spouse of a deceased deferred or deceased retired former member of the following consolidated relief associations is as specified in subdivision 2:

- (a) Chisholm fire relief association;*
- (b) Chisholm police relief association;*
- (c) Hibbing fire relief association; and*
- (d) Hibbing police relief association.*

The benefit specified in subdivision 2 is payable to current and prospective surviving spouses eligible to receive a benefit under the benefit provisions of the applicable local relief association benefit plan.

Subd. 2. The benefit provided for individuals identified in subdivision 1 is 50 percent of the annuity amount being received by the former member immediately prior to death, unless the survivor benefit computed under prior law is greater.

Sec. 13. [EFFECTIVE DATE.]

(a) Sections 1 to 11 are effective the day following final enactment.

Section 12 is effective for the former relief associations of the city of Chisholm the day following approval by the Chisholm city council and upon compliance with Minnesota Statutes, section 645.021. Section 12 is effective for the former relief associations of the city of Hibbing the day following approval by the Hibbing city council and upon compliance with Minnesota Statutes, section 645.021.

(b) The elimination of the surviving spouse benefit discontinuation requirement provided for in sections 1 to 11 also applies to any surviving spouse receiving a surviving spouse benefit on the date of final enactment of the act and the potential surviving spouses of active, deferred or retired plan members who have that status on the effective date of the change. Sections 1 to 11 do not apply to persons who formerly were receiving surviving spouse benefits and had those benefits discontinued by virtue of a remarriage and may not be considered to authorize the payment of any retroactive survivor benefit amounts to any person or to an estate.

ARTICLE 3

PUBLIC PENSION PLAN ACTUARIAL REPORTING REVISIONS

Section 1. Minnesota Statutes 1990, section 3.85, subdivision 11, is amended to read:

Subd. 11. [VALUATIONS AND REPORTS TO LEGISLATURE.] (a) The commission shall contract with an established actuarial consulting firm to conduct annual actuarial valuations ~~and financial adequacy studies~~ for the retirement plans named in paragraph (b). The contract ~~shall~~ *must* include provisions for performing cost analyses of proposals for changes in benefit and funding policies.

(b) The contract for actuarial valuation ~~and analysis shall~~ *must* include the following retirement plans:

- (1) the ~~statewide~~ *teachers retirement plan*, teachers retirement association;
- (2) the general ~~state employees retirement plan~~, Minnesota state retirement system;
- (3) the correctional ~~employees retirement plan~~, Minnesota state retirement system;
- (4) the state patrol ~~retirement plan~~, Minnesota state retirement system;
- (5) the judges ~~retirement plan~~, Minnesota state retirement system;
- (6) the ~~Minneapolis employees retirement plan~~, Minneapolis employees retirement fund;
- (7) the ~~general~~ *public employees retirement plan*, public employees retirement association;
- (8) the ~~public employees police and fire plan~~, public employees retirement association;

(9) the *Duluth teachers retirement plan*, Duluth teachers retirement fund association;

(10) the *Minneapolis teachers retirement plan*, Minneapolis teachers retirement fund association;

(11) the *St. Paul teachers retirement plan*, St. Paul teachers retirement fund association;

(12) the ~~legislator's~~ *legislators retirement plan*, Minnesota state retirement system; and

(13) the elective state officers retirement plan, Minnesota state retirement system; and

(14) the *public employees local government correctional service retirement plan*, public employees retirement association, if there are any participants in that plan.

(c) ~~Every year~~ The contract ~~shall must~~ specify completion of ~~standard annual actuarial valuations for the valuation calculations on a fiscal year basis with their contents as described specified in section 356.215, subdivisions 4 to 4k, and cash flow forecasts through the amortization target date and the standards for actuarial work adopted by the commission.~~

~~For every plan year~~ The contract ~~shall must~~ specify ~~preparation completion of an exhibit on the experience of the fund for inclusion in the annual actuarial valuation and completion of a periodic experience study annual experience data collection and processing and a quadrennial published experience study for the plans listed in paragraph (b), clauses (1), (2), and (7), as provided for in the standards for actuarial work adopted by the commission. The experience study shall data collection, processing, and analysis must evaluate the appropriateness of continuing to use for future valuations the assumptions relating to the following:~~

(1) individual salary progression;

(2) rate of return on investments *based on current asset value*;

(3) payroll growth;

(4) mortality; ~~withdrawal~~; disability;

(5) retirement; ~~and any other experience-related factor that could impact the future financial condition of the retirement funds age~~;

(6) ~~withdrawal~~; and

(7) disablement.

(d) The *actuary retained by the commission* shall annually prepare a report to the legislature, ~~including the commentary on the actuarial valuation calculations for the plans named in paragraph (b) and summarizing the results of the valuations and cash flow projections actuarial valuation calculations.~~ ~~It~~ The *commission-retained actuary* shall include with ~~its~~ the report the *actuary's* recommendations concerning the appropriateness of the support rates to achieve proper funding of the retirement funds by the required funding dates. ~~It~~ The *commission-retained actuary* shall, ~~within two months of the completion as part of the periodic quadrennial published experience studies study, prepare a report include recommendations to the legislature on the appropriateness of the actuarial valuation assumptions required for evaluation in the periodic experience study.~~

(e) If the actuarial gain and loss analysis in the actuarial valuation calculations indicates a persistent pattern of sizable gains or losses, as directed by the commission, the actuary retained by the commission shall prepare a special experience study for a plan listed in paragraph (b), clause (3), (4), (5), (6), (8), (9), (10), (11), (12), (13), or (14), in the manner provided for in the standards for actuarial work adopted by the commission.

(f) The term of the contract between the commission and the actuary retained by the commission is two years, plus not to exceed two one-year extensions before competitive bidding. The contract is subject to competitive bidding procedures as specified by the commission.

Subd. 12. [ALLOCATION OF ACTUARIAL COST.] (a) The commission shall assess each retirement plan specified in subdivision 11, paragraph (b), ~~other than clauses (12) and (13), for a portion of the compensation paid to the actuary retained by the commission for the cost of its actuarial valuations~~ valuation calculations and quadrennial experience studies. The assessment ~~shall be that part~~ is 72 percent of the amount of contract compensation for the actuarial consulting firm retained by the commission for those functions ~~that bears the same relationship that the total active, deferred, inactive, and benefit recipient membership of the retirement plan bears to the total active, deferred, inactive, and benefit recipient membership of all retirement plans specified in paragraph (b)~~ actuarial valuation calculations, including the public employees police and fire plan consolidation accounts of the public employees retirement association, annual experience data collection and processing, and quadrennial experience studies.

The portion of the total assessment payable by each retirement system or pension plan must be determined as follows:

(1) Each pension plan specified in subdivision 11, paragraph (b), clauses (1) to (14), must pay the following indexed amount based on its total active, deferred, inactive, and benefit recipient membership:

up to 2,000 members, inclusive	\$2.55 per member
2,001 through 10,000 members	\$1.13 per member
over 10,000 members	\$0.11 per member

The amount specified is applicable for the assessment of the July 1, 1991, to June 30, 1992, fiscal year actuarial compensation amounts. For the July 1, 1992, to June 30, 1993, fiscal year and subsequent fiscal year actuarial compensation amounts, the amount specified must be increased at the same percentage increase rate as the implicit price deflator for state and local government purchases of goods and services for the 12-month period ending with the first quarter of the calendar year following the completion date for the actuarial valuation calculations, as published by the federal Department of Commerce, and rounded upward to the nearest full cent.

(2) The total per-member portion of the allocation must be determined, and that total per-member amount must be subtracted from the total amount for allocation. Of the remainder dollar amount, the following per-retirement system and per-pension plan charges must be determined and the charges must be paid by the system or plan:

(i) 37.87 percent is the total additional per-retirement system charge, of which one-seventh must be paid by each retirement system specified in subdivision 11, paragraph (b), clauses (1), (2), (6), (7), (9), (10), and (11).

(ii) 62.13 percent is the total additional per-pension plan charge, of which one-thirteenth must be paid by each pension plan specified in subdivision 11, paragraph (b), clauses (1) to (13), if there are not any participants in the plan specified in subdivision 11, paragraph (b), clause (14), or of which one-fourteenth must be paid by each pension plan specified in subdivision 11, paragraph (b), clauses (1) to (14), if there are participants in the plan specified in subdivision 11, paragraph (b), clause (14).

(b) The assessment ~~shall~~ must be made ~~upon~~ following the completion of the actuarial ~~valuations~~ valuation calculations and the experience ~~studies~~ analysis. The amount of the assessment is appropriated from the retirement fund applicable to the retirement plan. Receipts from assessments ~~shall~~ must be deposited in the state treasury and credited to the general fund.

Sec. 2. Minnesota Statutes 1990, section 356.20, subdivision 4, is amended to read:

Subd. 4. [CONTENTS OF FINANCIAL REPORT.] The financial report required by this section ~~shall include:~~

(+) must contain financial statements and disclosures that indicate the financial operations and position of the retirement plan and fund. The report must conform with generally accepted governmental accounting principles, applied on a consistent basis. The report must be audited. The report must include, as part of its exhibits or footnotes, an ~~exhibit~~ actuarial disclosure item based on the actuarial valuation calculations prepared by the commission-retained actuary or by the actuary retained by the retirement fund or plan, if applicable, according to applicable actuarial requirements enumerated in section 356.215, and specified in the most recent standards for actuarial work adopted by the legislative commission on pensions and retirement. The ~~exhibit shall show~~ the accrued assets of the fund, the accrued liabilities, including accrued reserves, and the unfunded actuarial accrued liability of the fund or plan must be disclosed. The ~~exhibit shall~~ disclosure item must contain the certificate of a declaration by the actuary retained by the legislative commission on pensions and retirement or the actuary retained by the fund or plan, whichever applies, specifying that the required reserves for any retirement, disability, or survivor benefits provided under a benefit formula are computed in accordance with the entry age actuarial cost method and ~~any~~ with the most recent applicable standards for actuarial work adopted by the legislative commission on pensions and retirement.

(a) Assets ~~shown in the exhibit shall~~ of the fund or plan contained in the disclosure item must include the following ~~items of actual~~ assets:

Cash in office

Deposits in banks

Accounts receivable:

Accrued members' contributions

Accrued employer contributions

Other

Accrued interest on investments

Dividends on stocks, declared but not yet received

Investment in bonds at cost

Investment in stocks at cost
Investment in real estate
Equipment at cost, less depreciation
Other
Total assets - - - - -

(b) ~~The exhibit shall include a statement of the actuarial value of current assets as specified defined in section 356.215, subdivision 4, including:~~

Cash, cash equivalents, and short-term securities
Fixed income investments
Equity investments
Real estate investments
Equity in the Minnesota postretirement investment fund
Other 1:

	Value at cost	Value at market
Cash, cash equivalents, and short-term securities
Accounts receivable
Accrued investment income
Fixed income investments
Equity investments other than real estate
Real estate investments
Equipment
Equity in the Minnesota postretirement investment fund
Other
Total assets		
Value at cost	
Value at market	
Value of current assets	

(e) ~~(b) The exhibit shall include a statement of the unfunded actuarial accrued liability of the fund which shall or plan contained in the disclosure item must include the following measures of unfunded actuarial accrued liability, using the actuarial value of current assets as specified in section 356.215, subdivision 4:~~

- (i) ~~(1) unfunded actuarial accrued liability, which shall be determined by subtracting the current assets and the present value of future normal costs from the total current and expected future benefit obligations; and~~
- (ii) ~~current (2) unfunded actuarial liability pension benefit obligation, which is the total current benefit obligations less determined by subtracting the total current assets; and~~

(iii) ~~current and future unfunded actuarial liability, which is the total current and expected future benefit obligations less the total current and expected future assets from the actuarial present value of credited projected benefits.~~

If the *current* assets of the fund or plan exceed the actuarial accrued liabilities, the excess ~~shall must~~ be listed *disclosed and indicated* as a surplus and indicated in the exhibit following the itemization of benefit obligations.

(d) The exhibit shall include a footnote showing accumulated member contributions without interest.

(e) Current liabilities shown in the exhibit shall include the following items:

Current:

Accounts payable

Retirement annuity payments

Disability benefit payments

Survivor benefit payments

Refund to members

Accrued expenses

Suspense items

Total current liabilities - - - - -

(f) (c) The exhibit shall include a schedule which shall be listed as the "*current and expected future pension benefit obligations.*" The schedule shall included in the disclosure must contain the following information on the benefit obligations:

~~1. Current~~ (1) The pension benefit obligations obligation, which shall be determined as the actuarial present value of benefit obligations credited projected benefits on account of service rendered to date, separately identified as follows:

- (a) (i) For annuitants
 - Retirement annuities
 - Disability benefits
 - Surviving spouse and child benefits
- (b) (ii) For former members without vested rights
- (c) (iii) For deferred annuitants' benefits, including any augmentation
- (d) (iv) For active employees
 - Retirement annuities
 - Disability benefits
 - Refund liability due to death or withdrawal
 - Survivors' benefits
 - Accumulated employee contributions, including allocated investment income
 - Employer-financed benefits vested
 - Employer-financed benefits nonvested

Total ~~current benefits obligations~~ pension benefit obligation;

2- Expected future benefit obligations which shall be the actuarial value of benefit obligations on account of future service for active employees

3- Total current and expected future benefit obligations

4- In addition to the foregoing, (2) If there are additional benefits not appropriately covered by the foregoing three items of benefit obligations, they shall be listed separately a separate identification of the obligation.

(2) An income statement prepared on an accrual basis showing all income and all deductions from income for the fiscal year. The statement shall show separate items for employee contributions, employer regular contributions, employer additional contributions if provided by law, investment income, profit on the sale of investments, and other income, if any.

(3) A statement of deductions from income, which shall include separate items for the payment of retirement annuities, disability benefits, surviving spouse benefits, surviving children's benefits, refunds to members terminating employment, refunds due to death of members and due to death of annuitants, the increase in total reserves required, general administrative expense incurred, loss on sale of investments, and any other deductions.

(4) A statement showing appropriate statistics concerning the membership and beneficiaries of the fund, with indications of changes in the statistical data which may result from the current year's operation.

(5) (d) Any additional statements or exhibits which or more detailed or subdivided itemization of a disclosure item that will enable the management of the fund to portray a true interpretation of the fund's financial condition, except that the term "surplus" or the term "excess of assets" shall not be used except as otherwise specifically provided for in this section, nor shall any representation of assets and liabilities other than as provided for in this section must be included in the additional statements or exhibits.

(6) A more detailed or subdivided itemization of any of the items required by this section, if the management of the fund so desires.

Sec. 3. Minnesota Statutes 1990, section 356.215, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For the purposes of sections 3.85 and 356.20 to 356.23, each of the following terms shall have the meaning given:

(1) "Actuarial valuation" means a set of calculations prepared by the actuary retained by the legislative commission on pensions and retirement if so required under section 3.85, or otherwise, by an approved actuary, to determine the normal cost and the accrued actuarial liabilities of a benefit plan, according to a stated the entry age actuarial cost method and based upon stated assumptions including, but not limited to rates of interest, mortality, salary increase, disability, withdrawal, and retirement and to determine the payment necessary to amortize over a stated period any unfunded accrued actuarial liability disclosed as a result of the actuarial valuation and the resulting actuarial balance sheet of the benefit plan.

(2) "Approved actuary" means a person who is regularly engaged in the business of providing actuarial services and who has at least 15 years of service to major public employee pension or retirement funds or who is a fellow in the society of actuaries.

(3) "Entry age actuarial cost method" means an actuarial cost method under which the actuarial present value of the projected benefits of each

individual currently covered by the benefit plan and included in the actuarial valuation is allocated on a level basis over the service of the individual if the benefit plan is governed by section 69.773 or over the earnings of the individual if the benefit plan is governed by any other law between the entry age and the assumed exit age, with the portion of this actuarial present value which is allocated to the valuation year to be the normal cost and the portion of this actuarial present value not provided for at the valuation date by the actuarial present value of future normal costs to be the actuarial accrued liability, with aggregation in the calculation process to be the sum of the calculated result for each covered individual and with recognition given to any different benefit formulas which may apply to various periods of service.

(4) "Experience study" means a report ~~which provides~~ *providing* experience data and an actuarial analysis ~~which substantiate~~ *of the adequacy of* the actuarial assumptions on which *actuarial* valuations are based.

(5) ~~"Expected future statutory supplemental contributions" means the sum of future employee and employer contributions at the rates specified in statute when the valuation is completed, reduced by the present value of future normal costs.~~

(6) "Current assets" means the value of all assets at cost, ~~which includes~~ *including* realized capital gains or losses, plus one-third of any unrealized capital gains or losses.

~~(7) (6)~~ "Unfunded actuarial accrued liability" means *the* total current and expected future benefit obligations ~~less, reduced by~~ the sum of current assets and the present value of future normal costs.

(7) "Pension benefit obligation" means *the actuarial present value of credited projected benefits, determined as the actuarial present value of benefits estimated to be payable in the future as a result of employee service attributing an equal benefit amount, including the effect of projected salary increases and any step rate benefit accrual rate differences, to each year of credited and expected future employee service.*

Sec. 4. Minnesota Statutes 1990, section 356.215, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENTS.] It is the policy of the legislature that it is necessary and appropriate to determine annually the financial status of tax supported retirement and pension plans for public employees. To achieve this goal, the legislative commission on pensions and retirement shall have prepared *by the actuary retained by the commission* annual actuarial valuations ~~and periodic experience studies of the public pension and retirement plans enumerated in section 3.85, subdivision 11, clause paragraph (b), and quadrennial experience studies of the retirement plans enumerated in section 3.85, subdivision 11, paragraph (b), clauses (1), (2), and (7).~~ The governing or managing board or administrative officials of each public pension and retirement fund or plan enumerated in section 356.20, subdivision 2, clauses (9), (10), and (12), shall have prepared *by an approved actuary* annual actuarial valuations ~~and periodic experience studies~~ of their respective funds as provided in this section. This requirement ~~shall also apply~~ *applies* to any fund ~~which may be a that is the successor to any~~ organization enumerated in section 356.20, subdivision 2, or to the governing or managing board or administrative officials of any newly formed retirement fund or association operating under the control or supervision

of any public employee group, governmental unit, or institution receiving a portion of its support through legislative appropriations, and any local police or fire fund coming within the provisions of section 356.216.

Sec. 5. Minnesota Statutes 1990, section 356.215, subdivision 3, is amended to read:

Subd. 3. [REPORTS.] The actuarial valuations required annually ~~shall~~ must be made as of the beginning of each fiscal year. Two copies of the valuation ~~shall~~ must be delivered to the executive director of the legislative commission on pensions and retirement, to the commissioner of finance and to the legislative reference library, not later than the first day of the sixth month occurring after the end of the previous fiscal year. Two copies of ~~any a quadrennial~~ experience study ~~prepared periodically as provided for in the standards adopted by the commission~~ shall must be filed with the executive director of the legislative commission on pensions and retirement, with the commissioner of finance, and with the legislative reference library, not later than the first day of the 11th month occurring after the end of the last fiscal year of the *four-year* period which the experience study covers. For actuarial valuations and experience studies prepared at the direction of the legislative commission on pensions and retirement, two copies of the document ~~shall~~ must be delivered to the governing or managing board or administrative officials of the applicable public pension and retirement fund or plan.

Sec. 6. Minnesota Statutes 1990, section 356.215, subdivision 4, is amended to read:

Subd. 4. [ACTUARIAL VALUATION; CONTENTS.] The actuarial valuation ~~shall~~ must be made in conformity with the requirements of the definition contained in subdivision 1 and *the most recent standards for actuarial work* adopted by the legislative commission on pensions and retirement. The actuarial valuation ~~shall~~ must measure all aspects of the benefit plan of the fund in accordance with changes in benefit plans, if any, and salaries ~~as will or can~~ reasonably be anticipated to be in force during the ensuing fiscal year. The actuarial valuation ~~shall~~ must be prepared in accordance with the entry age actuarial cost method.

The actuarial valuation required under this section ~~shall~~ must include the information required in subdivisions 4a to 4k.

Sec. 7. Minnesota Statutes 1990, section 356.215, subdivision 4a, is amended to read:

Subd. 4a. [NORMAL COST.] For ~~each a~~ fund providing ~~any~~ benefits in whole or in part under a defined benefit plan, the actuarial valuation ~~shall~~ contain an exhibit indicating *must indicate* the level normal cost of the benefits provided by the laws governing the fund as of the date of the valuation, calculated in accordance with the entry age actuarial cost method. The normal cost ~~shall~~ must be expressed as a level percentage of the *present value of future payroll* payrolls of the active participants of the fund as of the date of the valuation.

Sec. 8. Minnesota Statutes 1990, section 356.215, subdivision 4b, is amended to read:

Subd. 4b. [ACCRUED LIABILITY.] For ~~each a~~ fund providing ~~any~~ benefits under a defined benefit plan, the actuarial valuation ~~shall~~ must contain an exhibit indicating the *actuarial* accrued liabilities of the fund;

which shall be equal to. This figure is the present value of all future benefits minus, reduced by the present value of future normal costs, calculated in accordance with the entry age actuarial cost method.

Sec. 9. Minnesota Statutes 1990, section 356.215, subdivision 4d, is amended to read:

Subd. 4d. [INTEREST AND SALARY ASSUMPTIONS.] (a) For funds governed by chapters 3A, 352, 352B, 352C, 353, 353C, and 354 other than the variable annuity fund governed by section 354.62, and 490, the actuarial valuation shall must use a preretirement interest assumption of 8.5 percent, a postretirement interest assumption of five percent, and an a future salary increase assumption that in each future year the salary on which a retirement or other benefit is based is 1.065 multiplied by the salary for the preceding year of 6.5 percent.

(b) For funds governed by chapter 354A, the actuarial valuation shall must use preretirement and postretirement assumptions of 8.5 percent and an a future salary increase assumption that in each future year the salary on which a retirement or other benefit is based is 1.065 multiplied by the salary for the preceding year of 6.5 percent, but the actuarial valuation shall must reflect the payment of postretirement adjustments to retirees shall be, based on the methods specified in the bylaws of the fund as approved by the legislature.

(c) For all other funds not specified in paragraph (a), (b), or (d), the actuarial valuation shall must use a preretirement interest assumption of five percent, a postretirement interest assumption of five percent, and an a future salary increase assumption that in each future year the salary on which a retirement or other benefit is based is 1.035 multiplied by the salary for the preceding year of 3.5 percent.

(d) For funds governed by chapters 3A, 352C, and 490, the actuarial valuation shall must use a preretirement interest assumption of 8.5 percent, a postretirement interest assumption of five percent, and an a future salary increase assumption that of 6.5 percent in each future year in which the salary amount payable is not determinable from section 3.099, 15A.081, subdivision 6, or 15A.083, subdivision 1, whichever is applicable applies, or from applicable compensation council recommendations under section 15A.082, the salary on which a retirement or other benefit is based is 1.065 multiplied by the known or computed salary for the preceding year, whichever is applicable.

Sec. 10. Minnesota Statutes 1990, section 356.215, subdivision 4e, is amended to read:

Subd. 4e. [OTHER ASSUMPTIONS.] The actuarial valuation shall must use assumptions concerning mortality, disability, retirement, withdrawal, retirement age, and any other relevant demographic or economic factor, which shall. These must be set at levels consistent with those determined in the most recent quadrennial experience study completed pursuant to under subdivision 5, if required, or representative of the best estimate of future experience, if a quadrennial experience study is not required. The actuarial valuation shall must contain an exhibit indicating any actuarial assumptions used in preparing the valuation report.

Sec. 11. Minnesota Statutes 1990, section 356.215, subdivision 4f, is amended to read:

Subd. 4f. [ACTUARIAL BALANCE SHEET PUBLIC SECTOR ACCOUNTING DISCLOSURE INFORMATION.] The actuarial valuation shall *must* contain an actuarial balance sheet, which shall indicate current and expected future benefit obligations, current and expected future assets, unfunded actuarial accrued liability, current unfunded actuarial liability, and current and future unfunded actuarial liability. Specifically, the balance sheet for all funds, except local police, salaried firefighter, and specified volunteer firefighter funds, shall include the following:

CURRENT AND EXPECTED FUTURE ASSETS

Current assets

Cash, cash equivalents, and short-term securities	\$	·	·	·	·	·
Fixed income investments		·	·	·	·	·
Equity investments		·	·	·	·	·
Real estate investments		·	·	·	·	·
Equity in the Minnesota postretirement investment fund		·	·	·	·	·
Other		·	·	·	·	·
Total current assets	\$	·	·	·	·	·
Expected future assets						
Present value of expected future statutory supplemental contributions		·	·	·	·	·
Present value of future normal costs		·	·	·	·	·
Total expected future assets	\$	·	·	·	·	·
Total current and expected future assets	\$	·	·	·	·	·

CURRENT AND EXPECTED FUTURE BENEFIT OBLIGATIONS

Current benefit obligations

Actuarial present value of credited
projected benefit obligations
on account of service rendered to date:

For annuitants

Retirement annuities	\$	·	·	·	·	·
Disability benefits		·	·	·	·	·
Surviving spouse and child benefits		·	·	·	·	·

For former members without vested rights

· · · · ·

For deferred annuitants' benefits, including any augmentation

· · · · ·

For active employees

Retirement benefits		·	·	·	·	·
Disability benefits		·	·	·	·	·
Refund liability due to death or withdrawal		·	·	·	·	·
Survivors' benefits		·	·	·	·	·

Total current benefit obligations	\$ - - - - -
Expected future benefit obligations	
Actuarial value of benefit obligations on account of future service for active employees	\$ - - - - -
Total current and expected future benefit obligations	\$ - - - - -
Current unfunded actuarial liability (Total current benefit obligations less total current assets):	\$ - - - - -
Current and future unfunded actuarial liability (Total current and expected future benefit obligations less total current and expected future assets):	\$ - - - - -

In addition to that itemization of benefit obligations, separate items shall be shown for additional benefits, if any, which may not be appropriately included in that itemization those actuarial calculations necessary to allow the retirement plan administration or participating employing units to prepare the pension-related portions of annual financial reporting that meet generally accepted accounting principles for the public sector.

Sec. 12. Minnesota Statutes 1990, section 356.215, subdivision 4g, is amended to read:

Subd. 4g. [AMORTIZATION CONTRIBUTIONS.] (a) In addition to the exhibit indicating the level normal cost, the actuarial valuation ~~shall~~ must contain an exhibit indicating the additional annual contribution ~~which would be required~~ sufficient to amortize the unfunded actuarial accrued liability. For funds governed by chapters 3A, 352, 352B, 352C, 353, 353C, 354, 354A, and 490, the additional contribution ~~shall~~ must be calculated on a level percentage of covered payroll basis by the established date for full funding ~~which~~ is in effect when the valuation is prepared. The level percent additional contribution ~~shall~~ must be calculated assuming annual payroll growth of 6.5 percent. For all other funds, the additional annual contribution ~~shall~~ must be calculated on a level annual dollar amount basis.

~~If;~~ (b) For any fund other than the Minneapolis employees retirement fund, after the first actuarial valuation date occurring after June 1, 1989, if there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded actuarial accrued liability of the fund, the established date for full funding for the first actuarial valuation made after June 1, 1989, and each successive actuarial valuation ~~shall be~~ is the first actuarial valuation date ~~which occurs~~ occurring after June 1, 2020.

~~If;~~ (c) For any fund or plan other than the Minneapolis employees retirement fund, after the first actuarial valuation date occurring after June 1, 1989, if there has been a change in any or all of the actuarial assumptions

used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, and the change or changes, by themselves and without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability in the fund, the established date for full funding ~~shall~~ *must* be determined using the following procedure:

(i) the unfunded actuarial accrued liability of the fund ~~shall~~ *must* be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution or level percentage, whichever is applicable, ~~which~~ is needed to amortize the unfunded actuarial accrued liability amount determined ~~pursuant to subclause under item (i)~~ by the established date for full funding in effect ~~prior to before~~ the change ~~shall~~ *must* be calculated using the interest assumption specified in subdivision 4d in effect before the change;

(iii) the unfunded actuarial accrued liability of the fund ~~shall~~ *must* be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect before the change;

(iv) the level annual dollar contribution or level percentage, whichever is applicable, ~~which~~ is needed to amortize the difference between the unfunded actuarial accrued liability amount calculated ~~pursuant to subclause under item (i)~~ and the unfunded actuarial accrued liability amount calculated ~~pursuant to subclause under item (iii)~~ over a period of 30 years from the end of the plan year in which the applicable change is effective ~~shall~~ *must* be calculated using the applicable interest assumption specified in subdivision 4d in effect after any applicable change;

(v) the level annual dollar or level percentage amortization contribution ~~pursuant to subclause under item (iv)~~ ~~shall~~ *must* be added to the level annual dollar amortization contribution or level percentage calculated ~~pursuant to subclause under item (ii)~~;

(vi) the period in which the unfunded actuarial accrued liability amount determined in ~~subclause item (iii)~~ ~~will be~~ is amortized by the total level annual dollar or level percentage amortization contribution computed ~~pursuant to subclause under item (v)~~ ~~shall~~ *must* be calculated using the interest assumption specified in subdivision 4d in effect after any applicable change, rounded to the nearest integral number of years, but ~~which shall not to~~ exceed a period of 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ~~which shall not to~~ be less than the period of years beginning in the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and ending by the date for full funding in effect before the change; and

(vii) the period determined ~~pursuant to subclause under item (vi)~~ ~~shall~~ *must* be added to the date as of which the actuarial valuation was prepared and the date obtained ~~shall be~~ is the new established date for full funding.

(d) For the Minneapolis employees retirement fund, the established date for full funding ~~shall be~~ is June 30, 2017.

Sec. 13. Minnesota Statutes 1990, section 356.215, subdivision 4h, is amended to read:

Subd. 4h. [ACTUARIAL GAINS AND LOSSES.] The actuarial valuation ~~shall must~~ contain an exhibit consisting of an analysis by the actuary explaining the net increase or decrease in the unfunded actuarial accrued liability since the last valuation ~~must be provided~~. The explanation ~~shall must~~ subdivide the net increase or decrease in the unfunded actuarial accrued liability into at least the following parts:

(a) increases or decreases in the unfunded actuarial accrued liability because of changes in benefits;

(b) increases and decreases in the unfunded actuarial accrued liability because of ~~each change, if any,~~ changes in actuarial assumptions;

(c) increases or decreases in the unfunded actuarial accrued liability ~~separately by source~~ attributable to actuarial gains or losses resulting from any experience deviations ~~of from the assumptions on which the valuation is based, as follows:~~

(i) actual investment earnings;

(ii) actual postretirement mortality rates, ~~and;~~

(iii) actual salary increase rates ~~from the assumptions on which the valuations are based;~~ and

(iv) the remainder of the increase or decrease not attributable to any separate source;

(d) increases or decreases in unfunded actuarial accrued liability because of other reasons, including the effect of any amortization contribution ~~paid or additional amortization contribution previously calculated but unpaid;~~ and

(e) increases or decreases in unfunded actuarial accrued liability because of changes in eligibility requirements or groups included in the membership of the fund.

Sec. 14. Minnesota Statutes 1990, section 356.215, subdivision 4i, is amended to read:

Subd. 4i. [MEMBERSHIP TABULATION.] The actuarial valuation ~~shall must~~ contain an exhibit consisting of a tabulation of active membership and annuitants in the fund. If the membership of a fund is under more than one general benefit program, a separate tabulation ~~shall must~~ be made for each general benefit program. The tabulations ~~shall must be prepared by the administration of the pension fund and must~~ contain the following information:

(a) (1) Active members	Number
As of last valuation date	
New entrants	
Total	
Separations from active service	
Refund of contributions	

Separation with deferred annuity

Separation with neither refund
nor deferred annuity

Disability

Death

Retirement with service annuity

Total separations

As of current valuation date

(b) (2) Annuitants

Number

As of last valuation date

New entrants

Total

Terminations

Deaths

Other

Total terminations

As of current valuation date

The tabulation required under ~~subclause (b) shall~~ *clause (2) must be made* separately for each of the following classes of ~~annuitants~~ *benefit recipients*:

(a) (1) service retirement annuitants;

(b) (2) disability benefit recipients;

(c) (3) ~~Surviving spouse~~ *survivor* benefit recipients

(d) ~~Surviving child benefit recipients~~; and

(e) (4) deferred annuitants.

Sec. 15. Minnesota Statutes 1990, section 356.215, subdivision 4j, is amended to read:

Subd. 4j. [ADMINISTRATIVE EXPENSES.] The actuarial valuation ~~shall contain an exhibit indicating a statement of~~ *must indicate the administrative expenses of the fund, expressed both in dollars and also as a percentage of covered payroll.*

Sec. 16. Minnesota Statutes 1990, section 356.215, subdivision 4k, is amended to read:

Subd. 4k. [PLAN SUMMARY.] The actuarial valuation ~~shall~~ *must* contain ~~an exhibit indicating~~ a summary of the principal provisions of the plan upon which the valuation is based.

Sec. 17. Minnesota Statutes 1990, section 356.215, subdivision 5, is amended to read:

Subd. 5. [QUADRENNIAL EXPERIENCE STUDY; CONTENTS.] ~~Each~~ *A quadrennial experience study shall, if required, must* contain an actuarial analysis of the experience of the fund ~~or association~~ and a comparison of the experience with the actuarial assumptions on which the most recent actuarial valuation of the retirement fund ~~or relief association~~ was based, ~~and shall also contain a statement of the average ages at which service retirements have taken place.~~

Sec. 18. Minnesota Statutes 1990, section 356.215, subdivision 6, is amended to read:

Subd. 6. [ACTUARIAL SERVICES BY APPROVED ACTUARIES.] ~~Each~~ (a) *The actuarial valuation or quadrennial experience study shall must be made and any actuarial consulting services for a retirement fund or plan shall must be provided by an approved actuary. The actuarial valuation or quadrennial experience study shall must include a certification declaration that it has been prepared in accordance with the provisions of according to sections 356.20 to 356.23 and the most recent standards for actuarial work adopted by the legislative commission on pensions and retirement.*

(b) *Actuarial valuations, or experience studies prepared by an actuary retained by a retirement fund or plan must be submitted to the legislative commission on pensions and retirement within ten days of the submission of the document to the retirement fund or plan.*

Sec. 19. Minnesota Statutes 1990, section 356.215, subdivision 7, is amended to read:

Subd. 7. [ESTABLISHMENT OF ACTUARIAL ASSUMPTIONS.] Actuarial assumptions used for actuarial valuations under this section that are other than those set forth in this section may be changed only with the approval of the legislative commission on pensions and retirement. A change in the applicable actuarial assumptions may be proposed by the governing board of the applicable pension fund or relief association, by the actuary retained by the legislative commission on pensions and retirement, by the actuarial advisor ~~retained by~~ to a pension fund governed by chapter 352, 353, 354, or 354A, or by the actuary retained by a local police or firefighters relief association governed by sections 69.77 or 69.771 to 69.776, if one is retained.

Sec. 20. [MODIFICATIONS IN ACTUARIAL SERVICES.]

(a) *The actuary retained by the legislative commission on pensions and retirement is not required to prepare actuarial valuations of the public employees local government correctional employees retirement plan unless the plan is implemented by a county under Minnesota Statutes, section 353C.04.*

(b) *The cost of any requested benefit projections by the commission-retained actuary relating to the Minnesota postretirement investment fund for the state board of investment is payable by the state board of investment.*

(c) *Actuarial valuations under Minnesota Statutes, section 356.215, for July 1, 1991, and thereafter, are not required to have an individual commentary section. The commentary section, if omitted from the individual plan actuarial valuation, must be included in an appropriate generalized format as part of the report to the legislature under Minnesota Statutes, section 3.85, subdivision 11.*

(d) *Actuarial valuations under Minnesota Statutes, section 356.215, for July 1, 1991, and thereafter, are not required to contain separate actuarial valuation results for basic and coordinated programs unless each program has a membership of at least ten percent of the total membership of the fund. Actuarial valuations under Minnesota Statutes, section 356.215, for July 1, 1991, and thereafter, are not required to contain cash flow forecasts.*

(e) *Actuarial valuations of the public employees police and fire fund local consolidation accounts for July 1, 1991, and thereafter, are not required to*

contain separate tabulations or summaries of active member, service retirement, disability retirement, and survivor data for each local consolidation account.

(f) The commission-retained actuary is:

(1) required to publish experience findings for plans for which experience findings are required only on a quadrennial basis for the four-year period ending June 30, 1992, and every four years thereafter;

(2) not required to prepare a separate experience analysis or publish separate experience findings for basic and coordinated programs if separate actuarial valuation results for the programs are not required; and

(3) not required to calculate investment rate of return experience results on any basis other than current asset value as defined in Minnesota Statutes, section 356.215, subdivision 1, clause (6).

Sec. 21. [REPEALER.]

Minnesota Statutes 1990, sections 352.85, subdivision 6; 352.86, subdivision 4; and 353A.09, subdivision 7, are repealed.

Sec. 22. [EFFECTIVE DATE.]

Sections 1 to 21 are effective the day following final enactment.

ARTICLE 4

MISCELLANEOUS RETIREMENT PROVISIONS

Section 1. Minnesota Statutes 1990, section 354B.01, is amended by adding a subdivision to read:

Subd. 1a. [SUPPLEMENTAL PLAN.] "Supplemental plan" means the supplemental retirement plan established in sections 354B.06 to 354B.08.

Sec. 2. [354B.055] [RULES.]

The state university system and the community college system may adopt rules to administer the provisions of sections 354B.06 to 354B.08. The systems may deposit member contributions in a nontreasury account established under chapter 136, an account or accounts established under section 11A.17, or other appropriate accounts of the state board of investment for investment under procedures established by the state board of investment.

Sec. 3. [354B.06] [SUPPLEMENTAL RETIREMENT PLAN.]

Subdivision 1. [ESTABLISHMENT.] The supplemental retirement plan for personnel employed by the state university board and the state board for community colleges who are in the unclassified service of the state commencing July 1 following the completion of the second year of their full-time contract is governed by this section. An unclassified employee employed by the state university board or the state board for community colleges in subsidized on-the-job training, work experience, or public service employment as an enrollee under the federal Comprehensive Employment and Training Act is not included in the supplemental retirement plan provided for in this section after March 30, 1978, unless the unclassified employee has as of the later of March 30, 1978, or the date of employment sufficient service credit in the retirement fund providing primary retirement coverage to meet the minimum vesting requirements for a deferred retirement annuity, or the board agrees in writing to make the employer contribution required by this section on account of that unclassified employee from revenue sources

other than funds provided under the federal Comprehensive Employment and Training Act, or the unclassified employee agrees in writing to make the employer contribution required by this section in addition to the member contribution.

Subd. 2. [REDEMPTIONS.] The chancellor of the state university system and the chancellor of the state community college system shall redeem all shares in the accounts of the Minnesota supplemental investment fund held on behalf of personnel in the supplemental plan who elect an investment option other than the supplemental investment fund, except that shares in the guaranteed return account may not be redeemed until the expiration dates for the guaranteed investment contracts. The chancellors shall transfer the cash realized to the financial institutions selected by the state university board and the community college board under section 354B.05.

Sec. 4. [354B.07] [SALARY DEDUCTIONS, MATCHING FUNDS.]

Subdivision 1. [DEDUCTIONS.] The state university board and the state board for community colleges shall deduct from the salary of each person described in section 354B.06 a sum equal to five percent of the person's annual salary paid between \$6,000 and \$15,000. The deduction must be made in the same manner as other retirement deductions are made from the salary of the person. The employer shall make a contribution to the plan on behalf of every covered person in an amount equal to the deductions made from the salary of the person. If an agreement is made under section 356.24 for additional employer contributions, an amount equal to the additional employer contribution must be deducted from the person's annual salary above \$15,000 as specified in this subdivision. Two percent of the amount of the salary deductions and employer contributions may be used by the state university board and the state board for community colleges for payment of necessary and reasonable administrative expenses.

Subd. 2. [ADMINISTRATION.] The chancellor of the state university system and the chancellor of the state community college system shall administer the supplemental retirement plan for their employees. The chancellors shall invest contributions made under this section, less amounts used for administrative expenses, as authorized by law. The retirement contributions and death benefits provided by annuity contracts or custodial accounts purchased by the chancellors are owned by the plan and must be paid in accordance with the annuity contracts or custodial accounts.

Sec. 5. [354B.08] [TAX SHELTER PROVISIONS.]

Subdivision 1. [AGREEMENTS; ADJUSTMENTS.] For the purpose of, and to permit the participation in a tax shelter under provisions of sections 501(c) and 403(b) and related provisions of the Internal Revenue Code, the state university board and the board for community colleges may enter into agreements to reduce or adjust salaries downward for persons defined in section 354B.06, subdivision 1, and to pay as employer an amount equivalent to the salary reduction in the same manner as deductions would have been paid by the person under section 354B.07, subdivision 1.

Subd. 2. [RULES.] Subject to the approval of their governing boards, the chancellors of the state university system and community college system may adopt rules and procedures consistent with sections 354B.06 to 354B.08 which permit, if possible, participation in a tax shelter under provisions of the Internal Revenue Code.

Sec. 6. [TRANSFER.]

The executive director of the teachers retirement association shall transfer the administrative records of the supplemental retirement plan to the chancellor of the state university system and the chancellor of the state community college system on July 1, 1991.

Sec. 7. [PURCHASE OF PRIOR SERVICE CREDIT.]

Subdivision 1. [ELIGIBILITY.] Notwithstanding the limitations in Minnesota Statutes, section 353.27, subdivision 12, a member of the public employees retirement association born on August 22, 1956, who was employed by the city of Minneapolis as a construction equipment operator beginning on June 24, 1983, on a temporary or seasonal basis, and who first became eligible for public employees retirement association membership during 1985, but for whom no employee or employer contributions were made until September 1986, may purchase allowable service credit from the public employees retirement association for the period of eligible service between January 1985 and September 1986 upon receipt by the association of the amount specified in subdivision 2.

Subd. 2. [PURCHASE PAYMENT AMOUNT.] To purchase credit for prior eligible service under subdivision 1, there must be paid to the public employees retirement association an amount equal to the present value, on the date of payment, of the amount of the additional retirement annuity obtained by purchase of the additional service credit. Calculation of this amount must be made using the applicable preretirement interest rate specified in Minnesota Statutes, section 356.215, subdivision 4d, and the mortality table adopted for the fund. The calculation must assume continuous future service in the association until, and retirement at, the age at which the minimum requirements of the retirement association for normal retirement or retirement with an annuity unreduced for retirement at an early age, including Minnesota Statutes, section 356.30, are met with the additional service credit purchased. The calculation must also assume a future salary history that includes annual salary increases at the salary increase rate specified in section 356.215, subdivision 4d. The member must establish in the records of the association proof of the service for which the purchase of prior service is requested. The manner of the proof of service must be in accordance with procedures prescribed by the executive director of the association. The portion of the total cost of the purchase to be paid by the member is specified in subdivision 3. The remaining portion of total cost is to be paid by the employer, as specified in subdivision 4.

Subd. 3. [MEMBER PAYMENT.] To receive credit for the eligible service between January 1985 and September 1986, the member must pay an amount equal to the employee contribution rate or rates in effect during the period or periods of prior eligible non-credited service, applied to the actual salary rate in effect during the period or periods of prior service, plus six percent interest compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made. Payment must be made in one lump sum before July 1, 1992.

Subd. 4. [EMPLOYER PAYMENT; SERVICE CREDIT.] Within 60 days of receipt by the association of the member contribution specified in subdivision 3, the city of Minneapolis shall pay an amount equal to the difference between the amount specified in subdivision 2 and the member payment specified in subdivision 3. This amount must be paid in one lump sum. The period of allowable service may be credited to the account of the person only after the receipt of full payment by the executive director.

Sec. 8. [REPEALER.]

Minnesota Statutes 1990, sections 136.80; 136.81; 136.82; 136.83; 136.84; 136.85; and 136.87, are repealed.

Sec. 9. [EFFECTIVE DATE.]

Sections 1 to 6 and 8 are effective July 1, 1991. Section 7 is effective the day following final enactment."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 299 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	Dahl	Hughes	Marty	Price
Beckman	Davis	Johnson, J.B.	Metzen	Reichgott
Belanger	Day	Johnston	Moe, R.D.	Sams
Benson, D.D.	DeCramer	Knaak	Mondale	Samuelson
Benson, J.E.	Finn	Kroening	Morse	Solon
Berglin	Flynn	Laidig	Pappas	Stumpf
Bernhagen	Frank	Langseth	Pariseau	Waldorf
Bertram	Frederickson, D.R.	Larson	Piper	
Cohen	Hottinger	Lessard	Pogemiller	

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1129 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1129: A bill for an act relating to agriculture; regulating genetically engineered plants, pesticides, fertilizers, soil amendments, and plant amendments; rules of the environmental quality board governing release of genetically engineered organisms; reimbursement of release permit costs; imposing a penalty; amending Minnesota Statutes 1990, sections 18B.01, by adding subdivisions; 18C.005, by adding subdivisions; 18C.425, by adding a subdivision; 18D.01, subdivisions 1 and 9; 18D.301, subdivisions 1 and 2; 18D.325, subdivisions 1 and 2; 18D.331, subdivisions 1, 2, and 3; 116C.91, by adding a subdivision; and 116C.94; proposing coding for new law in Minnesota Statutes, chapters 18B; 18C; and 116C; proposing coding for new law as Minnesota Statutes, chapter 18F

Mr. Davis moved that the amendment made to H.F. No. 1129 by the Committee on Rules and Administration in the report adopted May 16, 1991, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 1129 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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Dahl	Gustafson	Larson	Pariseau
Beckman	Davis	Hottinger	Lessard	Piper
Belanger	Day	Hughes	Marty	Price
Benson, D.D.	DeCramer	Johnson, J.B.	Metzen	Reichgott
Benson, J.E.	Finn	Johnston	Moe, R.D.	Riveness
Berglin	Flynn	Kelly	Mondale	Sams
Bernhagen	Frank	Knaak	Morse	Solon
Bertram	Frederickson, D.J.	Kroening	Neuville	Stumpf
Cohen	Frederickson, D.R.	Laidig	Pappas	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1433 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1433: A bill for an act relating to self-insurance; regulating custodial accounts; amending Minnesota Statutes 1990, sections 79A.02, subdivision 2, and by adding a subdivision; 79A.03, subdivisions 3, 7, and 9; 79A.04, subdivision 2; and 79A.06, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 79A; repealing Minnesota Rules, part 2780.0400, subparts 2, 3, 6, and 7.

Mr. Solon moved to amend S.F. No. 1433 as follows:

Pages 1 and 2, delete sections 1 and 2 and insert:

"Section 1. Minnesota Statutes 1990, section 79A.02, is amended by adding a subdivision to read:

Subd. 3. [AUDIT OF SELF-INSURANCE APPLICATION.] (a) The self-insurers security fund shall retain a certified public accountant who shall perform services for, and report directly to, the commissioner of commerce. The certified public accountant shall review each application to self-insure, including the applicant's financial data. The certified public accountant shall provide a report to the commissioner of commerce indicating whether the applicant has met the requirements of section 79A.03, subdivisions 2 and 3. Additionally, the certified public accountant shall provide advice and counsel to the commissioner about relevant facts regarding the applicant's financial condition.

(b) If the report of the certified public accountant is used by the commissioner as the basis for the commissioner's determination regarding the applicants self-insurance status, the certified public accountant shall be made available to the commissioner for any hearings or other proceedings arising from that determination.

(c) The commissioner shall provide the advisory council with the summary report by the certified public accountant and any financial data in possession of the department of commerce that is otherwise available to the public.

The cost of the review shall be the obligation of the self-insurers security fund.

Sec. 2. Minnesota Statutes 1990, section 79A.02, is amended by adding a subdivision to read:

Subd. 4. [RECOMMENDATIONS TO COMMISSIONER REGARDING REVOCATION.] After each fifth anniversary from the date each individual and group self-insurer becomes certified to self-insure, the committee shall

review all relevant financial data filed with the department of commerce that is otherwise available to the public and make a recommendation to the commissioner about whether each self-insurer's certificate should be revoked."

Page 9, line 2, delete "and 7" and insert "7, and 8"

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Gustafson moved to amend S.F. No. 1433 as follows:

Delete everything after the enacting clause and insert:

"ARTICLE 1

SCOPE OF COVERAGE/LIABILITY

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

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

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

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

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

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

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

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

(e) A person, partnership, or corporation that receives the services of a voluntary uncompensated worker who is not required to be covered under this chapter may elect to provide coverage for that worker.

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

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

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

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

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

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

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

Subd. 1a. [EXCLUSIVE REMEDY.] The liability of a general contractor, intermediate contractor, or subcontractor who pays compensation pursuant to subdivision 1, to an injured individual who is not an employee of the

general contractor, intermediate contractor, or subcontractor is exclusive and in the place of any other liability to the individual, the individual's personal representative, surviving spouse, parent, any child, dependent, next of kin, or other person entitled to recover damages on account of the individual's injury or death.

Sec. 5. [EFFECTIVE DATE.]

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

ARTICLE 2

COMPENSATION BENEFITS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subdivision 1. [TEMPORARY TOTAL DISABILITY.] (a) For an injury producing temporary total disability, the compensation is ~~66-2/3~~ 80 percent of the *after-tax* weekly wage at the time of injury.

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

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

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

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

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

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

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

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

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

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

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

recommended under this paragraph is subject to cessation under paragraph (d).

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

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

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

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

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

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

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

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

<i>Percent of Disability</i>	<i>Amount</i>
0-25	\$ 75,000
26-30	80,000
31-35	85,000
36-40	90,000
41-45	95,000
46-50	100,000

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

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

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

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

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

Sec. 10. Minnesota Statutes 1990, section 176.101, subdivision 5, is

amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 4. [LEGISLATIVE INTENT; RULES; LOSS OF MORE THAN ONE BODY PART.] (a) For the purpose of establishing a disability schedule pursuant to clause (b), the legislature declares its intent that the commissioner establish a disability schedule ~~which, assuming the same number and distribution of severity of injuries, the aggregate total of impairment compensation and economic recovery compensation benefits under section 176.101, subdivisions 3a to 3u be approximately equal to the total aggregate amount payable for permanent partial disabilities under section 176.101, subdivision 3; provided, however, that awards for specific injuries under the proposed schedule need not be the same as they were for the same injuries under the schedule pursuant to section 176.101, subdivision 3. The schedule shall be determined by sound actuarial evaluation and shall be based on the benefit level which exists on January 1, 1983.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) If an employee suffers a permanent functional disability of more than one body part due to a personal injury incurred in a single occurrence, the

percent of the whole body which is permanently partially disabled shall be determined by the following formula so as to ensure that the percentage for all functional disability combined does not exceed the total for the whole body:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(m) muscular dystrophy,

(n) thrombophlebitis,

(o) brain tumors,

(p) Pott's disease,

(q) seizures,

(r) cancer of the bone,

(s) leukemia,

(t) mental retardation or other related conditions,

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

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

"Compensation" has the meaning defined in section 176.011.

"Employer" includes insurer.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 30. [176.178] [FRAUD.]

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

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

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

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

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

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

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

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

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

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

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

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

amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 39. [REPEALER.]

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

Sec. 40. [EFFECTIVE DATE.]

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

ARTICLE 3

LEGAL, REHABILITATION, MEDICAL PROVIDERS/BENEFITS

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

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

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

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

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

Subd. 27. [ADMINISTRATIVE CONFERENCE.] An "administrative conference" is a meeting conducted by a commissioner's designee where parties can discuss on an expedited basis and in an informal setting their viewpoints concerning disputed issues arising under section ~~176.102, 176.103, 176.135, 176.136, or 176.239.~~ If the parties are unable to resolve the dispute, the commissioner's designee shall issue an administrative decision under ~~that section 176.106 or 176.239.~~

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

Subdivision 1. [APPROVAL.] (a) A fee for legal services of 25 percent of the first \$4,000 of compensation awarded to the employee and 20 percent of the next ~~\$27,500~~ \$70,000 of compensation awarded to the employee is permissible and does not require approval by the commissioner, compensation judge, or any other party except as provided in ~~clause (b) paragraph (d).~~ All fees must be calculated according to the formula under this subdivision or earned in hourly fees for representation at dispute resolution

conferences under section 176.239. Hourly fees must be determined according to the criteria set forth under subdivision 5.

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

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

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

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

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

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

Subd. 3. [REVIEW.] ~~An employee who~~ A party that is dissatisfied with

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

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

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

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

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

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

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

Subd. 3. [REVIEW PANEL.] There is created a rehabilitation review panel composed of the commissioner or a designee, who shall serve as an ex officio member, and ~~two three~~ members ~~each from who shall represent both employers; and insurers, rehabilitation, and medicine;~~ one member representing chiropractors, ~~and four~~ one member representing medical doctors, ~~three~~ members representing labor, ~~two~~ members representing rehabilitation vendors, ~~and five~~ members representing qualified rehabilitation

consultants. The members shall be appointed by the commissioner and shall serve four-year terms which may be renewed. Compensation for members shall be governed by section 15.0575. The panel shall select a chair. The panel shall review and make a determination with respect to appeals from orders of the commissioner regarding certification approval of qualified rehabilitation consultants and vendors. The hearings are de novo and initiated by the panel under the contested case procedures of chapter 14, and are appealable to the workers' compensation court of appeals in the manner provided by section 176.421.

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

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

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

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

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

For purposes of this section "lost work time" means only those days during which the employee would actually be working but for the injury. In the case of the construction industry, mining industry, or other industry where the hours and days of work are affected by seasonal conditions, "lost work time" shall be computed by using the normal schedule worked when employees are working full time. A rehabilitation consultation must be provided by the employer to an injured employee upon request of the employee, the employer, or the commissioner. If a rehabilitation consultation is requested, the

employer shall provide a qualified rehabilitation consultant. If the injured employee objects to the employer's selection, the employee may select a qualified rehabilitation consultant of the employee's own choosing within 30 days following the first in-person contact between the employee and the original qualified rehabilitation consultant. If the consultation indicates that rehabilitation services are appropriate under subdivision 1, the employer shall provide the services. If the consultation indicates that rehabilitation services are not appropriate under subdivision 1, the employer shall notify the employee of this determination within 14 days after the consultation.

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

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

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

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

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

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

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

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

(e) The employee and employer shall enter into a program if one is prescribed in develop a rehabilitation plan within 30 days of the rehabilitation consultation if the qualified rehabilitation consultant determines that rehabilitation is appropriate. A copy of the plan, including a target date for return to work, shall be submitted to the commissioner within 15 days after the plan has been developed.

(b) (f) If the employer does not provide rehabilitation consultation, or the employee does not select a qualified rehabilitation consultant, as required by this section provided in paragraph (a), the commissioner or compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) Any other expense agreed to be paid.

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

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

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

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

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

(b) *The employer shall furnish reasonably required chiropractic treatment for a maximum of 30 days from the date the employee first seeks the treatment, or 15 chiropractic treatment visits, whichever occurs first. The employer shall furnish reasonably required physical therapy treatment for a maximum of 30 days from the date the employee first seeks the treatment. Chiropractic or physical therapy treatment is compensable thereafter only with the consent of the employer or insurer, or after a specific determination by the commissioner or a compensation judge, pursuant to paragraph (f), that treatment for an additional specified period of time is reasonably required. This paragraph is effective for treatment provided after July 1, 1992.*

(c) *The employer shall pay for the reasonable value of nursing services*

provided by a member of the employee's family in cases of permanent total disability.

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

(e) The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or refusal seasonably to ~~do so provide the items required to be provided under this paragraph,~~ the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7; ~~and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability.~~

~~(b) (f)~~ Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with ~~sections 176.106 and section 176.305 and to issue orders approving mediated settlements in accordance with section 176.107.~~

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

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

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

Subd. 5. [OCCUPATIONAL DISEASE MEDICAL ELIGIBILITY.] Notwithstanding section 176.66, an employee who has contracted an occupational disease is eligible to receive compensation under this section even if the employee is not disabled from earning full wages at the work at which the employee was last employed.

Payment of compensation under this section shall be made by the employer and insurer on the date of the employee's last exposure to the hazard of the occupational disease. Reimbursement for medical benefits paid under this

subdivision or subdivision 1a is allowed from the employer and insurer liable under section 176.66, subdivision 10, only in the case of disablement.

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

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

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

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

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

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

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

Sec. 20. [176.135] [MANAGED CARE.]

Subdivision 1. [APPLICATION.] Any health care provider, health care providers, or business entities providing health care services may make written application to the commissioner to become certified to provide managed care to injured workers for injuries and diseases compensable under this chapter. Each application for certification shall be accompanied by a reasonable fee prescribed by the commissioner. A certificate is valid for the

period the commissioner prescribes unless revoked or suspended. Application for certification shall be made in the form and manner and shall set forth information regarding the proposed plan for providing services as the commissioner may prescribe. The information shall include, but not be limited to:

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

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

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

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

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

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

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

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

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

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

(f) authorizes workers to receive compensable medical treatment from a health care provider who is not a member of the managed care organization, but who maintains the worker's medical records and with whom the worker has a documented history of treatment, if that health care provider agrees to refer the worker to the managed care organization for any specialized treatment, including physical therapy, to be furnished by another provider that the worker may require and if that health care provider agrees to comply with all the rules, terms, and conditions regarding services performed by the managed care organization. Nothing in this paragraph is intended to limit the worker's right to change health care providers prior to the filing

of a workers' compensation claim; and

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

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

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

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

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

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

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

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

Sec. 21. Minnesota Statutes 1990, section 176.136, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE.] (a) The commissioner shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner shall

consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups.

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

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

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

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

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

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

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

(c) The liability of the employer for the treatment, articles, and supplies that are not limited by subdivision 1a or paragraph (a) shall be limited to

the provider's actual charge, or the charges that prevail in the same community for similar treatment, articles, and supplies furnished to an injured person when paid for by the injured person, whichever is lower. On this basis, the commissioner or compensation judge may determine the reasonable value of all treatment, services, and supplies, and the liability of the employer is limited to that amount.

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

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

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

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

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

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

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

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

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

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

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

Subd. 2a. [SUBPOENAS NOT PERMITTED.] A member of the rehabilitation review panel or medical services board or an employee of the department who has conducted an administrative, *mediation*, or settlement

conference, or hearing under section ~~176.106~~ 176.107 or 176.239, shall not be subpoenaed to testify regarding the conference, hearing, or concerning a mediation session. A member of the rehabilitation review panel, medical services board, or an employee of the department may be required to answer written interrogatories limited to the following questions:

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

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

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

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

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

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

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

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

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

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

176.442 [APPEALS FROM DECISIONS OF COMMISSIONER.]

Except for a commissioner's decision which may be heard de novo in another proceeding including but not limited to a decision from an administrative conference under section ~~176.102~~, ~~176.103~~, ~~176.106~~, 176.239, or a summary decision under section 176.305, any decision or determination of the commissioner affecting a right, privilege, benefit, or duty which is imposed or conferred under this chapter is subject to review by the workers' compensation court of appeals. A person aggrieved by the determination

may appeal to the workers' compensation court of appeals by filing a notice of appeal with the commissioner in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals.

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

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

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

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

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

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

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

A health or rehabilitation provider who is determined by the rehabilitation

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

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

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

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

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

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

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

Sec. 33. [REPEALER.]

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

Sec. 34. [EFFECTIVE DATE.]

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

ARTICLE 4

COURTS/JURISDICTION

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

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals are the same as the salary for district judges as set under section 15A.082, subdivision 3. Salaries of compensation judges are

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

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

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

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

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

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

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

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

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

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

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

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

Subd. 6. [SETTLEMENT.] A settlement judge may attempt to conciliate the parties. If the parties agree on a settlement, the judge shall issue an order in accordance with that settlement.

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

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

Sec. 4. Minnesota Statutes 1990, section 176.461, is amended to read:
176.461 [SETTING ASIDE AWARD.]

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

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

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

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

(3) fraud; or

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

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

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

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

Subd. 4. [ADMINISTRATIVE REVIEW.] The court of appeals shall have jurisdiction to review on the record: the validity of administrative rules, as provided in sections 14.44 and 14.45; ~~and~~ the decisions of administrative agencies in contested cases, as provided in sections 14.63 to 14.69; ~~and workers' compensation cases and peace officer death benefits cases, as provided under chapters 176 and 176A.~~

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

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

Sec. 8. [INCREASED JUDGES.]

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

Sec. 9. [INSTRUCTION TO REVISOR.]

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

Sec. 10. [REAPPROPRIATION.]

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

Sec. 11. [REPEALER.]

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

Sec. 12. [EFFECTIVE DATE.]

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

ARTICLE 5

WORKERS' COMPENSATION INSURANCE

Section 1. Minnesota Statutes 1990, section 79.095, is amended to read:

79.095 [APPOINTMENT OF ACTUARY.]

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

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

Subdivision 1. [ASSIGNED RISK PLAN; PARTICIPATION.] (H) An assigned risk plan review board is created for the purposes of review of the operation of section 79.252 and this section. The state fund mutual insurance

company and all insurers authorized to write workers' compensation and employers' liability insurance in this state shall participate in a plan providing for the equitable apportionment of insurance coverage to employers who have been rejected for insurance coverage by a licensed insurer in the manner set forth in section 79.252.

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

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

Initial appointments to the board shall be made by ~~September~~ January 1, ~~1984~~ 1992, and terms shall be for three years duration. Removal, the filling of vacancies and compensation of the members ~~other than the commissioner~~ shall be as provided in section 15.059.

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

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

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

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

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

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

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

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

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

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

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

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

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

Each insurer or self-insured administrator who performs services pursuant to this subdivision shall be required to report loss experience data to the Minnesota workers' compensation insurers association in accordance with the statistical plan and rules of the organization as approved by the commissioner, and shall keep a record of the premium and losses paid under

each workers' compensation policy written in Minnesota in the form required by the commissioner.

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

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

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

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

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

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

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

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

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

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

Subd. 2. [EXCESSIVENESS.] ~~No premium is excessive in a competitive market. In the absence of a competitive market,~~ Premiums are excessive if the expected underwriting profit, together with expected income from

invested reserves for the market in question, that would accrue to an insurer would be unreasonably high in relation to the risk undertaken by the insurer in transacting the business.

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

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

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

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

Sec. 12. [79.565] [PARTICIPATION.]

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

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

Subd. 2. [RATING PLANS.] The commissioner may disapprove a rating plan of a data service organization if, after a hearing conducted pursuant

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

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

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

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

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

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

(i) development factors and alternative derivations;

(ii) trend factors and alternative derivations and applications;

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

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

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

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

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

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

(g) Distribute information to an insured or interested party that is filed

with the commissioner and is open to public inspection; ~~and~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) *examine the books, accounts, records, and files of every licensee under this chapter and of every person who is engaged in any activity regulated under this chapter; the commissioner or a designated representative shall have free access during normal business hours to the offices and places of business of the person, and to all books, accounts, papers,*

records, files, safes, and vaults maintained in the place of business;

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

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

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

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

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

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

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

(c) The commissioner may issue and serve an order requiring a person to cease and desist from violations of this chapter, or any rule or order adopted or issued under this chapter. The order must give reasonable notice of the rights of the person to request a hearing and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner. Within 20

days after receiving the administrative law judge's report, the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. Unless otherwise provided, all hearings must be conducted in accordance with chapter 14. If a person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person is in default, and the proceeding may be determined against that person upon consideration of the cease and desist order, the allegations of which may be considered to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted under this paragraph.

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

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

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

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

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

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

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

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

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

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

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

Sec. 21. [MANDATED REDUCTIONS.]

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

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

(c) The commissioner of labor and industry shall survey Minnesota employers to determine if the mandated workers' compensation insurance rate reductions required under this section have been implemented by insurers, both as to amount and in a manner that is uniform and nondiscriminatory

between employers having similar risks with respect to a particular occupational classification. The commissioner shall present a report detailing the findings and conclusions to the legislature by March 1, 1992.

Sec. 22. [ADJUSTMENT.]

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

Sec. 23. [REPEALER.]

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

Sec. 24. [EFFECTIVE DATE.]

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

Delete the title and insert:

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

Mr. Frank questioned whether the amendment was germane.

The President ruled that the amendment was germane.

CALL OF THE SENATE

Mr. Gustafson imposed a call of the Senate for the balance of the proceedings on S.F. No. 1433. 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 31 and nays 33, as follows:

Those who voted in the affirmative were:

Beckman	Brataas	Hottinger	McGowan	Sams
Belanger	Chmielewski	Johnson, D.E.	Mehrkens	Stumpf
Benson, D.D.	Day	Johnston	Morse	Vickerman
Benson, J.E.	DeCramer	Knaak	Neuville	
Berg	Frederickson, D.R.	Laidig	Olson	
Bernhagen	Gustafson	Langseth	Pariseau	
Bertram	Halberg	Larson	Renneke	

Those who voted in the negative were:

Adkins	Frank	Lessard	Novak	Riveness
Berglin	Frederickson, D.J.	Luther	Pappas	Samuelson
Cohen	Hughes	Marty	Piper	Solon
Dahl	Johnson, D.J.	Merriam	Pogemitter	Spear
Dicklich	Johnson, J.B.	Metzen	Price	Waldorf
Finn	Kelly	Moe, R.D.	Ranum	
Flynn	Kroening	Mondale	Reichgott	

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

S.F. No. 1433 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 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	DeCramer	Johnston	Metzen	Price
Beckman	Finn	Knaak	Moe, R.D.	Ranum
Belanger	Flynn	Kroening	Mondale	Reichgott
Benson, D.D.	Frank	Laidig	Morse	Renneke
Benson, J.E.	Frederickson, D.J.	Larson	Neuville	Riveness
Bertram	Frederickson, D.R.	Lessard	Novak	Sams
Brataas	Halberg	Luther	Olson	Samuelson
Chmielewski	Hottinger	Marty	Pappas	Solon
Cohen	Hughes	McGowan	Pariseau	Spear
Day	Johnson, D.E.	Mehrkens	Piper	Vickerman

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 540 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 540: A bill for an act relating to crimes; regulating the display of handgun ammunition; proposing coding for new law in Minnesota Statutes, chapter 609.

Mr. Kroening moved that the amendment made to H.F. No. 540 by the Committee on Rules and Administration in the report adopted May 16, 1991, pursuant to Rule 49, be stricken. The motion prevailed. So the amendment was stricken.

H.F. No. 540 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 52 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 695 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 695: A bill for an act relating to domestic violence; battered women; providing that no filing fee shall be charged for issuing a domestic abuse order for protection except under certain circumstances; increasing the penalty for violating an order for protection; authorizing warrantless arrests for violations at a place of employment; permitting the issuance of a new order based on violation of a prior order; increasing the probationary period for misdemeanor domestic assaults; clarifying and expanding the role of the battered women's advisory council; establishing a sexual assault advisory council; updating and correcting certain statutory provisions; amending Minnesota Statutes 1990, sections 518B.01, subdivision 14, and by adding a subdivision; 609.135, subdivision 2; 611A.31, subdivision 2; 611A.32, subdivisions 1 and 2; 611A.33; 611A.34; 611A.35; and 611A.36, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 611A; repealing Minnesota Statutes 1990, section 611A.32, subdivision 4.

Ms. Reichgott moved to amend H.F. No. 695, as amended pursuant to Rule 49, adopted by the Senate May 16, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 835.)

Page 2, after line 27, insert:

"Sec. 2. Minnesota Statutes 1990, section 518B.01, is amended by adding a subdivision to read:

Subd. 3a. [FILING FEE.] The filing fees for an order for protection under this section are waived for the petitioner. The court shall also direct payment of the reasonable costs of service of process in the manner provided in section 563.01, whether served by a sheriff, private process server, or by publication. The court may direct a respondent to pay to the court administrator the petitioner's filing fees and reasonable costs of service of process if the court determines that the respondent has the ability to pay the petitioner's fees and costs.

Sec. 3. Minnesota Statutes 1990, section 518B.01, subdivision 4, is amended to read:

Subd. 4. [ORDER FOR PROTECTION.] There shall exist an action known as a petition for an order for protection in cases of domestic abuse.

(a) A petition for relief under this section may be made by any family

or household member personally or on behalf of minor family or household members.

(b) A petition for relief shall allege the existence of domestic abuse, and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.

(c) A petition for relief ~~may be made regardless of~~ *must state whether or not there is an existing order for protection in effect under this chapter governing both the parties and whether there is a pending lawsuit, complaint, petition or other action between the parties under chapter 257, 518, 518A, 518B, or 518C. The clerk of court shall verify the terms of any existing order governing the parties. The court may not delay granting relief because of the existence of a pending action between the parties or the necessity of verifying the terms of an existing order. A subsequent order in a separate action under this chapter may modify only the provision of an existing order that grants relief authorized under subdivision 6, paragraph (a), clause (1). A petition for relief may be granted, regardless of whether there is a pending action between the parties.*

(d) The court shall provide simplified forms and clerical assistance to help with the writing and filing of a petition under this section.

(e) The court shall advise a petitioner under clause (d) of the right to file a motion and affidavit and to sue in forma pauperis pursuant to section 563.01 and shall assist with the writing and filing of the motion and affidavit.

(f) The court shall advise a petitioner under clause (d) of the right to serve the respondent by published notice under subdivision 5, paragraph (b), if the respondent is avoiding personal service by concealment or otherwise, and shall assist with the writing and filing of the affidavit.

Sec. 4. Minnesota Statutes 1990, section 518B.01, subdivision 6, is amended to read:

Subd. 6. [RELIEF BY THE COURT.] (a) Upon notice and hearing, the court may provide relief as follows:

(1) restrain the abusing party from committing acts of domestic abuse;

(2) exclude the abusing party from the dwelling which the parties share or from the residence of the petitioner;

(3) award temporary custody or establish temporary visitation with regard to minor children of the parties on a basis which gives primary consideration to the safety of the victim and the children. If the court finds that the safety of the victim or the children will be jeopardized by unsupervised or unrestricted visitation, the court shall condition or restrict visitation as to time, place, duration, or supervision, or deny visitation entirely, as needed to guard the safety of the victim and the children. The court's deliberation under this subdivision shall in no way delay the issuance of an order for protection granting other reliefs provided for in Laws 1985, chapter 195;

(4) on the same basis as is provided in chapter 518, establish temporary support for minor children or a spouse, and order the withholding of support from the income of the person obligated to pay the support according to chapter 518;

(5) provide upon request of the petitioner counseling or other social services for the parties, if married, or if there are minor children;

(6) order the abusing party to participate in treatment or counseling services;

(7) award temporary use and possession of property and restrain one or both parties from transferring, encumbering, concealing, or disposing of property except in the usual course of business or for the necessities of life, and to account to the court for all such transfers, encumbrances, dispositions, and expenditures made after the order is served or communicated to the party restrained in open court;

(8) exclude the abusing party from the place of employment of the petitioner, or otherwise limit access to the petitioner by the abusing party at the petitioner's place of employment; and

(9) order, in its discretion, other relief as it deems necessary for the protection of a family or household member, including orders or directives to the sheriff or constable, as provided by this section.

(b) Any relief granted by the order for protection shall be for a fixed period not to exceed one year, except when the court determines a longer fixed period is appropriate.

(c) An order granting the relief authorized in paragraph (a), clause (1), may not be vacated or modified in a proceeding for dissolution of marriage or legal separation, except that the court may hear a motion for modification of an order for protection concurrently with a proceeding for dissolution of marriage upon notice of motion and motion. The notice required by court rule shall not be waived. If the proceedings are consolidated and the motion to modify is granted, a separate order for modification of an order for protection shall be issued.

(d) An order granting the relief authorized in paragraph (a), clause (2), is not voided by the admittance of the abusing party into the dwelling from which the abusing party is excluded.

(e) If a proceeding for dissolution of marriage or legal separation is pending between the parties, the court shall provide a copy of the order for protection to the court with jurisdiction over the dissolution or separation proceeding for inclusion in its file.

Sec. 5. Minnesota Statutes 1990, section 518B.01, subdivision 14, is amended to read:

Subd. 14. [VIOLATION OF AN ORDER FOR PROTECTION.] (a) Whenever an order for protection is granted pursuant to this section, and the respondent or person to be restrained knows of the order, violation of the order for protection is a misdemeanor. *A person who violates this paragraph within two years after a previous conviction under this paragraph is guilty of a gross misdemeanor. When a court sentences a person convicted of a gross misdemeanor and does not impose a period of incarceration, the court shall make findings on the record regarding the reasons for not requiring incarceration.*

(b) A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated an order granted pursuant to this section restraining the person or excluding the person from the residence *or the petitioner's place of employment*, even if the violation of the order did not take place in the presence of the peace officer, if the existence of the order can be verified by the officer. *A peace officer acting in good faith and exercising due care in making an arrest*

pursuant to this paragraph is immune from civil liability that might result from the officer's actions.

(c) A violation of an order for protection shall also constitute contempt of court and be subject to the penalties therefor.

(d) If the court finds that the respondent has violated an order for protection and that there is reason to believe that the respondent will commit a further violation of the provisions of the order restraining the respondent from committing acts of domestic abuse or excluding the respondent from the petitioner's residence, the court may require the respondent to acknowledge an obligation to comply with the order on the record. The court may require a bond sufficient to deter the respondent from committing further violations of the order for protection, considering the financial resources of the respondent, and not to exceed \$10,000. If the respondent refuses to comply with an order to acknowledge the obligation or post a bond under this paragraph, the court shall commit the respondent to the county jail during the term of the order for protection or until the respondent complies with the order under this paragraph. The warrant must state the cause of commitment, with the sum and time for which any bond is required. If an order is issued under this paragraph, the court may order the costs of the contempt action, or any part of them, to be paid by the respondent. An order under this paragraph is appealable.

(e) Upon the filing of an affidavit by the petitioner or, any peace officer, or an interested party designated by the court, alleging that the respondent has violated any order for protection granted pursuant to this section, the court may issue an order to the respondent, requiring the respondent to appear and show cause within 14 days why the respondent should not be found in contempt of court and punished therefor. The hearing may be held by the court in any county in which the petitioner or respondent temporarily or permanently resides at the time of the alleged violation. The court also may refer the violation of the order for protection to the appropriate prosecuting authority for possible prosecution under paragraph (a).

(f) *If it is alleged that the respondent has violated an order for protection issued under subdivision 6 and the court finds that the order has expired between the time of the alleged violation and the court's hearing on the violation, the court may grant a new order for protection under subdivision 6 based solely on the respondent's alleged violation of the prior order, to be effective until the hearing on the alleged violation of the prior order. If the court finds that the respondent has violated the prior order, the relief granted in the new order for protection shall be extended for a fixed period, not to exceed one year.*

(g) The admittance into petitioner's dwelling of an abusing party excluded from the dwelling under an order for protection is not a violation by the petitioner of the order for protection.

A peace officer is not liable under section 609.43, clause (1), for a failure to perform a duty required by clause (b).

Sec. 6. Minnesota Statutes 1990, section 609.135, subdivision 2, is amended to read:

Subd. 2. (1) If the conviction is for a felony the stay shall be for not more than three years or the maximum period for which the sentence of imprisonment might have been imposed, whichever is longer.

(2) If the conviction is for a gross misdemeanor the stay shall be for not more than two years.

(3) If the conviction is for ~~a~~ *any* misdemeanor under section 169.121 or for a misdemeanor under section 609.224, subdivision 1, in which the victim of the crime was a family or household member as defined in section 518B.01, the stay shall be for not more than two years. The court shall provide for unsupervised probation for the second year of the stay unless the court finds that the defendant needs supervised probation for all or part of the second year.

(4) If the conviction is for a misdemeanor not specified in clause (3), the stay shall be for not more than one year.

(5) The defendant shall be discharged when the stay expires, unless the stay has been revoked or the defendant has already been discharged."

Page 10, after line 27, insert:

"Sec. 17. Minnesota Statutes 1990, section 629.72, subdivision 2, is amended to read:

Subd. 2. [JUDICIAL REVIEW; RELEASE; BAIL.] (a) The judge before whom the arrested person is brought shall review the facts surrounding the arrest and detention. The arrested person must be ordered released pending trial or hearing on the person's personal recognizance or on an order to appear or upon the execution of an unsecured bond in a specified amount unless the judge determines that release (1) will be inimical to public safety, (2) will create a threat of bodily harm to the arrested person, the victim of the alleged assault, or another, or (3) will not reasonably assure the appearance of the arrested person at subsequent proceedings.

(b) If the judge determines release is not advisable, the judge may impose any conditions of release that will reasonably assure the appearance of the person for subsequent proceedings, or will protect the victim of the alleged assault, or may fix the amount of money bail without other conditions upon which the arrested person may obtain release. If conditions of release are imposed, the judge shall issue a written order for conditional release. The court administrator shall immediately distribute a copy of the order for conditional release to the agency having custody of the arrested person and shall provide the agency having custody of the arrested person with any available information on the location of the victim in a manner that protects the victim's safety. Either the court or its designee or the agency having custody of the arrested person shall serve upon the defendant a copy of the order. Failure to serve the arrested person with a copy of the order for conditional release does not invalidate the conditions of release.

(c) *If the judge imposes as a condition of release a requirement that the person have no contact with the victim of the alleged assault, the judge may also, on its own motion or that of the prosecutor or on request of the victim, issue an ex parte temporary order for protection under section 518B.01, subdivision 7. Notwithstanding section 518B.01, subdivision 7, paragraph (b), the temporary order is effective until the defendant is convicted or acquitted, or the charge is dismissed, provided that upon request the defendant is entitled to a full hearing on the order for protection under section 518B.01. The hearing must be held within seven days of the defendant's request."*

Page 11, after line 15, insert:

"Sec. 21. [EFFECTIVE DATE.]

Sections 5 and 6 are effective August 1, 1991, and apply to crimes committed on or after that date."

Renumber the sections in sequence and correct the internal references

Amend the title as follows:

Page 1, line 2, after the second semicolon, insert "modifying provisions dealing with orders for protection and domestic assaults;"

Page 1, line 10, after the semicolon, insert "imposing penalties;"

Page 1, line 11, after the semicolon, insert "518B.01, subdivisions 4, 6, and 14, and by adding a subdivision; 609.135, subdivision 2;"

Page 1, line 13, delete "and" and after the third semicolon, insert "and 629.72, subdivision 2;"

The motion prevailed. So the amendment was adopted.

Mr. Spear moved to amend H.F. No. 695, as amended pursuant to Rule 49, adopted by the Senate May 16, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 835.)

Page 3, line 1, delete "*Six of the sexual assault advisory*"

Page 3, delete lines 2 to 4

Page 3, line 5, delete "*be public members*" and insert "*No more than six of the members of the sexual assault advisory council may be representatives of community or governmental organizations that provide services to sexual assault victims*"

Page 7, line 16, delete everything after the period

Page 7, line 17, delete "*be public members*" and insert "*No more than six of the members of the battered women's advisory council may be representatives of community or governmental organizations that provide services to battered women*"

Page 7, line 20, after the period, insert "*To the extent possible, non-metropolitan members must be representative of all nonmetropolitan regions of the state.*"

Page 8, line 25, after the period, insert "*The commissioner shall adopt rules governing procedures under which the advisory council or a grant applicant may request reconsideration of the commissioner's decision regarding an advisory council recommendation.*"

Page 9, line 32, delete "*Six of the general crime victims*"

Page 9, delete lines 33 to 35

Page 9, line 36, delete "*be public members*" and insert "*No more than six of the members of the general crime victims advisory council may be representatives of community or governmental organizations that provide services to crime victims*"

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

Mr. Waldorf requested division of the amendment as follows:

First portion:

Page 3, line 1, delete "*Six of the sexual assault advisory*"

Page 3, delete lines 2 to 4

Page 3, line 5, delete "*be public members*" and insert "*No more than six of the members of the sexual assault advisory council may be representatives of community or governmental organizations that provide services to sexual assault victims*"

Page 7, line 16, delete everything after the period

Page 7, line 17, delete "*be public members*" and insert "*No more than six of the members of the battered women's advisory council may be representatives of community or governmental organizations that provide services to battered women*"

Page 7, line 20, after the period, insert "*To the extent possible, non-metropolitan members must be representative of all nonmetropolitan regions of the state.*"

Page 9, line 32, delete "*Six of the general crime victims*"

Page 9, delete lines 33 to 35

Page 9, line 36, delete "*be public members*" and insert "*No more than six of the members of the general crime victims advisory council may be representatives of community or governmental organizations that provide services to crime victims*"

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

Second portion:

Page 8, line 25, after the period, insert "*The commissioner shall adopt rules governing procedures under which the advisory council or a grant applicant may request reconsideration of the commissioner's decision regarding an advisory council recommendation.*"

The question was taken on the adoption of the first portion of the amendment. The motion prevailed. So the first portion of the amendment was adopted.

The question was taken on the adoption of the second portion of the amendment.

The roll was called, and there were yeas 26 and nays 28, as follows:

Those who voted in the affirmative were:

Berglin	Johnson, J.B.	Metzen	Pogemiller	Solon
Bertram	Kroening	Moe, R.D.	Price	Spear
Finn	Laidig	Mondale	Ranum	
Flynn	Lessard	Morse	Reichgott	
Frederickson, D.J.	Luther	Novak	Riveness	
Hottinger	Marty	Piper	Sams	

Those who voted in the negative were:

Adkins	Cohen	Halberg	Langseth	Pappas
Beckman	Dahl	Hughes	Larson	Pariseau
Belanger	Day	Johnson, D.E.	McGowan	Stumpf
Benson, D.D.	Frank	Johnston	Mehrkens	Waldorf
Benson, J.E.	Frederickson, D.R.	Kelly	Neuville	
Bernhagen	Gustafson	Knaak	Olson	

The motion did not prevail. So the second portion of the amendment was

not adopted.

H.F. No. 695 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 56 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated S.F. No. 1174 a Special Order to be heard immediately.

SPECIAL ORDER

S.F. No. 1174: A bill for an act relating to water; setting a minimum water use processing fee for water use permits issued for irrigation; amending Minnesota Statutes 1990, section 103G.271, subdivision 6.

Mr. Morse moved to amend S.F. No. 1174 as follows:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1990, section 103G.005, subdivision 13a, is amended to read:

Subd. 13a. [ONCE-THROUGH SYSTEM.] "Once-through system" means a space heating, ventilating, air conditioning (HVAC), or refrigeration system used for any type of temperature or humidity control application, utilizing groundwater, that circulates through the system and is then discharged without recirculating the majority of the water in the system components or reusing it for another a higher priority purpose."

Page 3, line 7, after the period, insert "A penalty of two percent per month calculated from the original due date must be imposed on the unpaid balance of fees remaining 30 days after the sending of a second notice of fees due."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Mr. Knaak questioned whether the amendment was germane.

The President ruled that the amendment was germane.

The question was taken on the adoption of the amendment.

The motion prevailed. So the amendment was adopted.

S.F. No. 1174 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 50 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Johnson, D.E.	McGowan	Pariseau
Beckman	DeCramer	Johnson, J.B.	Mehrkens	Piper
Belanger	Finn	Johnston	Metzen	Pogemiller
Benson, D.D.	Flynn	Kelly	Moe, R.D.	Price
Benson, J.E.	Frank	Knaak	Mondale	Reichgott
Bernhagen	Frederickson, D.J.	Kroening	Morse	Riveness
Bertram	Frederickson, D.R.	Laidig	Neuville	Sams
Brataas	Gustafson	Larson	Novak	Samuelson
Cohen	Hottinger	Lessard	Olson	Spear
Dahl	Hughes	Marty	Pappas	Stumpf

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

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 1109 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 1109: A bill for an act relating to economic development; creating Advantage Minnesota, Inc.; requiring a report to the legislature; proposing coding for new law in Minnesota Statutes, chapter 116J.

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 44 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Hughes	McGowan	Piper
Beckman	DeCramer	Johnson, D.E.	Mehrkens	Pogemiller
Belanger	Finn	Johnson, J.B.	Metzen	Price
Benson, J.E.	Flynn	Johnston	Moe, R.D.	Reichgott
Berglin	Frank	Knaak	Mondale	Riveness
Bernhagen	Frederickson, D.J.	Kroening	Morse	Sams
Bertram	Frederickson, D.R.	Laidig	Neuville	Samuelson
Brataas	Gustafson	Larson	Novak	Stumpf
Cohen	Hottinger	Marty	Pariseau	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 761 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 761: A bill for an act relating to education; permitting the state board of technical colleges to develop training materials for people who provide services to people with developmental disabilities; creating an advisory task force; requiring a report.

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 43 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Hughes	Mehrkens	Pogemiller
Beckman	DeCramer	Johnson, J.B.	Metzen	Price
Belanger	Finn	Johnston	Moe, R.D.	Riveness
Benson, D.D.	Flynn	Knaak	Mondale	Sams
Benson, J.E.	Frank	Kroening	Morse	Spear
Berglin	Frederickson, D.J.	Laidig	Novak	Stumpf
Bernhagen	Frederickson, D.R.	Larson	Olson	Waldorf
Brataas	Gustafson	Marty	Pariseau	
Cohen	Hottinger	McGowan	Piper	

So the bill passed and its title was agreed to.

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 222 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 222: A bill for an act relating to international trade; establishing a regional international trade service center pilot project; appropriating money.

Mr. Dahl moved to amend H.F. No. 222, the unofficial engrossment, as follows:

Page 3, line 15, after the period, insert "*Money made available from state sources may be used to make a grant to the Red River trade corridor project.*"

The motion prevailed. So the amendment was adopted.

H.F. No. 222 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	Dahl	Johnson, J.B.	Mehrkens	Pogemiller
Beckman	Day	Johnston	Metzen	Price
Belanger	Finn	Knaak	Moe, R.D.	Riveness
Benson, J.E.	Flynn	Kroening	Mondale	Sams
Berglin	Frank	Laidig	Morse	Spear
Bernhagen	Frederickson, D.J.	Langseth	Novak	Stumpf
Brataas	Frederickson, D.R.	Luther	Olson	Waldorf
Chmielewski	Hottinger	Marty	Pariseau	
Cohen	Hughes	McGowan	Piper	

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 1533 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 1533

A bill for an act relating to the organization and operation of state government; appropriating money for the protection of the state's environment and natural resources; amending Minnesota Statutes 1990, sections 14.18;

41A.09, subdivision 3; 85A.02, subdivision 17; 103B.321, subdivision 1; and 116P.11.

May 18, 1991

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Robert Vanasek
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 1533, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendment and that S.F. No. 1533 be further amended as follows:

Delete everything after the enacting clause and insert:

“ARTICLE I

APPROPRIATIONS

Section 1. [ENVIRONMENT AND NATURAL RESOURCES; APPROPRIATIONS.]

The sums shown in the columns marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this act, to be available for the fiscal years indicated for each purpose. The figures “1991,” “1992,” and “1993,” where used in this act, mean that the appropriation or appropriations listed under them are available for the year ending June 30, 1991, June 30, 1992, or June 30, 1993, respectively.

SUMMARY BY FUND

	1992	1993	TOTAL
General	\$143,129,500	\$139,929,500	\$283,059,000
Environmental	17,740,000	19,687,000	37,427,000
Metro Landfill			
Contingency Trust	1,663,000	797,000	2,460,000
Special Revenue	1,040,000	1,040,000	2,080,000
Natural Resources	18,612,000	17,334,000	35,946,000
Game and Fish	49,609,000	50,733,000	100,342,000
Permanent School Trust	565,000	635,000	1,200,000
Minnesota Resources	16,534,000	-0-	16,534,000
Environmental Trust	14,960,000	-0-	14,960,000
Oil Overcharge	3,500,000	-0-	3,500,000
TOTAL	267,352,500	230,155,500	497,508,000

APPROPRIATIONS
Available for the Year
Ending June 30
1992 1993

Sec. 2. POLLUTION CONTROL

AGENCY

Subdivision 1. Total

Appropriation		30,884,000	30,013,000
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	1992	1993
Approved Complement -	700	685
General -	185	160
Environmental -	205	215
Federal -	235	235
Metro Landfill		
Contingency -	2	2
Special Revenue -	73	73

Summary by Fund

General	11,603,000	9,651,000
Environmental	16,763,000	18,710,000
Metro Landfill		
Contingency	1,663,000	797,000
Special Revenue	855,000	855,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Water Pollution Control

7,162,000	5,588,000
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Summary by Fund

General	5,275,000	3,633,000
Environmental	1,887,000	1,955,000

\$1,280,000 the first year is for grants to local units of government for the clean water partnership program. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

\$100,000 the first year is for grants to municipalities who have experienced catastrophic failure of wastewater treatment facilities resulting from unstable geological formations and which required immediate action to avoid impacts to drinking water supplies.

\$250,000 the first year is for a grant to the Western Lake Superior Sanitary Sewer District for the payment of debt service.

Subd. 3. Air Pollution Control

4,626,000	5,866,000
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Summary by Fund

General	454,000	-0-
Environmental	3,317,000	5,011,000

Special Revenue	855,000	855,000
Subd. 4. Groundwater and Solid Waste Pollution Control		
10,038,000	9,366,000	
Summary by Fund		
General	2,124,000	2,313,000
Environmental	6,259,000	6,264,000
Metro Landfill Contingency	1,655,000	789,000

All money in the environmental response, compensation, and compliance account in the environmental fund not otherwise appropriated is appropriated to the commissioner of finance for transfer to the pollution control agency and the commissioner of agriculture for purposes of Minnesota Statutes, section 115B.20, subdivision 2, clauses (1), (2), (3), (4), (11), (12), and (13). This appropriation is available until June 30, 1993.

\$1,000,000 the first year and \$1,000,000 the second year are appropriated from the motor vehicle transfer account for transfer to the environmental response, compensation, and compliance account in the environmental fund.

All money in the metropolitan landfill abatement account in the environmental fund not otherwise appropriated is appropriated to the pollution control agency for payment to the metropolitan council and may be used by the council for the purposes of Minnesota Statutes, section 473.844. The council shall report to the legislative commission on waste management its budget and work program for spending this appropriation.

Any unencumbered balance from the metropolitan landfill contingency action trust fund remaining in the first year does not cancel but is available for the second year.

\$92,000 the first year and \$127,000 the second year is for a grant to the department of administration for assistance in funding a central materials recovery facility. Any unencumbered balance at the end of the first year does not cancel and is available for the second year.

Subd. 5. Hazardous Waste Pollution
Control

4,993,000 5,095,000

Summary by Fund

General	1,786,000	1,782,000
Environmental	3,207,000	3,313,000

Subd. 6. Regional Support

Environmental

52,000	52,000
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The commissioner shall prepare a study on regionalization for presentation to the chairs of the house and senate committees on governmental operations, the house appropriations committee and the senate finance committee by January 15, 1992. The study shall identify options and costs associated with relocating specific agency functions to locations other than the agency's central office. The report shall identify the specific functions that would be relocated, the rationale used for selecting these specific functions for relocation, the geographic areas of the state that would receive these functions, the numbers of personnel involved in the relocation, the impact on service to the public of the proposed relocations, an implementation strategy for the proposed plan and the costs associated with the regionalization of these functions in comparison to the savings, if any, accrued from the relocation.

Subd. 7. General Support

5,250,000	5,343,000
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Summary by Fund

General	2,104,000	2,123,000
Environmental	2,041,000	2,115,000
Metro Landfill		
Contingency	8,000	8,000

Subd. 8. General Reduction

(140,000)	(200,000)
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Sec. 3. OFFICE OF WASTE
MANAGEMENT

20,783,000	20,525,000
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	1992	1993
Approved Complement -	53	53
General -	49	49
Environmental -	3	3
Federal -	1	1

Summary by Fund

General	19,936,000	19,678,000
Environmental	847,000	847,000

\$14,008,000 the first year and \$14,008,000 the second year are for SCORE block grants

to counties.

\$250,000 the first year is to develop markets for mixed municipal solid waste compost and to improve model operations at existing mixed municipal solid waste composting facilities that will improve the marketability of the compost product. This appropriation is available only as matched by an equal amount of private money. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

The director, in cooperation with the pollution control agency and the legislative commission on waste management shall study mechanisms for assessing the costs of waste disposal to the source of particular types of waste based on the impact that the particular waste has on the waste stream and the environment. The study should develop recommendations for a fee structure and identify the costs associated with implementing a fee structure for disposal based on the type of waste being disposed. A report shall be submitted to the legislative commission on waste management for consideration by January 1992.

Sec. 4. ZOOLOGICAL BOARD	8,971,000	8,826,000
	1992	1993
Approved Complement -	159	159
General -	141	141
Special Revenue -	15	15
Gift -	3	3

\$125,000 in the first year is for major maintenance. In addition, any revenue received from the proposed bird amphitheater admissions sales during fiscal year 1993, beyond the first \$400,000 in revenue from this particular revenue source is available for use by the board for major maintenance until expended.

Sec. 5. NATURAL RESOURCES

Subdivision 1. Total		
Appropriation	147,088,000	146,384,000
	1992	1993
Agency Approved -		
Full-Time Equivalency	2,721	2,721
Summary by Fund		
General	78,302,000	77,682,000
Game and Fish	49,609,000	50,733,000
Natural Resources	18,612,000	17,334,000

Permanent School	565,000	635,000
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The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Of the total amount appropriated to the commissioner by this act, no more than \$99,500,000 the first year and \$99,000,000 the second year may be used for salary related expenses unless adjusted in accordance with the provisions of Minnesota Statutes, section 16A.123, subdivision 5.

Subd. 2. Mineral Resources Management	
5,295,000	5,272,000

\$325,000 the first year and \$325,000 the second year are for iron ore cooperative research, of which \$200,000 the first year and \$200,000 the second year are available only as matched by \$1 of nonstate money for each \$1 of state money. Any unencumbered balance remaining in the first year does not cancel but is available for the second year.

\$844,000 the first year and \$826,000 the second year are for mineral diversification. Any unencumbered balance remaining in the first year does not cancel but is available for the second year. The commissioner is authorized one position in the unclassified service for minerals diversification.

Subd. 3. Water Resources Management	
8,641,000	7,965,000

Summary by Fund

General	8,544,000	7,866,000
Natural Resources	97,000	99,000

\$1,107,000 the first year and \$1,106,000 the second year are available for shoreland management grants to include \$85,000 each year of the biennium for a grant to the North Shore Management Board. Pursuant to existing law and department rules, the metropolitan area shall be considered in distribution of these funds. The unencumbered balance at the end of the first year does not cancel and is available for the second year.

\$75,000 the first year and \$75,000 the second year is to conduct the stream maintenance program under Minnesota Statutes, section 103G.701. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

\$10,000 the first year is available for stream stabilization on the Snake River.

\$135,000 of this appropriation in the first year is from the general fund for a loan to the city of Fridley for the purpose of reconstructing the Locke Lake dam pursuant to Minnesota Statutes, section 103G.511, subdivision 10. Notwithstanding Minnesota Statutes, section 103G.511, subdivision 10, clause (e), principal and interest payments received by the commissioner of finance in repayment of the loan shall be deposited in the general fund.

\$150,000 of this appropriation is for a grant to the city of Fridley for the purpose of reconstructing the Locke Lake dam.

Subd. 4. Forest Management

23,155,000	23,311,000
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\$750,000 the first year and \$750,000 the second year are for emergency fire fighting. Of this amount, \$500,000 the first year and \$550,000 the second year are for presuppression costs of emergency fire fighting and are not subject to transfer. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. If these appropriations are insufficient to cover all costs of suppression, the amount necessary to pay for emergency firefighting expenses during the biennium is appropriated from the general fund.

\$343,000 the first year and \$343,000 the second year are for grants to the University of Minnesota College of Natural Resources. \$147,000 of this amount each year is for hybrid aspen and hybrid larch research and development at the North Central Experiment Station at Grand Rapids. \$196,000 of this amount each year is for the paper science and recycling program.

\$120,000 the first year and \$120,000 the second year from the general fund under Minnesota Statutes, section 89.04, are for grants to the board of water and soil resources for cost-sharing with landowners in the state forest improvement program. This appropriation is not subject to any budget reductions made in the agency.

\$385,000 from the forest nursery account in the special revenue fund may be spent for necessary construction at Badoura nursery.

\$25,000 the first year and \$25,000 the second year are for county forest management grants.

Subd. 5. Parks and Recreation Management

19,840,000 19,802,000

Summary by Fund

General	19,256,000	19,213,000
Natural Resources	584,000	589,000

\$584,000 the first year and \$589,000 the second year are from the water recreation account in the natural resources fund for state park development projects. If the appropriation in either year is insufficient, the appropriation for the other year is available for it.

As cash flow permits, \$800,000 the first year and \$350,000 the second year are transferred from the state parks working capital account in the special revenue fund to the general fund and are appropriated for state park resource management and interpretive programs. No money shall be spent on the resource management or interpretive programs until all expenses attributable to the revenue producing program have been covered.

The commissioner shall operate pumping facilities at Hill Annex Mine state park sufficient to maintain a water level not to exceed the height of the area known as "pocket A" for the duration of the biennium to assess the pumping and operational costs associated with maintaining this water level. The commissioner shall report the projected pumping and operational costs of maintaining this level to the legislature no later than January 1, 1993.

\$60,000 and three full-time equivalent positions the first year and \$60,000 and three full-time equivalent positions the second year are for an increase in the state park planning effort.

Subd. 6. Trails and Waterways

10,993,000 11,095,000

Summary by Fund

General	1,229,000	1,227,000
Game and Fish	750,000	770,000
Natural Resources	9,014,000	9,098,000

\$2,248,000 the first year and \$2,248,000 the second year are from the snowmobile trails and enforcement account in the natural resources fund for snowmobile grants-in-aid.

\$250,000 the first year and \$250,000 the second year are from the water recreation account in the natural resources fund for a safe harbor program on Lake Superior. Any unencumbered balance at the end of the first year does not cancel and is available for the second year.

The commissioner shall submit recommendations to the legislature before January 1, 1992, concerning the snowmobile account, its continuing viability, and the grants made to local governments from the snowmobile account for grants-in-aid trail operations and maintenance equipment. The recommendations should address, at a minimum, ways to ensure funding for trail-grooming equipment and the appropriateness of the present formula dedicating a share of the unrefunded gas tax to the snowmobile account.

Subd. 7. Fish and Wildlife Management

35,653,000	36,323,000
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Summary by Fund

General	2,770,000	2,763,000
Game and Fish	31,078,000	31,707,000
Natural Resources	1,805,000	1,853,000

\$874,000 in the first year and \$874,000 the second year are appropriated from the game and fish fund for payments to counties in lieu of taxes on acquired wildlife lands and is not subject to transfer.

\$1,367,000 the first year and \$1,404,000 the second year are from the nongame wildlife management account in the natural resources fund for the purpose of nongame wildlife management. Any unencumbered balance remaining in the first year does not cancel but is available the second year. The commissioner of natural resources shall submit to the legislature by January 15, 1992, a budget request to spend any excess receipts from the nongame checkoff.

\$130,000 the first year and \$130,000 the second year are for deer and bear management to include emergency deer feeding. If the appropriation for either year is insufficient, the appropriation for the other year is available.

\$175,000 and three full-time equivalent positions each year is from the game and fish fund for an additional deer habitat improvement program and shall not be considered as part of the budget base for the 1994-1995 biennium.

\$100,000 the first year and \$100,000 the second year are from the game and fish fund for special hunt opportunities.

\$50,000 the first year and \$50,000 the second year are from the game and fish fund to coordinate the North American waterfowl management plan.

\$100,000 the first year and \$100,000 the second year are from the game and fish fund for accelerated wild turkey management.

\$200,000 the first year and \$200,000 the second year are from the game and fish fund for lake and stream management.

\$50,000 the first year and \$50,000 the second year are from the game and fish fund for an accelerated wildlife lakes survey.

\$120,000 the first year is from the game and fish fund for the Heron Lake and Swan Lake projects. Any unencumbered balance remaining in the first year does not cancel and is available for the second year of the biennium.

\$140,000 each year is appropriated from the game and fish fund for the aquatic education program. One-half of the funds expended must be in the seven-county metropolitan area.

\$1,651,000 the first year and \$1,644,000 the second year are for the reinvest in Minnesota programs of game and fish, critical habitat, and wetlands, established under Minnesota Statutes, section 84.95, subdivision 2. Any unencumbered balance for the first year does not cancel but is available for use the second year.

The commissioner, in cooperation with the commissioner of agriculture shall study and make recommendations to the legislature by January 1, 1993, for a program for providing assistance to farmers for crop damage caused by wild animals.

The commissioner may not allow a shooting range to be constructed at the Carlos Avery Wildlife Management area unless a proposal is submitted to the legislature for approval.

Subd. 8. Enforcement

14,349,000	14,616,000
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Summary by Fund

General	2,226,000	2,220,000
Game and Fish	9,556,000	9,800,000

Natural Resources	2,567,000	2,596,000
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\$1,125,000 the first year and \$1,125,000 the second year are from the water recreation account in the natural resources fund for grants to counties for boat and water safety.

The commissioner shall evaluate the number of metropolitan conservation officer stations in relation to the population and need in the metropolitan area and make recommendations to the legislature for appropriate readjustment of assignments by January 1, 1992.

Subd. 9. Field Operations Support

12,136,000	10,863,000
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Summary by Fund

General	5,145,000	5,168,000
Game and Fish	4,511,000	4,636,000
Natural Resources	1,915,000	424,000
Permanent School	565,000	635,000

\$565,000 the first year and \$667,000 the second year are for land sale costs under Minnesota Statutes, section 92.67, subdivision 3. Any unencumbered balance remaining in the first year does not cancel and is available for the second year.

Any unencumbered balance remaining in the appropriation under Minnesota Statutes, section 92.46, subdivision 1, paragraph (d), in the first year does not cancel and is available for the second year.

\$1,500,000 for the biennium is from the land acquisition account in the natural resources fund and is for acquisition costs associated with Tettegouche state park, Glendalough state park, and other state park in-holdings. This appropriation is available in either year of the biennium.

Subd. 10. Regional Operations Support

5,121,000	5,136,000
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Summary by Fund

General	3,984,000	3,969,000
Game and Fish	888,000	913,000
Natural Resources	249,000	254,000

Subd. 11. Special Services and Programs

5,853,000	5,881,000
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Summary by Fund

General	4,558,000	4,559,000
Game and Fish	482,000	494,000
Natural Resources	813,000	828,000

\$103,000 the first year and \$103,000 the second year are for a grant to the Mississippi headwaters board for up to 50 percent of the cost of implementing the comprehensive plan for the upper Mississippi within areas under its jurisdiction.

\$17,000 the first year and \$17,000 the second year are for payment to the Leech Lake Band of Chippewa Indians to implement their portion of the comprehensive plan for the upper Mississippi.

Notwithstanding any other law to the contrary, any reductions in the department of natural resources' agency operating budget or reductions in agency program efforts prompted by specific legislative action or economic conditions during the biennium shall not be applied against the budget for the Minnesota Conservation Corps. Should the need arise, the commissioner shall reallocate resources within the department to ensure that the corps is maintained at no less than the same level of effort as accomplished during the 1990-1991 biennium.

The commissioner of the department of natural resources shall have the authority to contract with and make grants to nonprofit agencies to carry out the purposes, plans, and programs of the office of youth programs, Minnesota conservation corps.

Subd. 12. Administrative Management Services

6,552,000	6,640,000
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Summary by Fund

General	2,640,000	2,634,000
Game and Fish	2,344,000	2,413,000
Natural Resources	1,568,000	1,593,000

The commissioners of natural resources, public safety, and employee relations shall assess the effectiveness of the critical stress debriefing unit and the appropriateness of its current organizational placement. They shall report their findings and recommendations to the legislature by February 15, 1992.

Subd. 13. General Reduction

	(\$500,000)	(\$520,000)		
Sec. 6. BOARD OF WATER AND SOIL RESOURCES			8,076,000	8,020,000
	1992	1993		
Approved Complement -	36	36		
General -	34	34		
Federal -	2	2		

\$10,000 the first year and \$10,000 the second year are for the International Water Coalition.

\$849,000 the first year and \$849,000 the second year are for general purpose grants to soil and water conservation districts, including conservation tillage and review and comment on water permits. Upon approval of the board, expenditures may be made from these appropriations for supplies and services benefiting soil and water conservation districts.

\$1,461,000 the first year and \$1,461,000 the second year are for grants to soil and water conservation districts for cost-sharing contracts for erosion control and water quality management. This appropriation is available until expended.

\$159,000 the first year and \$159,000 the second year are for grants-in-aid to soil and water conservation districts and local units of government to assist them in solving sediment and erosion control problems. Grants must not exceed 50 percent of total project costs or 50 percent of the local share if federal money is used. Priority must be given to projects designed to solve lakeshore, stream bank, and roadside erosion and to projects eligible for federal matching money.

\$189,000 the first year and \$189,000 the second year are for grants to watershed districts and other local units of government in the southern Minnesota river basin study area 2 for flood plain management.

\$900,000 the first year and \$900,000 the second year are for technical services and implementation of the conservation reserve program. Of this appropriation, \$750,000 the first year and \$750,000 the second year must be distributed to soil and water conservation districts.

\$2,435,000 the first year and \$2,535,000 the second year are for comprehensive local water planning.

\$200,000 the first year is for a pilot project for a statewide abandoned well inventory. The board shall select counties for inclusion in this pilot that are representative of geographic, hydrological, geologic, and demographic areas of the state. The pilot will include an effort to identify the locations of abandoned wells in the selected counties and an analysis of the costs and an evaluation of the need for a statewide inventory of abandoned wells. The board shall submit a report to the legislature with its findings and recommendations by December 1, 1992. Any unencumbered balance at the end of the first year does not cancel and is available for the second year.

Any unencumbered balance in the board's program of grants to soil and water conservation districts and counties does not cancel at the end of the first year and is available for the second year for the same grant program.

Sec. 7. AGRICULTURE

Subdivision 1. Total

Appropriation		\$13,023,000	\$12,855,000
	1992	1993	
Approved Complement -	537	537	
General -	218	218	
Environmental -	2	2	
Special/Revolving -	293	293	
Federal -	24	24	

Summary by Fund

General	12,708,000	12,540,000
Environmental	130,000	130,000
Special Revenue	185,000	185,000

The amounts that may be spent from this appropriation for each program are specified in the following subdivisions.

Subd. 2. Protection Service

5,264,000 5,254,000

Summary by Fund

General	5,134,000	5,124,000
Environmental	130,000	130,000

\$130,000 the first year and \$130,000 the second year are from the environmental response, compensation, and compliance account in the environmental fund.

Subd. 3. Promotion and Marketing

753,000

750,000

\$75,000 the first year and \$75,000 the second year are for transfer to the Minnesota grown matching account which may be used as grants for Minnesota grown promotion.

Subd. 4. Family Farm Services

1,318,000

1,318,000

\$629,000 the first year and \$629,000 the second year are for family farm security interest payment adjustments. If the appropriation for either year is insufficient, the appropriation for the other year is available for it. During the biennium, such sums that are not needed for interest payment adjustments are available for farm crisis assistance. No new loans may be approved in fiscal year 1992 or 1993.

\$200,000 the first year and \$200,000 the second year are appropriated to the commissioner to manage the existing family farm advocacy program. The commissioner shall target these funds to areas of the state with the greatest amount of farm stress.

\$150,000 the first year and \$150,000 the second year are for agriculture information centers and is only available on a dollar for dollar nonstate match. The funds may be released at the rate of one dollar for each dollar of matching nonstate money that is raised. The commissioner may credit in-kind contributions from nonstate sources for up to one-half of the required nonstate match. This appropriation shall be used to target the areas of the state with the greatest amount of farm stress and shall not be a part of the 1994-1995 biennial budget base.

\$100,000 the first year and \$100,000 the second year are for supplemental grant funding to the commissioner for farm and small business management programs through the technical college system. The commissioner is authorized to make a supplemental grant or grants to the board of technical colleges for the instructional materials, instructional staff, support staff, and tuition assistance costs associated with this program not to exceed the amount of supplemental funding made available. Any supplemental grants that may be made to this program shall not be considered as part of the 1994-1995 budget base for the technical college system or the department of agriculture.

Subd. 5. Administrative Support
and Grants

5,688,000 5,533,000

Summary by Fund

General	5,503,000	5,348,000
Special Revenue	185,000	185,000

\$185,000 the first year and \$185,000 the second year are from the commodities research and promotion account in the special revenue fund.

\$80,000 the first year and \$80,000 the second year are for grants to farmers for demonstration projects involving sustainable agriculture. If a project cost is more than \$25,000, the amount above \$25,000 must be cost-shared at a state-applicant ratio of one to one. Priorities must be given for projects involving multiple parties. Up to \$20,000 each year may be used for dissemination of information about the demonstration grant projects. If the appropriation for either year is insufficient, the appropriation for the other is available.

The unexpended balance appropriated for grants to farmers for demonstration projects involving sustainable agriculture in Laws 1989, chapter 269, section 7, subdivision 5, does not cancel and is reappropriated to the commissioner and added to other appropriations for the biennium ending June 30, 1993, to carry out such demonstrations to be used in either year of the biennium.

\$70,000 the first year and \$70,000 the second year are for the Northern Crops Institute. These appropriations may be spent to purchase equipment and are available until spent.

\$40,000 the first year and \$40,000 the second year are for payment of claims relating to livestock damaged by endangered animal species. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

\$80,000 the first year and \$80,000 the second year are for the seaway port authority of Duluth.

\$10,000 the first year is for payment of claims relating to agricultural crops damaged by elk and is available until June 30, 1993.

\$19,000 the first year and \$19,000 the second year is for a grant to the Minnesota livestock

breeder's association.

\$100,000 the first year and \$100,000 the second year are for a base adjustment to grants to the state agricultural society to be spent as grants to county agricultural societies for premiums for county fair competitions in arts and crafts. This appropriation must be included in the 1994-1995 biennial budget base.

\$160,000 the first year is for farm safety programs. \$120,000 is for payment to instructors in a youth farm safety program and \$40,000 is for a farm safety audit pilot project. This appropriation is available for either year of the biennium. If any amount of the appropriation for either program remains unencumbered on September 1, 1992, it becomes available for the other program.

Sec. 8. BOARD OF ANIMAL
HEALTH

	2,085,000	2,080,000
Approved Complement - 37	35	
General - 36	34	
Federal - 1	1	

This appropriation includes \$25,000 the first year and \$25,000 the second year for payment of indemnities. If the appropriation for indemnities for either year is insufficient, the appropriation for the other year is available for it. Indemnities of less than \$1 must not be paid.

\$150,000 the first year and \$150,000 the second year are for an integrated pseudorabies control and research program. The board of animal health must consult with the pseudorabies advisory council about how this money should be spent. The appropriation is available only as matched, dollar for dollar, by money from nonstate sources.

Sec. 9. MINNESOTA-WISCONSIN
BOUNDARY AREA
COMMISSION

127,000	127,000
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This appropriation is only available to the extent it is matched by an equal amount from the state of Wisconsin.

Sec. 10. CITIZENS COUNCIL ON
VOYAGEUR'S NATIONAL PARK

80,000	80,000
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Sec. 11. SCIENCE MUSEUM
OF MINNESOTA

1,138,000	1,138,000
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Upon completion of its national tour, the Science Museum of Minnesota shall donate free of charge the "Wolves and Humans" exhibit

to the International Wolf Center for permanent housing. In the event that the construction necessary to display the exhibit at the International Wolf Center is not completed at the time that the tour concludes, the Science Museum of Minnesota shall provide space until the International Wolf Center is prepared to display the exhibit.

Sec. 12. MINNESOTA ACADEMY
OF SCIENCE

32,000

36,000

Sec. 13. MINNESOTA HORTICULTURAL
SOCIETY

71,500

71,500

\$3,500 the first year and \$3,500 the second year are to increase the amount of color used in printing the Minnesota Horticulturist.

Sec. 14. MINNESOTA RESOURCES

Subdivision 1. Total
Appropriation

34,994,000

Summary by Fund

Minnesota Future Resources Fund
16,534,000

Minnesota Environment and Natural
Resources Trust Fund
14,960,000

Oil Overcharge Money in the Special
Revenue Fund
3,500,000

The appropriations in this section are from the Minnesota future resources fund, unless another fund is named.

The appropriations in this section are available until June 30, 1993.

Subd. 2. Legislative Commission on
Minnesota Resources

850,000

For the biennium ending June 30, 1993, the commission shall monitor the programs in this section; assess the status of the state's natural resources; convene a state resource congress; establish priorities for, request, review, and recommend programs for the 1993-1995 biennium from the Minnesota future resources fund, Minnesota environment and natural resources trust fund, and oil overcharge money, and for support of the Citizen Advisory Committee activities.

Subd. 3. Recreation

(a) Off-highway Vehicle
Recreation Area 75,000

This appropriation is to the commissioner of natural resources to conduct a study in cooperation with the Minnesota 4-WD Association on the feasibility of an off-highway vehicle recreation area.

(b) Superior Hiking Trail 400,000

This appropriation is to the commissioner of natural resources for planning and administrative assistance and a grant to the Superior Hiking Trail Association for planning, development, and limited use of easement acquisition. The use of conservation corps resources is strongly encouraged. Up to \$80,000 is available to the commissioner for planning and administrative assistance. Available federal and private money is appropriated.

(c) Local Rivers Planning 400,000

This appropriation is to the commissioner of natural resources for grants of up to two-thirds of the cost to counties, or groups of counties acting pursuant to joint powers agreement, to develop comprehensive plans for the management and protection of up to eight rivers in northern and central Minnesota. The commissioner of natural resources shall include in the work plan for review and approval by the legislative commission on Minnesota resources a proposed list of rivers and a planning process developed by consensus of the affected counties. All plans must meet or exceed the requirements of state shoreland and floodplain laws.

(d) Access to Lakes and Rivers 1,000,000

This appropriation is to the commissioner of natural resources to provide boat access to major recreation lakes and rivers and to construct fishing piers in accordance with established priorities, inventory, map, and construct shore access sites in the metropolitan area.

(e) Land and Water Resource Management,
Lower St. Croix Riverway 360,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources for a grant to the Minnesota-Wisconsin Boundary Area Commission to develop a management strategy, improved technical capability, and sustained local government and landowner stewardship on the jointly managed lower St.

Croix.

(f) Mississippi River Valley
Blufflands Initiative 150,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to assist local units of government to develop the tools necessary to protect the outstanding scenic and biological resources of the blufflands of the Mississippi Valley in Goodhue, Wabasha, Winona, and Houston counties.

(g) Reclamation of Recreation Systems
and Environmental Resources 200,000

This appropriation is to the University of Minnesota, College of Architecture and Landscape Architecture, to investigate urban design strategies for enhancing recreational amenities in suburban areas. The investigation shall be done in cooperation with the metropolitan council. The legislative commission on Minnesota resources may convene a steering committee to ensure coordination and practical results.

(h) Preservation of Historic
Shipwrecks, Lake Superior 100,000

\$80,000 is to the Minnesota historical society to investigate the historic significance of shipwrecks on the North Shore of Lake Superior in accordance with priorities for placement on the National Register of Historic Places; to develop preservation plans to implement the federal Abandoned Shipwrecks Act; and to conduct a survey of the underwater resources in the vicinity of Split Rock Lighthouse.

\$20,000 is to the commissioner of natural resources to develop facilities at Split Rock Lighthouse State Park for diver access.

(i) Land and Water Conservation
Fund Administration 84,000

This appropriation is to the commissioner of natural resources for administration of the federal land and water conservation program and other grant administration activities assigned to the commissioner in this section.

(j) Historic Records Database -
Final Phase 180,000

This appropriation is to the Minnesota historical society to automate and make widely accessible the society's collections.

(k) Fur Trade Research and Planning 250,000

This appropriation is to the Minnesota historical society to plan and design the visitor center at the Northwest Company Fur Post Historic Site, and for site improvements at that site. No more than \$100,000 may be spent for site improvements.

(l) Mystery Cave Resource Evaluation	150,000
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This appropriation is to the commissioner of natural resources to perform a resource inventory and study of Mystery Cave to include groundwater, cave meteorology, geology, and biology as part of the park plan.

(c) Rails-to-Trails Acquisition and Development	1,000,000
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This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources for acquisition and development of trails in accordance with established priorities.

Subd. 4. Water

(a) Stream and Watershed Information System	200,000
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This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of state planning to develop an integrated system of information relating to streams, watersheds, and retrieval and analysis tools.

(b) South Central Minnesota Surface Water Resource Atlases and Data Base	300,000
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This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources for a grant to Mankato State University for development of surface hydrology atlases and data base in both hard and electronic format for the 13 counties of south central Minnesota.

(c) Minnesota River Basin Water Quality Monitoring	700,000
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This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of the pollution control agency. This is the final two years of a multiagency four-year effort to identify the sources of non-point pollution threatening the water quality and uses of the Minnesota River. The results will be used to direct state and local implementation programs. Federal matching money

is appropriated.

- (d) Waterwatch - Citizen Monitoring
and Protection Program 272,000

This appropriation is to the commissioner of the pollution control agency to encourage and coordinate citizen and student volunteer monitoring of water quality and biological indicators for Minnesota's lakes and streams.

- (e) Bioremedial Technology for
Groundwater 96,000

This appropriation is to the University of Minnesota, Department of Civil and Mineral Engineering, for a pilot demonstration of technology for in situ biodegradation of organic pollutants in groundwater.

- (f) County Geologic Atlas and
Groundwater Sensitivity Mapping 1,400,000

\$800,000 is from the Minnesota environment and natural resources trust fund to the University of Minnesota, Minnesota Geologic Survey, to expand production of county geologic atlases and create a new atlas services office.

\$600,000 is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources for groundwater sensitivity mapping.

- (g) Aquifer Analyses in southeast
Minnesota 73,000

This appropriation is to the commissioner of natural resources for a grant to Winona State University to perform aquifer tests in southeast Minnesota in order to determine aquifer characteristics, surface-subsurface groundwater interaction, and aquifer interaction.

- (h) Clean Water Partnership Grants
to Local Units of Government 700,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of the pollution control agency for Clean Water Partnership grants under Minnesota Statutes, section 115.096. In addition to the required work program, grants may not be approved until grant proposals have been submitted to the legislative commission on Minnesota resources and the commission has either made a recommendation or allowed 30 days to pass without making a recommendation.

- (i) Cannon River Watershed Grants 60,000

This appropriation is from the Minnesota environment and natural resources trust fund to the board of water and soil resources to provide research and demonstration grants to counties consistent with the comprehensive local water management program under Minnesota Statutes, chapter 110B, as part of the Cannon River watershed protection program.

(j) Mitigating Mercury in Northeast Minnesota Lakes 300,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of the pollution control agency to investigate how to mitigate the damage caused by the presence of mercury in northeast Minnesota lakes.

(k) Development and Application of Aeration Technologies 148,000

This appropriation is to the University of Minnesota, St. Anthony Falls Hydraulic Laboratory, to study how to optimize membrane aeration and the hydraulic design of bypass type aerator systems.

(l) Lake Superior Initiative - Institute for Research 400,000

This appropriation is to the University of Minnesota, Graduate School, to establish an institute for Lake Superior Research that would develop a strong multifaceted research effort.

(m) Lake Mille Lacs Public Land Use Plan 20,000

This appropriation is to the commissioner of natural resources to plan for shoreline management of publicly-owned lands around Lake Mille Lacs.

(n) Ecological Evaluation of Year-Round Aeration 100,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to collect baseline data on aerated and nonaerated lakes and determine ecological impacts of aeration.

(o) Erosion Control Cost-Sharing 250,000

This appropriation is from the Minnesota environment and natural resources trust fund to the board of water and soil resources to share in the cost of conservation practices to control soil erosion and protect water quality, including water quality practices that divert water from

sinkholes, under Minnesota Statutes, section 103C.501.

(p) Well Sealing Cost-Share Grants 750,000

This appropriation is from the Minnesota environment and natural resources trust fund to the board of water and soil resources to make grants to counties for sharing the cost of sealing wells under Minnesota Statutes, section 103I.331.

Subd. 5. Education

(a) Environmental Education Program 790,000

\$400,000 is from the Minnesota environment and natural resources trust fund to the commissioner of education to develop and implement model K-12 environmental education curriculum integration. This program will incorporate ongoing models of other deliverers of environmental education.

\$30,000 is from the Minnesota environment and natural resources trust fund to the commissioner of education for a grant to the Minnesota Community Education Association to incorporate environmental education into the community education system.

\$60,000 is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to complete a long-term plan for the development and coordination of environmental learning centers.

\$85,000 is from the Minnesota environment and natural resources trust fund to the commissioner of state planning for a grant to the Audubon Center of the Northwoods for an assessment of environmental learning center programs and services.

\$215,000 is from the Minnesota environment and natural resources trust fund to the commissioner of state planning to develop a statewide environmental education plan. The statewide plan will integrate the plans, strategies, and policies of the department of education, post-secondary institutions, the department of natural resources, and other deliverers of environmental education.

(b) Teacher Training for Environmental Education 5,000

This appropriation is to the commissioner of education for a grant to the St. Paul Chapter

of the National Audubon Society for scholarships for the training of teachers in environmental education integration.

(c) Video Education Research and Demonstration Project 100,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of education for a grant to Twin Cities Public Television to develop a video education demonstration project and a model for a statewide video environmental education communication network.

(d) Integrated Resource Management Education and Training Program 300,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to provide training and internship programs in natural resource management.

(e) Continuing Education in Outdoor Recreation for Natural Resource Managers 125,000

This appropriation is to the University of Minnesota, Department of Forest Resources, to develop and implement an outdoor recreation short course for natural resource planners and managers with outdoor recreation responsibilities.

(f) Environmental Exhibits Collaborative 400,000

This appropriation is from the Minnesota environment and natural resources trust fund to the Science Museum of Minnesota to establish a statewide collaborative to share and create traveling water-related exhibits and programs for schools and family groups at different sites.

(g) Upper Mississippi River Environmental Education Center 600,000

This appropriation is to the commissioner of natural resources for a grant to the city of Winona to develop detailed architectural designs necessary to obtain federal construction funding for an Upper Mississippi River Environmental Education Center. This appropriation is contingent upon federal commitment of at least \$6,000,000 for construction and for future operation and maintenance.

(h) Urban Rangers Program 100,000

This appropriation is to the commissioner of education for a grant to the Minneapolis Park

and Recreation Board to develop an urban environmental curriculum for elementary students and families conducted at 44 city recreation centers.

(i) Crosby Farm Park Nature Program 85,000

This appropriation is to the commissioner of education for a grant to the city of St. Paul to institute a nature study program at Crosby Farm Park to introduce inner city residents and minorities to learning opportunities concerning natural resources and how to conserve and protect those resources.

(j) Youth in Natural Resources 250,000

This appropriation is to the commissioner of natural resources to develop a career exploration program for minority youths and to test their vocational interests, skills, and aptitudes.

(k) Environmental Education for Handicapped 130,000

This appropriation is to the commissioner of education for a grant to Vinland National Center to develop a program model in environmental education, including education of persons with disabilities, and to teach the model to educators, environmentalists, and the disability community.

Subd. 6. Agriculture

(a) Biological Control of Pests 650,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of agriculture to collect and identify potential biological control agents, and to develop and test biological control agents for a variety of pests. A grant request to supplement this appropriation must be submitted to the U.S. Department of Agriculture and the results reported to the legislative commission on Minnesota resources.

(b) Review Levels of Pesticides at Spill Sites 300,000

This appropriation is to the commissioner of agriculture for a literature search and publication of remediation technologies for pesticide spills, laboratory research on the fate of elevated levels of pesticides in soil, and evaluation of bioremediation techniques.

(c) Effective Nitrogen and Water Management for Sensitive Areas 300,000

This appropriation is to the commissioner of agriculture to provide an integrated research information base on risks of groundwater pollution involved in nitrogen and water management for crop production.

(d) Conservation Reserve Easements 600,000

This appropriation is from the Minnesota environment and natural resources trust fund to the board of water and soil resources to acquire perpetual easements on wetlands and to acquire perpetual easements under Minnesota Statutes, section 103F.515, subdivision 3, with priority for wetland areas, to enhance wildlife habitat, control erosion, and improve water quality.

(e) Native Grass and Wildflower Seed 130,000

This appropriation is to the commissioner of agriculture in cooperation with the commissioner of natural resources to develop the varietal, cultural, and market information necessary to encourage expanded commercial production of Minnesota origin native wildflower and grass seed.

(f) Community Gardening Program 110,000

This appropriation is to the University of Minnesota, Minnesota Extension Service, in cooperation with the Minnesota State Horticultural Society and the Self Reliance Center to provide gardening information and technical assistance in metropolitan and nonmetropolitan areas.

Subd. 7. Forestry

(a) Minnesota Old-Growth Forests - Character and Identification 150,000

This appropriation is to the commissioner of natural resources to develop quantitative, structural definitions of Minnesota old-growth forest types, examine the importance of old growth as sensitive habitat, and evaluate old-growth forest stands that are identified as the department of natural resources old-growth guidelines are implemented.

(b) Nutrient Cycling and Tree Species Suitability 220,000

This appropriation is to the University of Minnesota, Department of Forest Resources, to assess the role of nutrient cycling and associated management practices for sustainability of Minnesota's forest resources under scenarios of increased harvesting and atmospheric

change.

(c) State Forest Land Acquisition 500,000

This appropriation is to the commissioner of natural resources to acquire lands in the highest priority purchase compartments in the R. J. Dorer Memorial Hardwood State Forest.

(d) Regeneration and Management of Minnesota's Oak Forests 225,000

This appropriation is to the University of Minnesota, Minnesota Extension Service, for research and education in oak regeneration and management.

(e) Private Forest Management for Oak Regeneration 200,000

This appropriation is to the commissioner of natural resources to increase technical assistance to private forest landowners in southern Minnesota for oak regeneration.

(f) Aspen Hybrids and New Tissue Culture Techniques 70,000

This appropriation is to the University of Minnesota, Department of Forest Resources, to research tissue cultured aspen and hybrid aspen clones.

(g) Aspen Decay Models for Mature Aspen Stands 85,000

This appropriation is to the commissioner of natural resources to contract with Koochiching county and the University of Minnesota, College of Natural Resources, to develop models for aspen decay in mature aspen stands.

(h) Generic Environmental Impact Statement 400,000

This appropriation is from the environment and natural resources trust fund to the Environmental Quality Board for preparation of a generic environmental impact statement.

Subd. 8. Fisheries

(a) Pilot Fish Pond Complex - Fisheries Development and Education 250,000

This appropriation is to the commissioner of natural resources for a grant to the Leech Lake Band of Chippewa Indians to develop fish ponds for production of sportfish and baitfish.

(b) Aquaculture Facility Purchase and Development and Genetic Gamefish

Growth Studies 1,200,000

This appropriation is to the University of Minnesota, College of Natural Resources, to acquire and develop an aquaculture facility and to continue research on genetically engineered gamefish.

(c) Cooperative Urban Aquatic Education Program 340,000

This appropriation is to the commissioner of natural resources to expand urban fishing opportunities and awareness.

(d) Catch and Release Program 35,000

This appropriation is to the commissioner of natural resources to accelerate the catch and release portion of the CORE program for matching grants to local anglers clubs for promotion of catch and release statewide. The work must be done in cooperation with the Minnesota Sportfishing Congress and other interested groups.

(e) Metropolitan Lakes Fishing Opportunities 75,000

This appropriation is to the commissioner of natural resources to study metropolitan area lakes to determine if recreational fishing opportunities are being maximized. The study must be done in cooperation with the Minnesota Sportfishing Congress and other interested groups.

(f) Lake Minnetonka Bass Tracking 85,000

This appropriation is to the commissioner of natural resources to study the impacts of bass fishing contests. The study must be done in cooperation with the Minnesota Sportfishing Congress and other interested groups.

(g) Stocking Survey 35,000

This appropriation is to the commissioner of natural resources to survey organizations to determine the level of interest in public and private fish stocking activities. The survey must be done in cooperation with the Minnesota Sportfishing Congress and other interested groups.

Subd. 9. Wildlife

(a) Insecticide Impact on Wetland and Upland Wildlife 650,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to research the effect of insecticides on wetland and upland wildlife and habitats.

(b) Biological Control of
Eurasian Water Milfoil

100,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to continue a cooperative research program between the department of natural resources, Freshwater Foundation, and the University of Minnesota leading to biological control of Eurasian water milfoil. This appropriation must be matched by \$200,000 from the Freshwater Foundation.

(c) Microbial and Genetic Strategies
for Mosquito Control

150,000

This appropriation is to the University of Minnesota, Department of Entomology, to enhance mosquito control by development of microbial agents that are environmentally safe and specific for mosquitoes.

(d) Minnesota County Biological
Survey

1,000,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to continue the biological survey in Minnesota counties previously funded by Laws 1989, chapter 335, article 1, section 29, subdivision 3, item (t).

(e) Data Base for Plants of Minnesota

130,000

This appropriation is from the Minnesota environment and natural resources trust fund to the University of Minnesota to computerize the data base for Minnesota plants, including precise information on the distribution, ecology, history, and management of each species.

(f) Aquatic Invertebrate Assessment
Archive

130,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of the pollution control agency, in cooperation with the Science Museum of Minnesota, to continue work on a record system for aquatic invertebrates and assign pollution tolerance values and to develop an information system for the zebra mussel.

(g) Wetlands Forum

40,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to improve communication and information exchange regarding wetlands in the metropolitan area. This appropriation must be matched by \$40,000 from the Freshwater Foundation.

(h) Easement Acquisition on Restored Wetlands 400,000

This appropriation is from the Minnesota environment and natural resources trust fund to the board of water and soil resources for a pilot program to acquire permanent conservation easements on federally restored or enhanced wetlands and adjacent lands in cooperation with the United States Fish and Wildlife Service and the Izaak Walton League.

(i) Swan and Heron Lake Area Projects 1,000,000

This appropriation is to the commissioner of natural resources. First priority is for acquisition that qualifies for federal match. Second priority is for land management activities. Federal and other matching money is appropriated. Any full-time equivalent positions associated with this appropriation are for land acquisition work.

(j) Wildlife Oriented Recreation Facilities at Sandstone Unit National Wildlife Refuge 9,000

This appropriation is to the commissioner of natural resources to contract with Rice Lake National Wildlife Refuge for recreation facility development and access at the Sandstone Unit of Rice Lake National Wildlife Refuge.

(k) Acquisition and Development of Scientific and Natural Areas 300,000

This appropriation is to the commissioner of natural resources to acquire and develop scientific and natural area sites consistent with the state scientific and natural areas plan.

(l) Black Bear Research in East Central Minnesota 100,000

This appropriation is to the University of Minnesota, Bell Museum of Natural History, to develop landscape ecology concepts and better understand the problem of bear damage to crops.

(m) Partnership for Accelerated Wild Turkey Management 50,000

This appropriation is to the commissioner of natural resources to increase wild turkey stocking. This appropriation must be matched by \$50,000 from the National Wild Turkey Federation.

(n) Restore Thomas Sadler Roberts
Bird Sanctuary 50,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources for a grant to the Minneapolis Park and Recreation Board to restore and improve public access to the Thomas Sadler Roberts Bird Sanctuary. This appropriation must be matched by \$50,000 of local money.

(o) Changes in Ecosystem on
Biodiversity of Forest Birds 300,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to monitor forest songbird populations and to develop geographic information system tools to correlate forest bird populations with dynamics of the forest landscape. This appropriation must be matched by \$200,000 from a combination of nonstate funds and the state nongame wildlife program.

(p) Establish Northern Raptors
Rehabilitation and Education Facility 75,000

This appropriation is to the University of Minnesota, Raptor Center, to establish a raptor rehabilitation and release facility at the Audubon Center of the Northwoods.

(q) Effect of Avian Flu Virus in
Mallard Ducks 16,000

This appropriation is to the University of Minnesota, Department of Veterinary Pathobiology, to research the effects of Avian influenza on Mallard ducks.

Subd. 10. Land

(a) Base Maps for 1990s 1,900,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of state planning to provide the state match for a federal program to complete a major portion of the statewide air photo and base map coverage. The federal share is appropriated.

(b) Accelerated Soil Survey 1,270,000

This appropriation is to the University of Minnesota, Agriculture Experiment Station, to complete the soil survey in counties under contract as of July 1, 1988. Up to \$270,000 is for initiation of a survey in Koochiching county, provided that the county share of the cost of the survey shall be one-third of the cost, reduced by a percentage equal to the percent of land located in the county that is owned by the federal or state government that exceeds five percent, and further adjusted by the ratio of the adjusted net tax capacity per capita of the county to the adjusted net tax capacity per capita of the state.

(c) Statewide National Wetlands Inventory, Protected Waters Inventory, Watershed Map Digitization 750,000

This appropriation is from the Minnesota environment and natural resources trust fund to the commissioner of natural resources to complete the digitization of the national wetlands inventory, protected water inventory, and watershed boundaries.

(d) Statewide Land Use Update 338,000

This appropriation is to the commissioner of state planning for a grant to The International Coalition to complete a statewide land use update of all land and water resources outside the Twin City metropolitan area.

(e) Local Geographic Information System Program 143,000

This appropriation is to the commissioner of state planning for a grant to The International Coalition to expand the applicability and use of geographic information by developing programs and providing training at the local level.

(f) GIS Control Point Inventory 175,000

This appropriation is to the commissioner of state planning to produce a statewide inventory of known public land survey control points using data from all levels of government.

(g) Land Use and Design Strategies to Enhance Environmental Quality 100,000

This appropriation is to the University of Minnesota, College of Architecture and Landscape Architecture, to develop a land use and design concept for typical sites on light rail transit and freeway systems. The work must be done in

consultation with the Metropolitan Council and the Regional Transit Board.

(h) Model Residential Land Use
Guidelines

150,000

This appropriation is to the University of Minnesota, Department of Landscape Architecture, to illustrate and disseminate residential land development guidelines that address a broad range of environmental concerns. The work must be done in consultation with the Metropolitan Council. The legislative commission on Minnesota resources may convene a steering committee to ensure coordination and practical results.

Subd. 11. Minerals

Subsurface Greenstone Belts in
Southwestern Minnesota

120,000

This appropriation is to the University of Minnesota, Minnesota Geologic Survey, to apply aeromagnetic interpretation techniques and test drilling to determine greenstone and associated mineral potential in southwestern Minnesota.

Subd. 12. Waste

(a) Remediation of Soils by
Co-Composting with Leaves

135,000

This appropriation is to the office of waste management for a grant to the Minneapolis Community Development Agency to develop a treatment method for soils contaminated with semi-volatile compounds by co-composting with leaves.

(b) Land Spreading of Yard Wastes

100,000

This appropriation is to the office of waste management for a grant to the University of Minnesota, Soils Science Department, to determine the maximum and optimum rates that yard wastes can be applied to soils without reducing yields or endangering the environment.

Subd. 13. Oil Overcharge

The appropriations in this subdivision are from oil overcharge money, as defined in Minnesota Statutes, section 4.071, in the special revenue fund.

(a) Traffic Signal Timing and
Optimization Program

1,175,000

This appropriation is to the commissioner of administration for transfer to the commissioner of transportation. \$125,000 is for traffic signal retiming and optimization training and \$1,050,000 for a cost share program for signal retiming. \$675,000 of the cost share program is available only as cash flow permits.

(b) Waste Crumb Rubber in Roadways 100,000

This appropriation is to the commissioner of administration for transfer to the commissioner of transportation to improve hot-mix asphalt pavement performance through the use of crumb tire rubber and selected polymer additives. The process will use waste tires generated in Minnesota. This appropriation must be matched by \$100,000 from other sources.

(c) Biodegradable Plastics - Microbial and Crop Plant Systems 150,000

This appropriation is to the commissioner of administration for a grant to the University of Minnesota, Department of Agronomy and Plant Genetics, to genetically engineer yeast and crop plants to produce low-cost polyhydroxybutyric, a biodegradable plastic, to substitute for petroleum-based plastics.

(d) Agricultural Energy Savings Information 150,000

This appropriation is to the commissioner of administration for a grant to the Agricultural Utilization Research Institute to conduct a series of conferences, communication products, and intensive workshops in order to transfer the results of state-funded research to agricultural practitioners.

(e) Residential Urban Environmental Resource Audit 150,000

This appropriation is to the commissioner of administration for a grant to the St. Paul Neighborhood Energy Consortium to develop and implement neighborhood workshops and one-on-one consultations as part of an environmental urban resource audit and a broad educational campaign.

(f) Means for Producing Lignin-Based Plastics 100,000

This appropriation is to the commissioner of administration for a grant to the University of Minnesota, Department of Forest Products, to develop means for fabricating engineering

plastics based upon industrial by-product lignins and corresponding raw materials from wheat straw.

(g) Cellulose Rayons for Packaging 150,000

This appropriation is to the commissioner of administration for a grant to Bemidji State University, Center for Environmental Studies, to research and develop cellulose rayons.

(h) Tree and Shrub Planting for Energy in Minnesota Communities 1,250,000

This appropriation is to the commissioner of administration for a grant to the commissioner of natural resources to develop research-based guidelines and publications and to provide matching grants for energy conservation tree planting. \$950,000 of this appropriation is available only as cash flow permits.

(i) Oil Overcharge Program Administration 200,000

This appropriation is to the commissioner of administration for processing and oversight of grants and allocations in the Oil Overcharge program.

(j) Energy Efficiency Standards for Residential Construction 75,000

This appropriation is to the commissioner of administration for a grant to the University of Minnesota, Cold Climate Housing Center for the development of performance-based standards for energy efficient new home construction and procedures for implementation. This appropriation must be matched by \$75,000 of nonstate funds. This appropriation is available only as cash flow permits.

Subd. 14. MFRF Contingent Account

In addition to the specific amounts appropriated from the Minnesota future resources fund by this section, any increase in the projected revenue up to \$600,000 for the biennium to the fund in excess of the amount indicated in subdivision 1 that would otherwise be available for expenditure during the 1992-1993 biennium is appropriated to the legislative commission on Minnesota resources future resources fund contingent account for disbursement by the commission in accordance with the procedure identified in this subdivision.

This appropriation is for acquisition or development of state land or other projects that are part of a natural resources acceleration activity, when deemed to be of an emergency or critical nature. This appropriation is also available for projects initiated by the legislative commission on Minnesota resources that are found to be proper in order for the commission to carry out its legislative charge.

This appropriation is not available until the legislative commission on Minnesota resources has made a recommendation to the legislative advisory commission regarding each expenditure from the account. The legislative advisory commission must then hold a meeting and provide its recommendation on each item, which may be spent only with the approval of the governor.

Subd. 15. General Reduction

As cash flow in the Minnesota future resources fund permits, but no later than June 30, 1993, the commissioner of finance in consultation with the legislative commission on Minnesota's resources director shall transfer \$2,000,000 from the unencumbered balance in the fund to the general fund.

Subd. 16. Compatible Data

During the biennium ending June 30, 1993, the data collected by the projects funded under this section that have common value for natural resource planning and management must conform to information architecture as defined in guidelines and standards adopted by the information policy office. Data review committees may be established to develop or comment on plans for data integration and distribution and shall submit semiannual status reports to the legislative commission on Minnesota resources on their findings. In addition, the data must be provided to and integrated with the Minnesota land management information center's geographic data bases with the integration costs borne by the activity receiving funding under this section. This requirement applies to all projects funded under this section, including, but not limited to, the following projects:

Recreation: Subdivision 3, paragraphs (d) and (e);

Water: Subdivision 4, paragraphs (a), (b), (c), (f), and (g);

Agriculture: Subdivision 6, paragraph (d);

Wildlife: Subdivision 9, paragraphs (d), (e), (h), (k), and (p);

Land: Subdivision 10, paragraphs (a), (b), (c), (d), (e), and (f);

Minerals: Subdivision 11.

Subd. 17. Work Program

It is a condition of acceptance of the appropriations made from the Minnesota future resources fund, Minnesota environment and natural resources trust fund, and oil overcharge money according to Minnesota Statutes, section 4.071, subdivision 2, that the agency or entity receiving the appropriation must submit a work program and semiannual progress reports in the form determined by the legislative commission on Minnesota resources. None of the money provided may be spent unless the commission has approved the pertinent work program.

Subd. 18. Temporary Positions

The approved full-time equivalent of the following agencies shall be increased for the biennium as indicated for the appropriations in this section:

Board of Water and Soil Resources - 1

Pollution Control Agency - 6

State Planning Agency - 3

Department of Agriculture - 4

Department of Education - 4

Department of Administration - 1

Department of Natural Resources - 36

Persons employed by a state agency and paid by an appropriation in this section are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. The positions are in addition to any other approved complement for the agency. Part-time employment of persons is authorized.

Subd. 19. Match Requirements

Appropriations in this section that must be matched and for which the match has not been

committed by January 1, 1992, must be canceled. Amounts canceled to the Minnesota future resources fund are appropriated to the contingent account created in subdivision 14.

Subd. 20. Patents and Royalties

If an appropriation in this section from the Minnesota future resources fund results in a patent and subsequent royalties, payment of 50 percent of the royalties received, net of patent servicing costs, must be paid to the Minnesota future resources fund, until the entire appropriation made by this section is repaid.

Subd. 21. Carryforward

The appropriation in Laws 1989, chapter 335, article 1, section 29, subdivision 3, paragraph (e), Development of Forest Soil Interpretations, is available until December 31, 1991.

The appropriation in Laws 1989, chapter 335, article 1, section 29, subdivision 3, paragraph (h), Statewide Public Recreation Map, is available until June 30, 1992.

The appropriation in Laws 1989, chapter 335, article 1, section 29, subdivision 11, paragraph (o), High Flotation Tire Research is available until June 30, 1992.

Sec. 15. [ENVIRONMENTAL, RESPONSE, COMPENSATION AND COMPLIANCE ACCOUNT REPORT.]

The commissioner of the pollution control agency, after consultation with representatives of public and private landfill owners and operators, the director of the office of waste management, and the director of the legislative commission on waste management, shall submit to the legislative commission on waste management and to the environment and natural resources committees of the legislature and to the chairs of the environment divisions of the senate finance and house appropriations committees by November 1, 1991, a report proposing procedures and criteria for use of the funds in the environmental response, compensation, and compliance account. A special emphasis shall be placed on an analysis of other fees and funds collected and maintained for addressing landfill related problems. The report shall recommend procedures and criteria for use of the funds to prevent and respond to releases that add to or replace the procedures and criteria of chapter 115B and federal law. The goals to be met by the recommended procedures and criteria are:

- (1) administrative efficiency;*
- (2) expeditious and cost effective prevention and response actions;*
- (3) diminution of the financial burden on local government units for closed landfill facilities;*
- (4) preservation of a system that prioritizes use of the funds at sites that*

are causing the greatest environmental burden while endeavoring to use the funds equitably among the broad regions of the state;

(5) preservation of incentives and requirements for operators of open landfill facilities to operate the facilities responsibly and to provide financial assurance for closure, postclosure care, and contingency action, while addressing problems of facilities with short term capacity;

(6) provision of immediate funding for unforeseen problems at open or closed landfill facilities that are otherwise financially unable to address those immediate problems;

(7) preservation of the concept of cost recovery against easily identifiable responsible parties for payment of the costs of addressing problems; and

(8) assessment of the relationship between all fees and funds collected and maintained for addressing superfund related problems.

Sec. 16. [TRANSFERS.]

Subdivision 1. [GENERAL PROCEDURE.] If the appropriation in this article to an agency in the executive branch is specified by program, the agency may transfer unencumbered balances among the programs specified in that section after getting the approval of the commissioner of finance. The commissioner shall not approve a transfer unless the commissioner believes that it will carry out the intent of the legislature. The transfer must be reported immediately to the committee on finance of the senate and the committee on appropriations of the house of representatives. If the appropriation in this act to an agency in the executive branch is specified by activity, the agency may transfer unencumbered balances among the activities specified in that section using the same procedure as for transfers among programs.

Subd. 2. [TRANSFER PROHIBITED.] If an amount is specified in this act for an item within an activity, that amount must not be transferred or used for any other purpose.

Sec. 17. [APPROPRIATION AND BONDS.]

\$16,000,000 is appropriated from the bond proceeds fund to be divided as follows:

(a) To the board of water and soil resources for the reinvest in Minnesota conservation reserve program, under Minnesota Statutes, section 103F.515: \$1,900,000;

(b) To the commissioner of natural resources for transfer to the critical habitat private sector matching account for purposes of Minnesota Statutes, sections 84.943 and 84.944: \$3,000,000;

(c) To the commissioner of natural resources for the following purposes:

(1) state trail acquisition and development, including the Root River trail: \$1,000,000;

(2) state park rehabilitation: \$2,650,000;

(3) state park development: \$750,000;

(4) state forest acquisition within Dorer memorial forest: \$145,000.

The commissioner of natural resources shall submit semiannual work plans to the legislative commission on Minnesota resources and shall submit

a semiannual work program to the commission and request its recommendation before spending any money appropriated by this subdivision or by Laws 1989, chapter 300, article 1, section 16, subdivisions 2 and 3, items (a) and (b); or Laws 1990, chapter 610, article 1, section 20, subdivisions 2, 3, 4, 6, and 7, for any purpose. The commission's recommendation is advisory only. Failure to respond to a request within 60 days after receipt is a negative recommendation. Work programs involving land acquisition must include a land acquisition plan.

(d) To the commissioner of trade and economic development for regional park acquisition and development, including Cedar Lake park acquisition in the cities of Minneapolis and St. Louis Park that is identified in the metropolitan parks and open space commission plan, and \$250,000 for regional park acquisition outside the seven-county metropolitan area: \$6,525,000.

ARTICLE 2

ENVIRONMENT AND NATURAL RESOURCES

Section 1. Minnesota Statutes 1990, section 14.18, is amended to read:

14.18 [PUBLICATION OF ADOPTED RULE; EFFECTIVE DATE.]

Subdivision 1. [GENERALLY.] A rule is effective after it has been subjected to all requirements described in sections 14.131 to 14.20 and five working days after the notice of adoption is published in the State Register unless a later date is required by law or specified in the rule. If the rule adopted is the same as the proposed rule, publication may be made by publishing notice in the State Register that the rule has been adopted as proposed and by citing the prior publication. If the rule adopted differs from the proposed rule, the portions of the adopted rule which differ from the proposed rule shall be included in the notice of adoption together with a citation to the prior State Register publication of the remainder of the proposed rule. The nature of the modifications must be clear to a reasonable person when the notice of adoption is considered together with the State Register publication of the proposed rule, except that modifications may also be made which comply with the form requirements of section 14.07, subdivision 7.

Subd. 2. [POLLUTION CONTROL AGENCY FEES.] A new fee or fee increase adopted by the pollution control agency is subject to legislative approval during the next biennial budget session following adoption. The commissioner shall submit a report of fee adjustments to the legislature as a supplement to the biennial budget. Any new fee or fee increase remains in effect unless the legislature passes a bill disapproving the new fee or fee increase. A fee or fee increase disapproved by the legislature becomes null and void on July 1 following adjournment.

Sec. 2. Minnesota Statutes 1990, section 16A.123, subdivision 5, is amended to read:

Subd. 5. [DEPARTMENT OF NATURAL RESOURCES COMPLEMENT.] (a) ~~Beginning with the biennium ending June 30, 1991,~~ The legislature shall establish complements for the department of natural resources based on the number of full-time equivalent positions and dollars appropriated for salary-related expenditures.

The commissioner of natural resources shall provide a biennial report indicating the distribution of the full-time equivalents for the previous

biennium as a supplement to the agency's biennial budget request for succeeding bienniums. The biennial budget document submitted to the legislature by the governor ~~beginning with the 1992-1993 biennium~~ shall indicate, *by program and by activity*, the number of full-time equivalent positions included as base level ~~and recommended changes~~. The governor's salary *and full-time equivalents* requests for the agency shall include all full-time, part-time, and seasonal dollars *and full-time equivalent positions* requested. Any change level request submitted *by the governor* to the legislature for consideration ~~by the governor~~ as part of the governor's biennial budget containing funding for salaries shall indicate the number of additional full-time equivalent positions and salary dollars requested.

Within the full-time equivalent number and amount of salary dollars appropriated for the department, the commissioner shall have the authority to establish as many full-time, part-time, or seasonal positions as required to accomplish the assigned responsibilities for the department. The commissioner shall have the authority to reallocate salary dollars for other operating expenses, but the commissioner shall not have authority to reallocate other operating funds to increase the total amount appropriated for salary-related expenses, including salary supplement, without receiving prior approval according to the process defined in this subdivision.

In the event that the commissioner finds it necessary to exceed the full-time equivalent number or the amount of appropriated dollars and the legislature is not in session, the commissioner shall seek approval of the legislative advisory commission under subdivision 4. Legislative advisory commission approved full-time equivalent positions and dollars shall ~~not only become a part of the agency budget base unless authorized by the legislature~~ *if the increase is the result of appropriations made to the agency by the legislature that are in addition to the appropriations made in the omnibus appropriations acts. All other legislative advisory commission authorized full-time equivalent positions or dollar adjustments shall be temporary for the biennium during which they are authorized unless approved by the legislature.*

Sec. 3. Minnesota Statutes 1990, section 18.191, is amended to read:

18.191 [DESTRUCTION OF NOXIOUS WEEDS.]

Except as otherwise specifically provided in sections 18.181 to 18.271, 18.281 to 18.311, and 18.321 to 18.322, it shall be the duty of every occupant of land or, if the land is unoccupied, the owner thereof, or an agent, or the public official in charge thereof, to cut down, otherwise destroy, or eradicate all noxious weeds as defined in section 18.171, subdivision 5, standing, being, or growing upon such land, in such manner and at such times as may be directed or ordered by the commissioner, the commissioner's authorized agents, the county agricultural inspector, or by a local weed inspector having jurisdiction.

Except as provided below, an owner of nonfederal lands underlying public waters or wetlands designated under section 103G.201 is not required to control or eradicate purple loosestrife (*Lythrum salicaria*) below the ordinary high water level of the public water or wetland. *To the extent provided in this section*, the commissioner of natural resources is responsible for control and eradication of purple loosestrife on public waters and wetlands designated under section 103G.201, except those located upon lands owned in fee title or managed by the United States. The officers, employees, agents, and contractors of the commissioner may enter upon public waters and

wetlands designated under section 103G.201 and may cross adjacent lands as necessary for the purpose of investigating purple loosestrife infestations, formulating methods of eradication, and implementing control and eradication of purple loosestrife. *The commissioner, after consultation with the commissioner of agriculture, shall, by June 1 of each year, compile a priority list of purple loosestrife infestations to be controlled in designated public waters. The commissioner of agriculture must distribute the list to county agricultural inspectors, local weed inspectors, and their appointed agents. The commissioner of natural resources shall control listed purple loosestrife infestations in priority order within the limits of appropriations provided for that purpose. This procedure shall be the exclusive means for control of purple loosestrife on designated public waters by the commissioner of natural resources and shall supersede the other provisions for control of noxious weeds set forth elsewhere in Minnesota Statutes, chapter 18. The responsibility of the commissioner to control and eradicate purple loosestrife on public waters and wetlands located on private lands and the authority to enter upon private lands ends ten days after receipt by the commissioner of a written statement from the landowner that the landowner assumes all responsibility for control and eradication of purple loosestrife under sections 18.171 to 18.315. State officers, employees, agents, and contractors are not liable in a civil action for trespass committed in the discharge of their duties under this section and are not liable to anyone for damages, except for damages arising from gross negligence.*

Sec. 4. Minnesota Statutes 1990, section 84.0855, is amended to read:
84.0855 [SPECIAL RECEIPTS; APPROPRIATION.]

Money received by the commissioner of natural resources as fees for seminars or workshops, ~~for~~ from the sale of publications, and maps, from the sale of other natural resource related merchandise at the state fair, or to buy supplies for the use of volunteers, may be credited to one or more special accounts in the state treasury and is appropriated to the commissioner for the purposes for which the money was received. *Money received from sales at the state fair shall be available for state fair related costs.*

Sec. 5. Minnesota Statutes 1990, section 84.82, subdivision 2, is amended to read:

Subd. 2. [APPLICATION, ISSUANCE, REPORTS.] Application for registration or reregistration shall be made to the commissioner of natural resources, or the commissioner of public safety or an authorized deputy registrar of motor vehicles in such form as the commissioner of public safety shall prescribe, and shall state the name and address of every owner of the snowmobile and be signed by at least one owner. *A person who purchases a snowmobile from a retail dealer shall make application for registration to the dealer at the point of sale. The dealer shall issue a temporary registration permit to each purchaser who applies to the dealer for registration. The temporary registration is valid for 60 days from the date of issue. Each retail dealer shall submit completed registration and fees to the deputy registrar at least once a week. Upon receipt of the application and the appropriate fee as hereinafter provided, such snowmobile shall be registered and a registration number assigned which shall be affixed to the snowmobile in such manner as the commissioner of natural resources shall prescribe. Each deputy registrar of motor vehicles acting pursuant to section 168.33, shall also be a deputy registrar of snowmobiles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe*

the accounting and procedural requirements necessary to assure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with these accounting and procedural requirements. A fee of 50 cents in addition to that otherwise prescribed by law shall be charged for each snowmobile registered by the registrar or a deputy registrar. The additional fee shall be disposed of in the manner provided in section 168.33, subdivision 2.

Sec. 6. Minnesota Statutes 1990, section 84.82, subdivision 3, is amended to read:

Subd. 3. [FEES FOR REGISTRATION.] (a) The fee for registration of each snowmobile, other than those *used for an agricultural purpose, as defined in section 84.92, subdivision 1c, or those registered by a dealer or manufacturer pursuant to clause (b) or (c)* shall be as follows: ~~\$18~~ \$30 for three years and \$4 for a duplicate or transfer.

(b) The total registration fee for all snowmobiles owned by a dealer and operated for demonstration or testing purposes shall be \$50 per year.

(c) The total registration fee for all snowmobiles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes shall be \$150 per year. Dealer and manufacturer registrations are not transferable.

Sec. 7. Minnesota Statutes 1990, section 84.944, subdivision 2, is amended to read:

Subd. 2. [DESIGNATION OF ACQUIRED SITES.] The critical natural habitat acquired *in fee title* by the commissioner under this section shall be designated by the commissioner as: (1) an outdoor recreation unit pursuant to section 86A.07, subdivision 3, or (2) as provided in sections 97A.101, 97A.125, 97C.001, and 97C.011, ~~and 97C.021~~. *The commissioner may so designate any critical natural habitat acquired in less than fee title.*

Sec. 8. Minnesota Statutes 1990, section 84.96, subdivision 5, is amended to read:

Subd. 5. [PAYMENTS.] (a) The commissioner must make payments to the landowner under this subdivision for the easement.

(b) For a permanent easement, the commissioner must pay ~~50 percent of the average equalized estimated market value of cropland in the township as established by the commissioner of revenue~~ 65 percent of the permanent marginal agricultural land payment rate as established by the board of water and soil resources for the time period when the application is made.

(c) For an easement of limited duration, the ~~landowner shall receive a lump sum payment equal to the present value of the annual payments for the term of the easement based on 50 percent of the mean adjusted cash rental for cropland in the county as established by the commissioner of revenue~~ commissioner must pay 65 percent of the permanent prairie bank easement rate for the time period when the application is made.

(d) To maintain and protect native prairies, the commissioner may enter into easements that allow selected agricultural practices. Payment must be based on paragraph (b) or (c) but may be reduced due to the agricultural practices allowed after negotiation with the landowner.

Sec. 9. [84.967] [ECOLOGICALLY HARMFUL SPECIES; DEFINITION.]

For the purposes of sections 10 to 12, "ecologically harmful exotic species" means non-native aquatic plants or wild animals that can naturalize, have high propagation potential, are highly competitive for limiting factors, and cause displacement of, or otherwise threaten, native plants or native animals in their natural communities.

Sec. 10. [84.968] [ECOLOGICALLY HARMFUL EXOTIC SPECIES MANAGEMENT PLAN.]

By January 1, 1993, a long-term statewide ecologically harmful exotic species management plan must be prepared by the commissioner of natural resources and address the following:

- (1) coordinated detection and prevention of accidental introductions;*
- (2) coordinated dissemination of information about ecologically harmful exotic species among resource management agencies and organizations;*
- (3) a coordinated public awareness campaign regarding ecologically harmful exotic animals and aquatic plants;*
- (4) a process, where none exists, to designate and classify ecologically harmful exotic species into the following categories:*
 - (i) undesirable wild animals that must not be sold, propagated, possessed, or transported; and*
 - (ii) undesirable aquatic exotic plants that must not be sold, propagated, possessed, or transported;*
- (5) coordination of control and eradication of ecologically harmful exotic species on public lands and public waters; and*
- (6) develop a list of exotic wild animal species intended for nonagricultural purposes, or propagation for release by state agencies or the private sector.*

Sec. 11. [84.969] [COORDINATING PROGRAM, GRANTS, AND REGIONAL COOPERATION.]

Subdivision 1. [COORDINATING PROGRAM.] The commissioner of natural resources shall establish a statewide coordinating program to prevent and curb the spread of ecologically harmful exotic animals and aquatic plants.

Subd. 2. [GRANTS.] The coordinating program created in subdivision 1 may accept gifts, donations, and grants to accomplish its duties and must seek available federal grants through the federal Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990. A portion of these funds shall be used to implement the plan under section 10.

Subd. 3. [REGIONAL COOPERATION.] The governor may cooperate, individually and regionally, with other state governors in the midwest for the purposes of ecologically harmful exotic species management and control.

Sec. 12. [84.9691] [RULEMAKING.]

The commissioner of natural resources may adopt rules, including emergency rules, to restrict the introduction, propagation, use, possession, and spread of ecologically harmful exotic animals and aquatic plants in the state.

Sec. 13. Minnesota Statutes 1990, section 85.015, is amended by adding a subdivision to read:

Subd. 16. [SUPERIOR VISTA TRAIL; ST. LOUIS AND LAKE COUNTIES.] The trail shall originate at the city of Duluth and shall extend in a northeasterly direction along the shoreline of Lake Superior to the city of Two Harbors. The trail shall be designed for bicycles and hikers, shall utilize existing highway and railroad right-of-way where possible, and shall be laid out in a manner to maximize the view of Lake Superior while traversing the length of the trail.

Sec. 14. [COORDINATION.]

When developing a plan to implement section 13, the commissioner shall involve the various jurisdictions through which the Superior Vista trail corridor would pass. This includes, but is not limited to, the St. Louis and Lake counties highway departments, the cities of Duluth and Two Harbors, the Minnesota department of transportation, and the St. Louis and Lake counties railroad authorities.

Sec. 15. Minnesota Statutes 1990, section 85.053, subdivision 5, is amended to read:

Subd. 5. [DAILY VEHICLE PERMIT FOR GROUPS.] The commissioner ~~may authorize~~ shall prescribe a special daily vehicle state park ~~permits~~ permit for groups ~~by rule~~ for use of state parks, state recreation areas, or state waysides for up to one day under conditions prescribed by the commissioner.

Sec. 16. Minnesota Statutes 1990, section 85.055, subdivision 1, is amended to read:

Subdivision 1. [FEES.] The fee for state park permits for:

- (1) an annual use of state parks is ~~\$16~~ \$18;
- (2) a second vehicle state park permit is ~~one-half the annual state park permit fee in clause (1)~~ \$12;
- (3) a special state park permit valid up to two days is ~~\$3.25~~ \$4;
- (4) a special daily vehicle state park permit for groups is ~~as prescribed by the commissioner~~ \$2;
- (5) an employee's state park permit is without charge;
- (6) a special state park permit for handicapped persons and persons over age 65 under section 85.053, subdivision 7, clauses (1) and (2), is ~~one-half the annual state park permit fee in clause (1)~~ \$12; and
- (7) a special state park permit valid up to two days for handicapped persons and persons over age 65 under section 85.053, subdivision 7, clauses (1) and (3), is ~~\$2~~ \$4.

The fees specified in this subdivision include any sales tax required by state law.

Sec. 17. Minnesota Statutes 1990, section 85.22, subdivision 1, is amended to read:

Subdivision 1. [DESIGNATION.] The revolving fund established under Laws 1941, chapter 548, section 37, subdivision E, item 4 is the state parks working capital account. The account is to be used to maintain and operate the revenue producing facilities and to operate the resource management and interpretive programs in the state parks within the limits in this section.

Sec. 18. Minnesota Statutes 1990, section 85.22, subdivision 2a, is

amended to read:

Subd. 2a. [RECEIPTS, APPROPRIATION.] All receipts derived from the rental or sale of ~~items in state parks~~ *park items* shall be deposited in the state treasury and be credited to the state parks working capital account. ~~The Money in the account is annually appropriated solely for the purchase and payment of expenses attributable to items for resale or rental.~~

Sec. 19. Minnesota Statutes 1990, section 86B.415, subdivision 7, is amended to read:

Subd. 7. [WATERCRAFT SURCHARGE.] A surcharge of \$2 is placed on each watercraft licensed under subdivisions 1 to 6, ~~that is 17 feet in length or longer~~, 5 for ~~management of control, public awareness, law enforcement, monitoring, and research of nuisance aquatic exotic species such as zebra mussel, purple loosestrife, and Eurasian water milfoil according to law in public waters and public wetlands.~~

Sec. 20. [88.86] [MINNESOTA RELEAF PROGRAM.]

The Minnesota releaf program is established in the department of natural resources to encourage, promote, and fund the planting, maintenance, and improvement of trees in this state to reduce atmospheric carbon dioxide levels and promote energy conservation.

Sec. 21. [IMPLEMENTATION PLAN.]

Subdivision 1. [DESCRIPTION.] (a) The commissioner of natural resources in cooperation with the commissioners of the pollution control agency and department of agriculture shall prepare and submit to the legislative commission on Minnesota resources an implementation plan for the Minnesota releaf program containing the following elements:

(1) primary and secondary criteria for selecting projects for funding under the Minnesota releaf program; and

(2) recommended procedures for processing grant applications and allocating funds.

(b) The primary criteria developed under paragraph (a), clause (1), must include, but are not limited to:

(1) reduction and mitigation of adverse environmental impacts of atmospheric carbon dioxide; and

(2) promotion of energy conservation.

(c) The secondary criteria developed under paragraph (a), clause (1), must include, but are not limited to:

(1) balancing of urban and rural needs;

(2) preservation of existing trees in urban areas;

(3) promotion of biodiversity, including development of disease-resistant and drought-resistant tree species;

(4) erosion control;

(5) enhancement of wildlife habitat;

(6) encouragement of cost sharing with public and private entities;

(7) enhancement of recreational opportunities in urban and rural areas;

- (8) coordination with existing state and federal programs;
- (9) acceleration of the planting of harvestable timber;
- (10) creation of employment opportunities for disadvantaged youth; and
- (11) maximization of the use of volunteers.

Subd. 2. [DUTIES OF THE COMMISSIONER OF NATURAL RESOURCES.] *By February 1, 1992, the commissioner of natural resources shall transmit to the legislature the implementation plan prepared under subdivision 1, and the recommendations prepared under subdivision 3, together with all recommended legislation to implement the Minnesota releaf program and the supporting fee structure.*

Subd. 3. [DUTIES OF THE POLLUTION CONTROL AGENCY.] (a) *The pollution control agency, in consultation with potentially affected parties, shall prepare implementation recommendations for applying a fee on carbon dioxide emissions for the Minnesota releaf program. The agency's analysis must include:*

- (1) *a review of the carbon dioxide sources and proposed fee base identified in the study prepared in accordance with Laws 1990, chapter 587, section 2;*
- (2) *recommendations regarding exemptions, if any, that should be granted;*
- (3) *a recommended method for measuring the amount of carbon dioxide emitted by various sources;*
- (4) *a recommended procedure for administering and collecting the fees from the sources described in clause (3); and*
- (5) *an estimate of revenue that would be generated by the fees.*

(b) *The agency shall submit implementation recommendations to the commissioner of natural resources by December 1, 1991.*

Sec. 22. [LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES PARTICIPATION.]

The commissioners of natural resources and pollution control agency shall include the preparation of the plans required for the implementation of the Minnesota releaf program as part of the tree and shrub planting project funded in article 1, section 14. In compliance with article 1, section 14, an amended work plan for the tree and shrub planting project including the Minnesota releaf plans shall be submitted to the legislative commission on Minnesota resources for approval.

Sec. 23. Minnesota Statutes 1990, section 92.67, subdivision 1, is amended to read:

Subdivision 1. [SALE REQUIREMENT.] *Notwithstanding section 92.45 or any other law, at the request of a lessee or as otherwise provided in this section, the commissioner of natural resources shall sell state property bordering public waters that is leased for the purpose of a private cabin under section 92.46. Requests for sale must be made prior to December 31, 1992, and the commissioner shall complete all requested sales and sales arising from those requests by December 31, 1993 1994, subject to subdivision 3, clause (d). The sale shall be made in accordance with laws providing for the sale of trust fund land except as modified by the provisions of this section. In 1990 and 1991 a request for sale may be withdrawn by*

a lessee at any time more than ten days before the day set for a sale. Property withdrawn from sale by its lessee is not subject to sale under this section until the lessee makes another request. Property withdrawn from sale shall continue to be governed by other law.

Sec. 24. Minnesota Statutes 1990, section 97A.075, subdivision 2, is amended to read:

Subd. 2. [MINNESOTA MIGRATORY WATERFOWL STAMP.] The commissioner may use the revenue from the Minnesota migratory waterfowl stamps for:

(1) development of wetlands in the state and designated waterfowl management lakes for maximum migratory waterfowl production including the construction of dikes, water control structures and impoundments, nest cover, rough fish barriers, acquisition of sites and facilities necessary for development and management of existing migratory waterfowl habitat and the creation of migratory waterfowl management lakes;

(2) ~~protection and propagation~~ management of migratory waterfowl;

(3) development, restoration, maintenance, or preservation of migratory waterfowl habitat;

(4) acquisition of and access to structure sites; and

(5) necessary related administrative costs not to exceed ten percent of the annual revenue.

Sec. 25. Minnesota Statutes 1990, section 97A.015, subdivision 53, is amended to read:

Subd. 53. [UNPROTECTED WILD ANIMALS.] "Unprotected wild animals" means wild animals that are not protected wild animals including weasel, coyote (brush wolf), gopher, porcupine, skunk, ~~and~~ civet cat, and unprotected birds.

Sec. 26. Minnesota Statutes 1990, section 97A.141, is amended by adding a subdivision to read:

Subd. 4. [COOPERATION WITH METROPOLITAN GOVERNMENTAL UNITS.] *Local units of government owning lands adjacent to public waters within the seven-county metropolitan area shall cooperate with the commissioner to use those lands for public access purposes when identified by the commissioner under subdivision 1. If cooperation does not occur, the commissioner may use condemnation authority under this section to acquire an interest in the local government lands for public access purposes.*

Sec. 27. Minnesota Statutes 1990, section 97A.325, subdivision 2, is amended to read:

Subd. 2. [DEER; BEAR; MOOSE; ELK; CARIBOU.] Except as provided in subdivision 1, a person that violates a provision of the game and fish laws relating to buying or selling deer, *bear*, moose, elk, or caribou is guilty of a gross misdemeanor.

Sec. 28. Minnesota Statutes 1990, section 97A.431, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] Persons eligible for a moose license shall be determined under this section and commissioner's order. A person is eligible for a moose license only if the person:

- (1) is a resident;
- (2) is at least age 16 before the season opens; and
- (3) has not been issued a moose license for any of the last five seasons *or after January 1, 1991.*

Sec. 29. Minnesota Statutes 1990, section 97A.435, subdivision 2, is amended to read:

Subd. 2. [ELIGIBILITY.] Persons eligible for a turkey license shall be determined by this section and commissioner's order. A person is eligible for a turkey license only if the person is ~~a resident~~ and at least age 16 before the season opens or possesses a firearms safety certificate.

Sec. 30. Minnesota Statutes 1990, section 97A.475, subdivision 2, is amended to read:

Subd. 2. [RESIDENT HUNTING.] Fees for the following licenses, to be issued to residents only, are:

- (1) for persons under age 65 to take small game, \$10;
- (2) for persons age 65 or over, \$5;
- (3) to take turkey, ~~\$14~~ \$16;
- (4) to take deer with firearms, \$22;
- (5) ~~family license to take deer with firearms,~~ \$84;
- (6) to take deer by archery, \$22;
- (7) (6) to take moose, for a party of not more than ~~four~~ six persons, \$275;
- (8) (7) to take bear, \$33; ~~and~~
- (9) (8) to take elk, for a party of not more than two persons, \$220; *and*
- (9) *to take antlered deer in more than one zone, \$44.*

Sec. 31. Minnesota Statutes 1990, section 97A.475, subdivision 3, is amended to read:

Subd. 3. [NONRESIDENT HUNTING.] Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take small game, \$56;
- (2) to take deer with firearms, \$110;
- (3) to take deer by archery, \$110;
- (4) to take bear, \$165;
- (5) to take turkey, ~~\$33~~ \$56; and
- (6) to take raccoon, bobcat, fox, coyote, or lynx, \$137.50.

Sec. 32. Minnesota Statutes 1990, section 97A.475, subdivision 7, is amended to read:

Subd. 7. [NONRESIDENT FISHING.] Fees for the following licenses, to be issued to nonresidents, are:

- (1) to take fish by angling, ~~\$20~~ \$25;
- (2) to take fish by angling limited to seven consecutive days, \$16.50;

(3) to take fish by angling for three consecutive days, \$13.50;

(4) to take fish by angling for a combined license for a family, ~~\$33.50~~ \$35;

(5) to take fish by angling for a period of 24 hours from the time of issuance, \$5; and

(6) to take fish by angling for a combined license for a married couple, limited to 14 consecutive days, \$25.

Sec. 33. Minnesota Statutes 1990, section 97A.485, subdivision 7, is amended to read:

Subd. 7. [COUNTY AUDITOR'S COMMISSION.] The county auditor shall retain for the county treasury a commission of four percent of all license fees collected by the auditor and the auditor's subagents, excluding the small game surcharge and issuing fees, *the fishing surcharge and issuing fees*, and the license to take fish by angling for persons age 65 and over. In addition, the auditor shall collect the issuing fees on licenses sold by the auditor to a licensee.

Sec. 34. Minnesota Statutes 1990, section 97B.601, subdivision 4, is amended to read:

Subd. 4. [EXCEPTION TO LICENSE REQUIREMENTS.] (a) A resident under age 16 may take small game without a small game license, and a resident under age 13 may trap without a trapping license, as provided in section 97A.451, subdivision 3.

(b) A person may take small game without a small game license on land occupied by the person as a principal residence.

(c) An owner or occupant may take certain small game causing damage without a small game or trapping license as provided in section 97B.655.

(d) A person may use dogs to pursue and tree raccoons under section 97B.621, subdivision 2, during the closed season without a license.

(e) *A person may take turkey without a small game license.*

Sec. 35. Minnesota Statutes 1990, section 97B.721, is amended to read: 97B.721 [LICENSE REQUIRED TO TAKE TURKEY.]

A person may not take turkey without ~~a small game license and~~ a turkey license.

Sec. 36. Minnesota Statutes 1990, section 103B.321, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] The board shall:

(1) develop guidelines for the contents of comprehensive water plans that provide for a flexible approach to meeting the different water and related land resources needs of counties and watersheds across the state;

(2) coordinate assistance of state agencies to counties and other local units of government involved in preparation of comprehensive water plans, including identification of pertinent data and studies available from the state and federal government;

(3) conduct an active program of information and education concerning

the requirements and purposes of sections 103B.301 to 103B.355 in conjunction with the association of Minnesota counties;

(4) determine contested cases under section 103B.345;

(5) establish a process for review of comprehensive water plans that assures the plans are consistent with state law; and

(6) report to the legislative commission on Minnesota resources as required by section 103B.351; and

(7) make grants to counties for comprehensive local water planning, implementation of priority actions identified in approved plans, and sealing of abandoned wells.

Sec. 37. Minnesota Statutes 1990, section 116.07, subdivision 4d, is amended to read:

Subd. 4d. [PERMIT FEES.] (a) The agency may collect permit fees in amounts not greater than those necessary to cover the reasonable costs of reviewing and acting upon applications for agency permits and implementing and enforcing the conditions of the permits pursuant to agency rules. Permit fees shall not include the costs of litigation. The agency shall adopt rules under section 16A.128 establishing the amounts and methods of collection of any permit fees collected under this subdivision. Any money collected under this ~~subdivision~~ paragraph shall be deposited in the special revenue account.

(b) Notwithstanding paragraph (a), and section 16A.128, subdivision 1, the agency shall collect an annual fee from the owner or operator of all stationary sources, emission facilities, emissions units, air contaminant treatment facilities, treatment facilities, potential air contaminant storage facilities, or storage facilities subject to the requirement to obtain a permit under Title V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399 et seq., or section 116.081. The annual fee shall be used to pay for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of Title V of the federal Clean Air Act Amendments of 1990, Public Law Number 101-549, Statutes at Large, volume 104, pages 2399 et seq., and sections of this chapter and the rules adopted under this chapter related to air contamination and noise. Those costs include the reasonable costs of reviewing and acting upon an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analyses, and demonstrations; preparing inventories and tracking emissions; providing information to the public about these activities; and, after June 30, 1992, the costs of acid deposition monitoring currently assessed under section 116C.69, subdivision 3.

(c) The agency shall adopt fee rules in accordance with the procedures in section 16A.128, subdivisions 1a and 2a, that will result in the collection, in the aggregate, from the sources listed in paragraph (b), of the following amounts:

(1) in fiscal years 1992 and 1993, the amount appropriated by the legislature from the air quality account in the environmental fund for the agency's air quality program; and

(2) for fiscal year 1994 and thereafter, an amount not less than \$25 per

ton of each volatile organic compound; pollutant regulated under United States Code, title 42, section 7411 or 7412 (section 111 or 112 of the federal Clean Air Act); pollutant regulated under Minnesota Rules, chapter 7005; and each pollutant, except carbon monoxide, for which a national or state primary ambient air quality standard has been promulgated.

The agency must not include in the calculation of the aggregate amount to be collected under the fee rules any amount in excess of 4,000 tons per year of each air pollutant from a source.

(d) To cover the reasonable costs described in paragraph (b), the agency shall provide in the rules promulgated under paragraph (c) for an increase in the fee collected in each year beginning after 1990 by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of the year the fee is collected exceeds the Consumer Price Index for the calendar year 1989. For purposes of this paragraph the Consumer Price Index for any calendar year is the average of:

(1) the Consumer Price Index for all-urban consumers published by the United States Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year; and

(2) the revision of the Consumer Price Index that is most consistent with the Consumer Price Index for calendar year 1989.

(e) Any money collected under paragraphs (b) to (d) must be deposited in an air quality account in the environmental fund and must be used solely for the activities listed in paragraph (b).

(f) The agency shall adopt the fee rules for this subdivision by September 1, 1991.

Sec. 38. [REPORT.]

The pollution control agency shall report to the legislature by December 30, 1992, on the following:

(1) the basis on which air emission fees are assessed for each pollutant;

(2) the basis on which air emission fees are distributed among various emission sources;

(3) how the scope and costs of Minnesota air emission fees and air quality programs compare to neighboring states; and

(4) the allocation of air emission fees among various programs within the air quality division.

Sec. 39. Minnesota Statutes 1990, section 116P.05, is amended to read:

116P.05 [LEGISLATIVE COMMISSION ON MINNESOTA RESOURCES.]

Subdivision 1. [MEMBERSHIP.] (a) A legislative commission on Minnesota resources of 16 members is created, consisting of the chairs of the house and senate committees on environment and natural resources or designees appointed for the terms of the chairs, the chairs of the house appropriations and senate finance committees or designees appointed for the terms of the chairs, six members of the senate appointed by the subcommittee

on committees of the committee on rules and administration, and six members of the house appointed by the speaker. ~~The commission shall develop a budget plan for expenditures from the trust fund and shall adopt a strategic plan as provided in section 116P.08.~~

~~(b) The commission shall recommend expenditures to the legislature from the Minnesota future resources account under section 116P.13.~~ At least two members from the senate and two members from the house must be from the minority caucus. Members are entitled to reimbursement for per diem expenses plus travel expenses incurred in the services of the commission.

~~(e) (b)~~ Members shall appoint a chair who shall preside and convene meetings as often as necessary to conduct duties prescribed by this chapter.

~~(d) (c)~~ Members shall serve on the commission until their successors are appointed.

~~(e) (d)~~ Vacancies occurring on the commission shall not affect the authority of the remaining members of the commission to carry out their duties, and vacancies shall be filled in the same manner under paragraph (a).

Subd. 2. [DUTIES.] (a) The commission shall recommend a budget plan for expenditures from the environment and natural resources trust fund and shall adopt a strategic plan as provided in section 116P.08.

(b) The commission shall recommend expenditures to the legislature from the Minnesota future resources fund under section 116P.13.

~~(f) (c)~~ The commission may adopt ~~bylaws and~~ operating procedures to fulfill their duties under sections 116P.01 to 116P.13.

Sec. 40. Minnesota Statutes 1990, section 116P.06, is amended to read:
116P.06 [ADVISORY COMMITTEE.]

Subdivision 1. [MEMBERSHIP.] (a) An advisory committee of 11 citizen members shall be appointed by the governor to advise the legislative commission on Minnesota resources on project proposals to receive funding from the trust fund and the development of budget and strategic plans. The governor shall appoint at least one member from each congressional district. The governor shall appoint the chair.

(b) The governor's appointees must be confirmed with the advice and consent of the senate. The membership terms, compensation, removal, and filling of vacancies for citizen members of the advisory committee are governed by section 15.0575.

Subd. 2. [DUTIES.] (a) The advisory committee shall:

(1) prepare and submit to the commission a draft strategic plan to guide expenditures from the trust fund;

(2) review the reinvest in Minnesota program during development of the draft strategic plan;

(3) gather input from the resources congress during development of the draft strategic plan;

(4) advise the commission on project proposals to receive funding from the trust fund; and

(5) advise the commission on development of the budget plan.

(b) The advisory committee may review all project proposals for funding

and may make recommendations to the commission on whether the projects:

(1) meet the standards and funding categories set forth in sections 116P.01 to 116P.12;

(2) duplicate existing federal, state, or local projects being conducted within the state; and

(3) are consistent with the most recent strategic plan adopted by the commission.

Sec. 41. Minnesota Statutes 1990, section 116P.07, is amended to read:

116P.07 [RESOURCES CONGRESS.]

The commission must convene a resources congress at least once every biennium *and shall develop procedures for the congress*. The congress must be open to all interested individuals. The purpose of the congress is to collect public input necessary to allow the commission, with the advice of the advisory committee, to develop a strategic plan to guide expenditures from the trust fund. The congress also may be convened to receive and review reports on trust fund projects. *The congress shall also review the reinvest in Minnesota program.*

Sec. 42. Minnesota Statutes 1990, section 116P.08, subdivision 3, is amended to read:

Subd. 3. [STRATEGIC PLAN REQUIRED.] (a) The commission shall adopt a strategic plan for making expenditures from the trust fund, including identifying the priority areas for funding for the next six years. ~~The reinvest in Minnesota program must be reviewed by the advisory committee, resources congress, and commission during the development of the strategic plan.~~ The strategic plan must be updated every two years. The plan is advisory only. The commission shall submit the plan, as a recommendation, to the house of representatives appropriations and senate finance committees by January 1 of each odd-numbered year.

~~(b) The advisory committee shall work with the resources congress to develop a draft strategic plan to be submitted to the commission for approval. The commission shall develop the procedures for the resources congress.~~

~~(c) The commission may accept or modify the draft of the strategic plan submitted to it by the advisory committee before voting on the plan's adoption.~~

Sec. 43. Minnesota Statutes 1990, section 116P.08, subdivision 4, is amended to read:

Subd. 4. [BUDGET PLAN.] (a) Funding may be provided only for those projects that meet the categories established in subdivision 1.

~~(b) Projects submitted to the commission for funding may be referred to the advisory committee for recommendation, except that research proposals first must be reviewed by the peer review panel. The advisory committee may review all project proposals for funding and may make recommendations to the commission on whether:~~

~~(1) the projects meet the standards and funding categories set forth in sections 116P.01 to 116P.12;~~

~~(2) the projects duplicate existing federal, state, or local projects being conducted within the state; and~~

~~(3) the projects are consistent with the most recent strategic plan adopted by the commission.~~

(c) The commission must adopt a budget plan to make expenditures from the trust fund for the purposes provided in subdivision 1. The budget plan must be submitted to the governor for inclusion in the biennial budget and supplemental budget submitted to the legislature.

(d) Money in the trust fund may not be spent except under an appropriation by law.

Sec. 44. Minnesota Statutes 1990, section 116P.09, subdivision 2, is amended to read:

Subd. 2. [LIAISON OFFICERS.] The commission shall request each department or agency head of all state agencies with a direct interest and responsibility in any phase of environment and natural resources to appoint, and the latter shall appoint for the agency, a liaison officer who shall work closely with the commission and its staff. ~~The designated liaison officer shall attend all meetings of the advisory committee to provide assistance and information to committee members when necessary.~~

Sec. 45. Minnesota Statutes 1990, section 116P.09, subdivision 4, is amended to read:

Subd. 4. [PERSONNEL.] Persons who are employed by a state agency to work on a project and are paid by an appropriation from the trust fund or Minnesota future resources ~~account fund~~ are in the unclassified civil service, and their continued employment is contingent upon the availability of money from the appropriation. When the appropriation has been spent, their positions must be canceled and the approved complement of the agency reduced accordingly. Part-time employment of persons for a project is authorized.

Sec. 46. Minnesota Statutes 1990, section 116P.09, subdivision 7, is amended to read:

Subd. 7. [REPORT REQUIRED.] The commission shall, by ~~July 1~~ *January 15* of each ~~even-numbered~~ *odd-numbered* year, submit a report to the governor, the chairs of the house appropriations and senate finance committees, and the chairs of the house and senate committees on environment and natural resources. Copies of the report must be available to the public. The report must include:

- (1) a copy of the current strategic plan;
- (2) a description of each project receiving money from the trust fund and Minnesota future resources ~~account fund~~ during the preceding ~~two years~~ *biennium*;
- (3) a summary of any research project completed in the preceding ~~two years~~ *biennium*;
- (4) recommendations to implement successful projects and programs into a state agency's standard operations;
- (5) to the extent known by the commission, descriptions of the projects anticipated to be supported by the trust fund and Minnesota future resources ~~account~~ during the next ~~two years~~ *biennium*;
- (6) the source and amount of all revenues collected and distributed by the commission, including all administrative and other expenses;

(7) a description of the ~~trust fund's~~ assets and liabilities of the trust fund and the Minnesota future resources fund;

(8) any findings or recommendations that are deemed proper to assist the legislature in formulating legislation;

(9) a list of all gifts and donations with a value over \$1,000; and

(10) a comparison of the amounts spent by the state for environment and natural resources activities through the most recent fiscal year; and

(11) a copy of the most recent ~~certified financial and~~ compliance audit.

Sec. 47. [GLENDALOUGH STATE PARK.]

Subdivision 1. [85.012] [Subd. 23a.] [GLENDALOUGH STATE PARK.] Glendalough state park is established in Otter Tail county.

Subd. 2. [ACQUISITION.] The commissioner of natural resources is authorized to acquire by gift or purchase the lands for Glendalough state park. The commissioner shall give emphasis to the management of wildlife within the park and shall interpret these management activities for the public. Except as otherwise provided in this subdivision, all lands acquired for Glendalough state park shall be administered in the same manner as provided for other state parks and shall be perpetually dedicated for that use.

Subd. 3. [PAYMENT IN LIEU OF TAXES FOR PRIVATE TRACTS.] (a) If a tract or lot or privately owned land is acquired for inclusion within Glendalough state park and, as a result of the acquisition, taxes are no longer assessed against the tract or lot or improvements on the tract or lot, the following amount shall be paid by the commissioner of natural resources to Otter Tail county for distribution to the taxing districts:

(1) in the first year after taxes are last required to be paid on the property, 55 percent of the last required payment;

(2) in the second year after taxes are last required to be paid on the property, 40 percent of the last required payment; and

(3) in the third year after taxes are last required to be paid on the property, 20 percent of the last required payment.

(b) The commissioner shall make the payments from money appropriated for state park maintenance and operation. The county auditor shall certify to the commissioner of natural resources the total amount due to a county on or before March 30 of the year in which money must be paid under this section. Money received by a county under this subdivision shall be distributed to the various taxing districts in the same proportion as the levy on the property in the last year taxes were required to be paid on the property.

Subd. 4. [BOUNDARIES.] The following described lands are located within the boundaries of Glendalough state park:

Government Lots 3 and 4 and that part of Lake Emma and its lake bed lying in Section 7; all of Section 18; Government Lot 1, the Northeast Quarter of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 19; all in Township 133 North, Range 39 West.

All of Section 13; Government Lots 1 and 2, the West Half of the Southeast Quarter, the Northeast Quarter and the Southwest Quarter of Section 14; Government Lots 1 and 2, the East 66 feet of the West Half of the Southeast Quarter and the Northeast Quarter of Section 23; Government Lots 1, 2,

3, 4, 5, 6, and 8, the Northwest Quarter of the Northwest Quarter, the East Half of the Southeast Quarter of Section 24; that part of Government Lot 7 of Section 24 lying easterly of the following described line: commencing at the northeast corner of Government Lot 1 of Section 25, Township 133 North, Range 40 West; thence North 89 degrees 22 minutes 29 seconds West on an assumed bearing along the north line of said Section 25 a distance of 75.00 feet to the point of beginning; thence on a bearing of North 37 feet, more or less, to the shoreline of Molly Stark Lake and there terminating; that part of Government Lot 1 of Section 25 lying northerly of County State Aid Highway No. 16 and westerly of the following described line: commencing at the northeast corner of said Government Lot 1; thence on an assumed bearing of South along the east line of said Government Lot 1 a distance of 822.46 feet; thence North 77 degrees 59 minutes 14 seconds West 414.39 feet to the point of beginning; thence North 04 degrees 28 minutes 54 seconds East 707 feet, more or less, to the shoreline of Molly Stark Lake and there terminating; the westerly 50 feet except the northerly 643.5 feet of Government Lot 1 of Section 25; Government Lot 1 of Section 26 except the easterly 50 feet of the northerly 643.5 feet; all in Township 133 north, Range 40 West.

Sec. 48. [REPEALER.]

Minnesota Statutes 1990, section 116.86, is repealed.

Sec. 49. [EFFECTIVE DATE.]

Sections 15 and 16 are effective October 1, 1991. Sections 30, 31, and 32 are effective for the licensing year beginning March 1, 1992, and for each licensing year thereafter.

ARTICLE 3

AGRICULTURE

Section 1. [17.107] [FARM EQUIPMENT SAFETY AND MAINTENANCE PROGRAM FOR YOUTH.]

Subdivision 1. [PROGRAM COORDINATION.] The Minnesota extension service, in cooperation with the commissioner of agriculture, shall implement a voluntary farm equipment safety program for training and certifying rural youth. The program must be designed to teach young operators to safely maintain and operate tractors and other farm implements. The extension service shall maintain records adequate to verify the names and addresses of students certified by the safety program.

Subd. 2. [INSTRUCTOR DEVELOPMENT.] Not later than August 1, 1991, the Minnesota extension service shall design a program for the recruitment and development of qualified instructors for the youth farm equipment safety program created under subdivision 1.

Subd. 3. [PAYMENT TO INSTRUCTORS.] From within public or non-public funds made available for the youth farm equipment safety program created under subdivision 1, the commissioner of agriculture may make payments of \$25 per student to qualified instructors on a per-student basis.

Sec. 2. Minnesota Statutes 1990, section 18.46, subdivision 6, is amended to read:

Subd. 6. [NURSERY STOCK GROWER.] A nursery operator. A "Nursery operator is any stock grower" means a person who owns, leases, manages, or is in charge of a nursery.

Sec. 3. Minnesota Statutes 1990, section 18.46, subdivision 9, is amended to read:

Subd. 9. [NURSERY STOCK DEALER.] ~~A dealer:~~ A "Nursery stock dealer ~~is any~~" means a person who obtains nursery stock for the purpose of sale or distribution and includes any person who sells and distributes for more than one nursery ~~operator~~ stock grower. A person who purchases more than half of the nursery stock offered for sale at a sales location during the current certificate year shall be considered a nursery stock dealer rather than a nursery ~~operator~~ stock grower for the purposes of determining a proper fee schedule.

Sec. 4. Minnesota Statutes 1990, section 18.46, is amended by adding a subdivision to read:

Subd. 9a. [LANDSCAPER.] "Landscape" is a nursery stock dealer who obtains certified nursery stock for immediate sale, distribution, or installation and who does not grow or maintain nursery stock for resale.

Sec. 5. Minnesota Statutes 1990, section 18.49, subdivision 2, is amended to read:

Subd. 2. [CERTIFICATE.] It is unlawful for a person to sell or distribute nursery stock to a nursery stock dealer or nursery ~~operator~~ stock grower who does not have a valid ~~certificate of inspection~~ grower's or dealer's certificate.

Sec. 6. Minnesota Statutes 1990, section 18.51, is amended to read:

18.51 [NURSERY STOCK GROWER'S CERTIFICATE OF INSPECTION.]

Subdivision 1. [CERTIFICATE REQUIRED.] Each nursery ~~operator~~ stock grower shall obtain a nursery stock grower's certificate ~~of inspection~~ from the commissioner. Said certificate shall be obtained before offering nursery stock for sale or distribution. Each certificate shall expire on ~~November 15~~ December 31 of each year.

Subd. 2. [FEES; PENALTY.] A nursery ~~operator~~ stock grower shall pay an annual fee before the commissioner shall issue a certificate of inspection. This fee shall be based on the area of all of the ~~operator's~~ nursery stock grower's nurseries as follows:

Nurseries:

- | | |
|---|--|
| (1) 1/2 acre or less | \$40 \$70 per nursery operator stock grower |
| (2) Over 1/2 acre to and including 2 acres | \$60 \$85 per nursery operator stock grower |
| (3) Over 2 acres to and including 10 acres | \$125 \$150 per nursery operator stock grower |
| (4) Over 10 acres to and including 50 acres | \$360 \$400 per nursery operator stock grower |
| (5) Over 50 acres | \$725 per nursery operator stock grower for the first 50 acres and \$1 per acre |

for each additional acre

In addition to the above fees, ~~A minimum~~ penalty of \$40 or 25 percent of the fee due, ~~whichever is greater,~~ shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 7. Minnesota Statutes 1990, section 18.52, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATES REQUIRED.] A ~~dealer's nursery stock~~ dealer certificate shall be obtained by every nursery stock dealer for each location before offering nursery stock for sale or distribution unless the nursery stock dealer holds a valid greenhouse or nursery ~~operator's stock grower's~~ certificate either of which will permit a single sales location. This certificate or a duplicate thereof shall be displayed in a prominent manner at each place where nursery stock is offered for sale. A certificate to sell or distribute certified nursery stock may be obtained by a nursery stock dealer or by an agent through a principal, from the commissioner. The commissioner may refuse to issue a ~~dealer's nursery stock dealer or agent's~~ agent certificate for cause.

Sec. 8. Minnesota Statutes 1990, section 18.52, subdivision 5, is amended to read:

Subd. 5. [FEES; PENALTY.] A nursery stock dealer shall pay an annual fee based on the dealer's gross sales during the preceding certificate year. A nursery stock dealer operating for the first year will pay the minimum fee.

Dealers:

(1) Gross sales up to \$1,000 \$5,000	at a location \$40 \$70 per location
(2) Gross sales over \$1,000 and up to \$5,000	at a location \$50 per location
(3) Gross sales over \$5,000 up to \$10,000	at a location \$85 \$100 per location
(4) (3) Gross sales over \$10,000 up to \$25,000	at a location \$125 \$200 per location
(5) (4) Gross sales over \$25,000 up to \$75,000	at a location \$175 \$300 per location
(6) (5) Gross sales over \$75,000 up to \$100,000	at a location \$260 \$400 per location
(7) (6) Gross sales over \$100,000 up to \$250,000	at a location \$400 \$500 per location
(7) Gross sales over \$250,000	at a location \$600 per location

In addition to the above fees, a minimum penalty of \$10 or 25 percent of the fee due, whichever is greater, shall be charged for any application for renewal not received by January 1 of the year following expiration of a certificate.

Sec. 9. Minnesota Statutes 1990, section 18.54, subdivision 2, is amended to read:

Subd. 2. [VIRUS DISEASE-FREE CERTIFICATION.] The commissioner shall have the authority to provide special services such as virus disease-free certification and other similar programs. Participation by nursery ~~operators~~ *stock growers* shall be voluntary. Plants offered for sale as certified virus-free must be grown according to certain procedures in a manner defined by the commissioner for the purpose of eliminating viruses and other injurious disease or insect pests. The commissioner shall collect reasonable fees from participating nursery ~~operators~~ *stock growers* for services and materials that are necessary to conduct this type of work, as provided in section 16A.128.

Sec. 10. Minnesota Statutes 1990, section 18.55, is amended to read:

18.55 [RECIPROCITY WITH OTHER STATES.]

Subdivision 1. [OUT-OF-STATE NURSERY ~~OPERATOR~~ *STOCK GROWER*, DEALER, OR AGENT.] A nursery ~~operator~~ *stock grower*, dealer, or agent from another state which issues certificates to nursery ~~operators~~ *stock growers*, dealers, or agents of Minnesota on the same or similar basis as to nursery ~~operators~~ *stock growers*, dealers, or agents of such state may operate in Minnesota upon complying with the plant pest act without procuring a Minnesota certificate. Any person from another state shipping nursery stock into Minnesota shall be accorded treatment similar to that which is required of Minnesota nursery ~~operators~~ *stock growers*, dealers, or agents who ship or sell nursery stock in such state. No reciprocity shall be extended under this section until the commissioner has first determined which states issue certificates to nursery ~~operators~~ *stock growers*, dealers, or agents of Minnesota on the same or similar basis as to nursery ~~operators~~ *stock growers*, dealers, or agents of such states.

Subd. 2. [FILING OUT-OF-STATE CERTIFICATES OF INSPECTION.] Each out-of-state nursery ~~operator~~ *stock grower* or dealer whose nursery stock is sold, offered for sale, or distributed within this state shall file a certified current copy of an out-of-state certificate in the office of the commissioner. The commissioner may accept, in lieu of such individual certificates, a certified list of current certified nursery ~~operators~~ *stock growers* or dealers from the regulatory agency having jurisdiction in the state of origin, and may distribute such lists to persons in the state of Minnesota requesting them. The commissioner also may supply certified lists of certified Minnesota nursery ~~operators~~ *stock growers* and dealers offering nursery stock for sale in Minnesota and other states on request of any person. If any certified nursery ~~operator~~ *stock grower* or dealer has violated any provisions of the plant pest act, the filed certificate will be voided or the ~~nursery operator's~~ *person's* name will be stricken from the appropriate certified list.

Sec. 11. Minnesota Statutes 1990, section 18.56, is amended to read:

18.56 [TAGS.]

A tag bearing a reasonable facsimile of the *nursery stock grower or dealer* certificate of ~~inspection~~ shall be attached to every package or bundle of nursery stock sold or transported by any person. The form of each tag shall be approved by the commissioner before being used.

Sec. 12. Minnesota Statutes 1990, section 18.57, is amended to read:

18.57 [CARRIERS NOT TO ACCEPT UNTAGGED STOCK.]

All carriers for hire, including railroad companies, express companies

and truck lines shall not accept nursery stock which is not tagged with a valid tag of the nursery stock grower or dealer making the shipment. The carrier shall promptly notify the commissioner regarding any prohibited shipment.

Sec. 13. Minnesota Statutes 1990, section 18.60, is amended to read:

18.60 [PENALTIES.]

Subdivision 1. ~~[CERTIFICATE MAY BE REVOKED]~~ **REVOCATION.** *In addition to or in lieu of administrative penalties under subdivision 2, the certificate of any person violating any of the provisions of the plant pest act may be suspended or revoked by the commissioner upon five days notice and opportunity to be heard.*

Subd. 2. ~~[MISDEMEANOR ADMINISTRATIVE PENALTY.]~~ **Any person violating any of the provisions of the plant pest act, or any rule promulgated thereunder shall be guilty of a misdemeanor.** *The commissioner may impose an administrative penalty on a person who violates sections 18.44 to 18.61. For a first violation, the commissioner may impose an administrative penalty of not more than \$1,000 for each violation. For a second or succeeding violation, the commissioner may impose an administrative penalty of not more than \$1,500 for each violation. Each day a violation continues is a separate violation. In determining the amount of the administrative penalty to be assessed under this section, the commissioner shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the person's ability to continue in business.*

Subd. 3. **[APPEAL.]** *A person adversely affected by an act, order, or ruling made under this section, or a rule adopted under the plant pest act, may appeal under chapter 14.*

Sec. 14. Minnesota Statutes 1990, section 27.19, subdivision 1, is amended to read:

Subdivision 1. **[PROHIBITED ACTS.]** (a) A person subject to the provisions of this section and sections 27.01 to 27.15 may not:

(1) operate or advertise to operate as a dealer at wholesale without a license;

(2) make any false statement or report as to the grade, condition, markings, quality, or quantity of produce, as defined in section 27.069, received or delivered, or act in any manner to deceive a consignor or purchaser;

(3) refuse to accept a shipment contracted for by the person, unless the refusal is based upon the showing of a state inspection certificate secured with reasonable promptness after the receipt of the shipment showing that the kind and quality of produce, as defined in section 27.069, is other than that purchased or ordered by the person;

(4) fail to account or make a settlement for produce within the required time;

(5) violate or fail to comply with the terms or conditions of a contract entered into by the person for the purchase or sale of produce;

(6) purchase for a person's own account any produce received on consignment, either directly or indirectly, without the consent of the consignor;

(7) issue a false or misleading market quotation, or cancel a quotation during the period advertised by the person;

(8) increase the sales charges on produce shipped to the person by means of "dummy" or fictitious sales;

(9) receive decorative forest products and the products of farms and waters from foreign states or countries for sale or resale, either within or outside of the state, and give the purchaser the impression, through any method of advertising or description, that the produce is of Minnesota origin;

(10) fail to notify in writing all suppliers of produce of the protection afforded to suppliers by the person's licensee bond, including: availability of a bond, notice requirements, and any other conditions of the bond;

(11) make a false statement to the commissioner on an application for license or bond or in response to written questions from the commissioner regarding the license or bond;

(12) commit to pay and not pay in full for all produce committed for. *A processor may not pay an amount less than the full contract price if the crop produced is satisfactory for processing and is not harvested for reasons within the processor's control. If the processor sets the date for planting, bunching, unusual yields, and a processor's inability or unwillingness to harvest must be considered to be within the processor's control. Under this clause growers must be compensated for passed acreage at the same rate for grade and yield as they would have received had the crop been harvested in a timely manner minus any contractual provision for green manure or feed value. Both parties are excused from payment or performance for crop conditions that are beyond the control of the parties; or*

(13) discriminate between different sections, localities, communities, or cities, or between persons in the same community, by purchasing produce from farmers of the same grade, quality, and kind, at different prices, except that price differentials are allowed if directly related to the costs of transportation, shipping, and handling of the produce and a person is allowed to meet the prices of a competitor in good faith, in the same locality for the same grade, quality, and kind of produce. A showing of different prices by the commissioner is prima facie evidence of discrimination.

(b) A separate violation occurs with respect to each different person involved, each purchase or transaction involved, and each false statement.

Sec. 15. Minnesota Statutes 1990, section 28A.08, is amended to read:

28A.08 [LICENSE FEES; PENALTIES.]

License fees, penalties for late renewal of licenses, and penalties for not obtaining a license before conducting business in food handling that are set in this section apply to the sections named except as provided under section 28A.09. Except as specified herein, bonds and assessments based on number of units operated or volume handled or processed which are provided for in said laws shall not be affected, nor shall any penalties for late payment of said assessments, nor shall inspection fees, be affected by this chapter. The ~~late penalty~~ penalties may be waived by the commissioner.

Type of food handler	License Fee	Penalties	
		Late Renewal	No License
1. Retail food handler			

(a) Having gross sales of only prepackaged nonperishable food of less than \$50,000 \$15,000 for the immediately previous license or fiscal year and filing a statement with the commissioner			
	\$ 40	\$ 15	\$ 25
(b) Having under \$15,000 gross sales including food preparation or having \$15,000 to \$50,000 gross sales for the immediately previous license or fiscal year			
	\$ 55	\$ 15	\$ 25
(b) (c) Having \$50,000 to \$250,000 gross sales for the immediately previous license or fiscal year			
	\$ 75 \$105	\$ 25 \$ 35	\$ 25 \$ 75
(c) (d) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year			
	\$125 \$180	\$ 50	\$ 50 \$100
(d) (e) Having over \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year			
	\$250 \$500	\$ 75 \$100	\$100 \$175
(f) Having \$5,000,000 to \$10,000,000 gross sales for the immediately previous license or fiscal year			
	\$700	\$150	\$300
(g) Having over \$10,000,000 gross sales for the immediately previous license or fiscal year			
	\$800	\$200	\$350
2. Wholesale food handler			
(a) Having gross sales or service of less than \$250,000 for the immediately previous license or fiscal year			
	\$100 \$200	\$ 25 \$ 50	\$ 50 \$100
(b) Having \$250,000 to \$1,000,000 gross sales or service for the immediately previous license or fiscal year			
	\$150 \$400	\$ 38 \$100	\$ 75 \$200
(c) Having over \$1,000,000 to \$5,000,000 gross sales or service for the immediately previous license or fiscal year			
	\$200 \$500	\$ 50 \$125	\$100 \$250
(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year			
	\$575	\$150	\$300
3. Food broker			
	\$ 75 \$100	\$ 25 \$ 30	\$ 25 \$ 50
4. Wholesale food processor or manufacturer			

(a) Having gross sales of less than \$250,000 for the immediately previous license or fiscal year	\$200 \$275	\$ 50 \$ 75	\$ 75 \$150
(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$275 \$400	\$ 75 \$100	\$100 \$200
(c) Having over \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$375 \$500	\$100 \$125	\$125 \$250
(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$575	\$150	\$300
5. Wholesale food processor of meat or poultry products under supervision of the U. S. Department of Agriculture			
(a) Having gross sales of less than \$250,000 for the immediately previous license of or fiscal year	\$100 \$150	\$ 25 \$ 50	\$ 38 \$ 75
(b) Having \$250,000 to \$1,000,000 gross sales for the immediately previous license or fiscal year	\$150 \$225	\$ 50 \$ 75	\$ 45 \$125
(c) Having over \$1,000,000 to \$5,000,000 gross sales for the immediately previous license or fiscal year	\$175 \$275	\$ 50 \$ 75	\$ 53 \$150
(d) Having over \$5,000,000 gross sales for the immediately previous license or fiscal year	\$325	\$100	\$175
6. Wholesale food manufacturer having the permission of the commissioner to use the name Minnesota farmstead cheese	\$ 30	\$ 10	\$ 15
7. Nonresident frozen dairy manufacturer	\$200	\$ 50	\$ 75

Sec. 16. Minnesota Statutes 1990, section 29.22, is amended to read:

29.22 ~~[DEALERS EGG HANDLERS ANNUAL INSPECTION FEE; DISPOSITION OF FEES.]~~

Subd. 2. ~~[COMPUTATION; FEE SCHEDULE; RECORDS.]~~ In addition to the annual ~~dealer's food handler's~~ license, required under section 28A.04, there ~~shall be~~ is an annual inspection fee applicable to every person who engages in the business of buying for resale, selling, ~~dealing,~~ or trading in eggs except a retail grocer who sells eggs previously candled and graded; ~~such.~~ The fee ~~to must~~ be computed on the basis of the number of cases of shell eggs handled at each place of business during the month of April of each year, ~~providing that if said dealer or processor is not operating during the month of April, the department shall estimate the volume of shell eggs~~

handled, and may revise the fee after three months of operation. In the event that highest volume month of each licensing year. If a given lot of eggs is moved from one location of business to a second location of business and provided that the dealers' food handler's license is held by the same person at both locations, the given lot of eggs shall must be counted in determining the volume of business on which the inspection fee is based at the first location of business but shall must not enter into the computation of volume of business for the second location. For the purpose of determining fees, a case shall be "case" means one of 30 dozen capacity. The schedule of fees shall be is as follows:

VOLUME (30 DOZEN CASES) IN APRIL MINIMUM - MAXIMUM FEE

**HIGHEST VOLUME OF CASES EACH
LICENSING YEAR**

FEE

1 - 100	50	\$ 5 - \$ 10
51 - 100		\$ 25
101 - 1000		\$ 40 - \$ 25 \$ 50
1001 - 2000		\$ 25 - \$ 50 \$ 75
2001 - 4000		\$ 50 - \$ 75 \$100
4001 - 6000		\$ 75 - \$100 \$125
6001 - 8000		\$100 - \$125 \$150
8001 - 10,000		\$125 - \$150 \$200
OVER 10,000		\$150 - \$200 \$250

The commissioner shall fix the annual inspection fee within the limits set herein and may annually adjust the fee, as the commissioner deems necessary, within those limits, to more nearly meet the costs of inspection required to enforce the provisions of sections 29.21 to 29.28. Each person subject to such the inspection fee in this section shall, under the direction of the commissioner, keep such records as may be necessary to accurately determine the volume of shell eggs on which the inspection fee is due and shall prepare annually a written report of such the volume upon forms supplied by the commissioner. This report, together with the required inspection fee, shall must be filed with the department on or before the last day of May of each year.

Subd. 3. [CANDLERS AND GRADERS.] The commissioner shall have has general supervisory powers over the candlers and graders of eggs and may conduct, in collaboration with the institute college of agriculture and the extension service of the University of Minnesota, an educational and training program to improve the efficiency and quality of the work done by such candlers.

Subd. 4. [EGG BREAKING PLANTS.] Any person engaged in the business of breaking eggs for resale shall at all times comply with the rules of the department in respect to the conduct of such that business. The commissioner shall collect from each egg breaking plant laboratory fees for routine analysis and full reimbursement for services performed by a state inspector assigned to that plant on a continuous basis as provided for in under section 29.27.

Subd. 5. [DEPOSIT DISPOSITION OF FEES; APPROPRIATION.] All fees collected, together with and all fines paid for any a violation of any provision of sections 29.21 to 29.28 or any rules promulgated thereunder under those sections, as well as all license fees and penalties for late license

~~renewal, shall~~ *must* be deposited in the state treasury, and ~~shall be~~ credited to a separate account to be known as the egg law inspection fund, which is hereby created, set aside, and appropriated as a revolving fund to be used by the department to help defray the expense of inspection, supervision, and enforcement of sections 29.21 to 29.28 and ~~shall be~~ *is* in addition to and not in substitution for the sums regularly appropriated or otherwise made available for this purpose to the department.

Sec. 17. Minnesota Statutes 1990, section 31.39, is amended to read:

31.39 [ASSESSMENTS; INSPECTION SERVICES; COMMERCIAL CANNERIES ACCOUNT.]

The commissioner is hereby authorized and directed to collect from each commercial cannery an assessment for inspection and services furnished, and for maintaining a bacteriological laboratory and employing such bacteriologists and trained and qualified sanitarians as the commissioner may deem necessary. The assessment to be made on each commercial cannery, for each and every packing season, shall not exceed one-half cent per case on all foods packed, canned, or preserved therein, nor shall the assessment in any one calendar year to any one cannery exceed ~~\$2,500~~ \$3,000, and the minimum assessment to any cannery in any one calendar year shall be \$100; ~~provided, that the amount of the annual license fee collected under section 28A.08 shall be used to reduce the annual assessment for that year.~~ The commissioner shall provide appropriate deductions from assessments for the net weight of meat, chicken, or turkey ingredients which have been inspected and passed for wholesomeness by the United States Department of Agriculture. The commissioner may, when the commissioner deems it advisable, graduate and reduce the assessment to such sum as is required to furnish the inspection and laboratory services rendered. The assessment made and the license fees, penalties, and other sums so collected shall be deposited in the state treasury, as other departmental receipts are deposited, but shall constitute a separate account to be known as the commercial canneries inspection account, which is hereby created, and together with moneys now remaining in said account, set aside, and appropriated as a revolving fund, to meet the expense of special inspection, laboratory and other services rendered, as provided in sections 31.31 to 31.392. The amount of such assessment shall be due and payable on or before December 31, of each year, and if not paid on or before February 15 following, shall bear interest after that date at the rate of seven percent per annum, and a penalty of ten percent on the amount of the assessment shall also be added and collected.

Sec. 18. Minnesota Statutes 1990, section 32.394, subdivision 8, is amended to read:

Subd. 8. [GRADE A INSPECTION FEES.] A processor or marketing organization of milk, milk products, sheep milk, or goat milk who wishes to market Grade A milk or use the Grade A label must apply for Grade A inspection service from the commissioner. A pasteurization plant requesting Grade A inspection service must hold a Grade A permit and pay an annual inspection fee of no more than \$500. For Grade A farm inspection service, the fee must be no more than ~~\$66~~ \$50 per farm, paid annually by the processor or by the marketing organization on behalf of its patrons. For a farm requiring a reinspection in addition to the required biannual inspections, an additional fee of no more than ~~\$33~~ \$25 per reinspection must be paid by the processor or by the marketing organization on behalf of its

patrons. If the commissioner deems it necessary to more nearly meet the cost of the service, the commissioner may annually adjust the assessments within the limits set in this subdivision. The Grade A farm inspection fee must not exceed the lesser of (1) 40 percent of the department's actual average cost per farm inspection or reinspection; or (2) the dollar limits set in this subdivision. No fee increase may be implemented until after the commissioner has held three or more public hearings.

Sec. 19. Minnesota Statutes 1990, section 32.394, subdivision 8b, is amended to read:

Subd. 8b. [MANUFACTURING GRADE FARM CERTIFICATION.] A processor or marketing organization of milk, milk products, sheep milk, or goat milk who wishes to market other than Grade A milk must apply for a manufacturing grade farm certification inspection from the commissioner. A manufacturing plant that pasteurizes milk or milk by-products must pay an annual fee based on the number of pasteurization units. This fee must not exceed \$140 per unit. The fee for farm certification inspection must not be more than ~~\$33~~ \$25 per farm to be paid annually by the processor or by the marketing organization on behalf of its patrons. For a farm requiring more than the one annual inspection required for certification, ~~an additional~~ a reinspection fee of no more than ~~\$33~~ \$25 must be paid by the processor or by the marketing organization on behalf of its patrons. The fee must be set by the commissioner in an amount necessary to ~~meet~~ cover 40 percent of the department's actual cost of providing the service annual inspection but must not exceed the limits in this subdivision. No fee increase may be implemented until after the commissioner has held three or more public hearings.

Sec. 20. Minnesota Statutes 1990, section 32.394, is amended by adding a subdivision to read:

Subd. 8d. [PROCESSOR ASSESSMENT.] (a) A manufacturer shall pay to the commissioner a fee for fluid milk processed and milk used in the manufacture of fluid milk products sold in Minnesota. Beginning July 1, 1991, the fee is five cents per hundredweight. If the commissioner determines that a different fee, not exceeding nine cents per hundredweight, when combined with general fund appropriations and fees charged under sections 17 and 18, is needed to provide adequate funding for the Grades A and B inspection programs, the commissioner may, by rule, change the fee on processors.

(b) Processors must report quantities of milk processed under paragraph (a) on forms provided by the commissioner. Processor fees must be paid monthly. The commissioner may require the production of records as necessary to determine compliance with this subdivision.

Sec. 21. Minnesota Statutes 1990, section 41A.09, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS FROM ACCOUNT.] The commissioner of revenue shall make cash payments to producers of ethanol or wet alcohol located in the state. These payments shall apply only to ethanol or wet alcohol fermented in the state. The amount of the payment for each producer's annual production shall be as follows:

(a) For each gallon of ethanol produced:

(1) For the period beginning July 1, 1986, and ending June 30, 1987,

15 cents per gallon;

(2) For the period beginning July 1, 1987, and ending June 30, 2000, 20 cents per gallon.

(b) For each gallon produced of wet alcohol during the period beginning July 1, 1989, and ending June 30, 2000, a payment in cents per gallon calculated by the formula "alcohol purity in percent divided by five," and rounded to the nearest cent per gallon, but not less than 11 cents per gallon. The producer payment for wet alcohol under this section may be paid to either the original producer of wet alcohol or the secondary processor, at the option of the original producer, but not to both.

(c) The total payments from the fund to all producers may not exceed \$200,000 during the period beginning July 1, 1986, and ending June 30, 1987, and may not exceed \$10,000,000 in any fiscal year during the period beginning July 1, 1987, and ending June 30, 1991, and may not exceed \$4,500,000 in any fiscal year during the period beginning July 1, 1991, and ending June 30, 2000. Total payments to any producer from the account in any fiscal year may not exceed \$3,000,000.

By the last day of October, January, April, and July, each producer shall file a claim for payment for production during the preceding three calendar months. The volume of production must be verified by a certified financial audit performed by an independent certified public accountant using generally accepted accounting procedures.

Payments shall be made November 15, February 15, May 15, and August 15.

Sec. 22. [137.341] [FARM SAFETY SPECIALIST POSITION.]

The Minnesota legislature finds that because the extension service has unique opportunities for delivering health and safety messages to farm families, the extension service is urged to retain and, to the extent practicable, keep filled at all times, the staff position of farm safety specialist.

Sec. 23. [137.342] [RESEARCH CENTER FOR AGRICULTURAL HEALTH AND SAFETY.]

Subdivision 1. [CREATION.] There is created within the division of environmental and occupational health in the University of Minnesota school of public health and under its direction an interagency, interdisciplinary research center for agricultural health and safety. The center shall coordinate funding for, and the findings of, research projects designed to reduce injury and death from farm accidents, reduce long-term exposure to potentially hazardous agricultural agents, and make health care services more available to persons who suffer from health problems related to agriculture.

Subd. 2. [FARM SAFETY ADVISORY COMMISSION.] The commissioner of agriculture may appoint a farm safety advisory commission to support, review, and monitor the programs and activities of the research center for agricultural health and safety. Appointees to the commission must represent a broad range of interests including education, production farming, agricultural wholesale and retail businesses, statewide farm organizations, and manufacturers of agricultural machinery and chemicals. The advisory commission may assist in raising funds and developing resources for the promotion of farm safety. The advisory commission may participate in farm safety advertising campaigns, farm equipment safety training, and farm safety audit programs.

SAFETY EQUIPMENT ON FARM TRACTORS

Sec. 24. [325F.6670] [EQUIPMENT REQUIRED AT TIME OF SALE.]

(a) No farm equipment dealer or other seller required to collect an excise tax under section 297A.02 may sell a farm tractor as defined in section 325F.6651, subdivision 2, unless, at the time of sale, the tractor is equipped with safety equipment as provided in paragraphs (b) and (c).

(b) If originally provided by the manufacturer, the farm tractor must have

(1) power-take-off shields; and

(2) road transport lighting and reflector systems.

(c) Whether or not originally provided by the manufacturer, the farm tractor must have a slow-moving vehicle sign displayed in accordance with section 169.522.

Sec. 25. [FARM SAFETY AUDIT PILOT PROJECT.]

Subdivision 1. [FINDING.] Farming continues to be one of the most dangerous occupations. All members of farm families experience risks and disabling accidents at a rate much higher than the general population of the state. A pilot project is needed to evaluate the effectiveness of farm safety audits in improving farm safety.

Subd. 2. [FARM SAFETY AUDIT PILOT PROJECT.] The Minnesota extension service shall coordinate and carry out a farm safety audit pilot project involving comprehensive farm safety audits, performed as part of a partnership with selected township mutual insurance companies.

Subd. 3. [REPORT.] The Minnesota extension service and the commissioner of agriculture shall report by January 1, 1994, to the agriculture committees of the senate and house of representatives on the findings of the farm safety audit pilot project.

Sec. 26. [FARM VEHICLES AND DRIVERS; PUBLIC ROAD SAFETY RECOMMENDATIONS.]

The commissioner of public safety shall report to the legislature by July 1, 1992, on recommendations for changes in statute, administrative rule, or public education materials and practices to improve public road safety related to requirements for lighting and reflectors on farm vehicles.

Sec. 27. [PESTICIDE APPLICATOR TRAINING; EFFECTIVENESS.]

The Minnesota pesticide applicator education and training review board shall perform an evaluation of the extent to which the Minnesota extension service applicator training programs have resulted in safer handling of pesticides. The commissioner of agriculture shall report to the legislature on the findings of the board not later than April 1, 1992.

Sec. 28. [CONTINUED LEVEL OF DAIRY FARM INSPECTIONS.]

The commissioner of agriculture must continue dairy farm inspections at a level no lower than 1990.

Sec. 29. Laws 1987, chapter 396, article 6, section 2, is amended to read:

Sec. 2. [17.107] [MINNESOTA GROWN MATCHING ACCOUNT.]

Subdivision 1. [ESTABLISHMENT.] The Minnesota grown matching

account is established as a separate account in the state treasury. The account shall be administered by the commissioner of agriculture as provided in this section.

Subd. 2. [FUNDING SOURCES.] The Minnesota grown matching account shall consist of contributions from private sources and appropriations.

Subd. 3. [APPROPRIATIONS MUST BE MATCHED BY PRIVATE FUNDS.] ~~(a) Appropriations to the Minnesota grown matching account may be expended only to the extent that they are matched with contributions to the account from private sources as provided in paragraph (b) for fiscal years 1988 and 1989.~~

~~(b) Private contributions shall be matched on a basis of four dollars \$4 of the appropriation to each one dollar \$1 of private contributions. Matching funds are not available after the appropriation is encumbered. Private contributions made from January 1, 1987, until the end of fiscal year 1987 shall be matched by the appropriation for fiscal year 1988. Amounts that are not matched in fiscal year 1988 are available to be matched in fiscal year 1989.~~

Subd. 4. [EXPENDITURES.] The amount in the Minnesota grown matching account that is matched by private contributions and the private contributions are appropriated to the commissioner of agriculture for promotion of products using the Minnesota grown logo and labeling.

Sec. 30. [EFFECTIVE DATE.]

Sections 1 and 22 are effective the day following final enactment. Section 14 is effective the day following final enactment and covers contracts for the 1991 crop year. Sections 23 and 25 are effective July 1, 1991. Section 24 is effective October 1, 1991."

Delete the title and insert:

"A bill for an act relating to the organization and operation of state government; appropriating money for environmental, natural resources, and agricultural purposes; regulating the amounts, impositions, and processing of various fees prescribed for various licenses issued and activities regulated by the departments of agriculture and natural resources; amending Minnesota Statutes 1990, sections 14.18; 16A.123, subdivision 5; 18.191; 18.46, subdivisions 6, 9, and by adding a subdivision; 18.49, subdivision 2; 18.51; 18.52, subdivisions 1 and 5; 18.54, subdivision 2; 18.55; 18.56; 18.57; 18.60; 27.19, subdivision 1; 28A.08; 29.22; 31.39; 32.394, subdivisions 8, 8b, and by adding a subdivision; 41A.09, subdivision 3; 84.0855; 84.82, subdivisions 2 and 3; 84.944, subdivision 2; 84.96, subdivision 5; 85.015, by adding a subdivision; 85.053, subdivision 5; 85.055, subdivision 1; 85.22, subdivisions 1 and 2a; 86B.415, subdivision 7; 92.67, subdivision 1; 97A.075, subdivision 2; 97A.015, subdivision 53; 97A.141, by adding a subdivision; 97A.325, subdivision 2; 97A.431, subdivision 2; 97A.435, subdivision 2; 97A.475, subdivisions 2, 3, and 7; 97A.485, subdivision 7; 97B.601, subdivision 4; 97B.721; 103B.321, subdivision 1; 116.07, subdivision 4d; 116P.05; 116P.06; 116P.07; 116P.08, subdivisions 3 and 4; 116P.09, subdivisions 2, 4, and 7; and Laws 1987, chapter 396, article 6, section 2; proposing coding for new law in Minnesota Statutes, chapters 17; 84; 88; 137; and 325F; repealing Minnesota Statutes 1990, section 116.06."

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

Senate Conferees: (Signed) Steven Morse, Charles R. Davis, Gene Merriam, Dennis R. Frederickson, Gary W. Laidig

House Conferees: (Signed) David P. Battaglia, Stephen G. Wenzel, Tom Osthoff, Virgil J. Johnson, Mary Jo McGuire

Mr. Morse moved that the foregoing recommendations and Conference Committee Report on S.F. No. 1533 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.

S.F. No. 1533 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 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

S.F. No. 526 and the Conference Committee Report thereon were reported to the Senate.

CONFERENCE COMMITTEE REPORT ON S.F. NO. 526

A bill for an 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.

May 18, 1991

The Honorable Jerome M. Hughes
President of the Senate

The Honorable Robert Vanasek
Speaker of the House of Representatives

We, the undersigned conferees for S.F. No. 526, report that we have agreed upon the items in dispute and recommend as follows:

That the House recede from its amendments and that S.F. No. 526, be further amended as follows:

Page 3, lines 17 to 20, delete the new language

Page 3, line 20, after the period insert "*In awarding contracts for intensive*

supervision programs in community corrections act counties, the commissioner shall give first priority to programs that utilize county employees as intensive supervision agents and shall give second priority to programs that utilize state employees as intensive supervision agents. The commissioner may award contracts to other providers in community corrections act counties only if doing so will result in a significant cost savings or a significant increase in the quality of services provided, and only after notifying the chairs of the judiciary committees in the senate and house of representatives."

Page 7, after line 7, insert:

"Sec. 6. Minnesota Statutes 1990, section 244.09, subdivision 2, is amended to read:

Subd. 2. The sentencing guidelines commission shall consist of the following:

- (1) the chief justice of the supreme court or a designee;
- (2) one judge of the court of appeals, appointed by the chief justice of the supreme court;
- (3) one district court judge appointed by the chief justice of the supreme court;
- (4) one public defender appointed by the governor upon recommendation of the state public defender;
- (5) one county attorney appointed by the governor upon recommendation of the board of ~~governors~~ directors of the Minnesota county attorneys ~~council~~ association;
- (6) the commissioner of corrections or a designee;
- (7) one peace officer as defined in section 626.84 appointed by the governor;
- (8) one probation officer or parole officer appointed by the governor; and
- (9) three public members appointed by the governor, one of whom shall be a victim of a crime defined as a felony.

When an appointing authority selects individuals for membership on the commission, the authority shall make reasonable efforts to appoint qualified members of protected groups, as defined in section 43A.02, subdivision 33.

One of the members shall be designated by the governor as chair of the commission."

Page 7, line 8, delete "6" and insert "7"

Page 7, line 9, delete "5" and insert "6"

Amend the title as follows:

Page 1, line 3, after "program;" insert "providing for the composition of the sentencing guidelines commission;"

Page 1, line 5, after "6;" insert "244.09, subdivision 2;"

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

Senate Conferees: (Signed) Allan H. Spear, Jane B. Ranum, Thomas M.

Neuville

House Conferees: (Signed) Mary Jo McGuire, Lee Greenfield, Art Seaberg

Mr. Spear moved that the foregoing recommendations and Conference Committee Report on S.F. No. 526 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.

S.F. No. 526 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 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

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:

H.F. No. 694: Messrs. Riveness, Cohen and Mondale.

H.F. No. 303: Messrs. Merriam, Marty, Ms. Olson, Messrs. Dahl and Mondale.

H.F. No. 218: Messrs. Dahl, Waldorf and Larson.

H.F. No. 143: Messrs. Samuelson, Vickerman and Renneke.

H.F. No. 930: Messrs. Bernhagen; Moe, R.D. and Frederickson, D.R.

H.F. No. 977: Messrs. Morse, Price and Mehrkens.

S.F. No. 598: Messrs. Langseth, DeCramer, Mehrkens, Ms. Flynn and Pappas.

H.F. No. 2: Ms. Berglin, Piper, Messrs. Luther, Merriam and Johnson, D.E.

H.F. No. 833: Messrs. Pogemiller, Metzen and Bernhagen.

H.F. No. 783: Messrs. Morse, Price and Ms. Johnson, J.B.

Mr. Luther moved that the foregoing appointments be approved. The motion prevailed.

RECONSIDERATION

Mr. Moe, R.D. moved that the vote whereby S.F. No. 1533 was passed by the Senate on May 18, 1991, be now reconsidered. The motion prevailed.

S.F. No. 1533 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MOTIONS AND RESOLUTIONS - CONTINUED

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

CALENDAR

S.F. No. 860: A bill for an act relating to the city of Minneapolis; providing that certain special service districts may provide parking facilities; amending Laws 1988, chapter 719, article 16, section 1, subdivision 3.

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 57 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 354: A bill for an act relating to natural resources; providing a deadline for the legislative task force on minerals to submit its report; extending the availability of its appropriation.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 59 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

MOTIONS AND RESOLUTIONS - CONTINUED

Pursuant to Rule 10, Mr. Moe, R.D., Chair of the Committee on Rules and Administration, designated H.F. No. 322 a Special Order to be heard immediately.

SPECIAL ORDER

H.F. No. 322: A bill for an act relating to waste management expenditures; requiring the state resource recovery program to establish a central materials recovery facility and centralized collection and transportation of recyclable materials from state offices and operations; amending Minnesota Statutes 1990, section 115A.15, subdivision 6, and by adding a subdivision.

Mr. Merriam moved to amend H.F. No. 322, as amended pursuant to Rule 49, adopted by the Senate May 16, 1991, as follows:

(The text of the amended House File is identical to S.F. No. 257.)

Page 3, line 2, delete "\$140,000" and insert "\$48,000" and delete "\$175,000" and insert "\$48,000"

The motion prevailed. So the amendment was adopted.

H.F. No. 322 was read the third time, as amended, and placed on its final passage.

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

The roll was called, and there were yeas 54 and nays 0, as follows:

Those who voted in the affirmative were:

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

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

MEMBERS EXCUSED

Ms. Traub was excused from the Session of today. Mr. Chmielewski was excused from the Session of today from 11:30 a.m. to 12:00 noon and 5:45 to 6:15 p.m. Mr. DeCramer was excused from the Session of today from 11:30 a.m. to 12:30 p.m. Mr. Lessard was excused from the Session of today from 12:00 noon to 1:00 p.m. Messrs. Belanger and Halberg were excused from the Session of today from 1:30 to 1:45 p.m. Mr. Storm was excused from the Session of today at 4:00 p.m. Ms. Olson was excused from the Session of today from 2:30 to 4:00 p.m. Ms. Reichgott was excused from the Session of today from 5:30 to 6:10 p.m. Mr. Halberg was excused from the Session of today at 6:30 p.m. Mr. Novak was excused from the Session of today from 3:00 to 5:00 p.m. Mr. Hughes was excused from the Session of today at 6:45 p.m.

The following members were excused from today's Session for brief periods of time: Messrs. Johnson, D.J.; Frederickson, D.J.; Pogemiller; Price and Ms. Reichgott.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 8:30 a.m., Monday, May 20, 1991. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate