

SEVENTY-SEVENTH DAY

St. Paul, Minnesota, Thursday, March 12, 1992

The Senate met at 2:00 p.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 the Chaplain, Rev. Budd Friend-Jones.

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

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

The President declared a quorum present.

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

MEMBERS EXCUSED

Messrs. Beckman, Larson and Hughes were excused from the Session of today.

REPORTS OF COMMITTEES

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

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

S.F. No. 1879: A bill for an act relating to workers' compensation; regulating hearings; providing for appointments to the workers' compensation court of appeals; regulating attorney fees; providing penalties; amending Minnesota Statutes 1990, sections 176.081, subdivisions 1, 2, and 3;

176.105, subdivision 1; 176.421, subdivisions 1 and 6; 176.461; 480B.01, subdivisions 1 and 10; and 609.52, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 176.

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

Page 4, after line 21, insert:

"Sec. 5. [176.1311] [SECOND INJURY FUND DATA.]

No person shall, directly or indirectly, provide the names of persons who have registered a preexisting physical impairment under section 176.131 to an employer with the intent of assisting the employer to discriminate against those persons who have so registered with respect to hiring or other terms and conditions of employment.

A violation of this section is a gross misdemeanor."

Pages 7 and 8, delete section 10

Page 14, delete lines 11 to 28 and insert:

"(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 workers' compensation rates in effect on October 1, 1992, must be reduced by one percent and applied by the insurer to all policies with an effective date between October 1, 1992, and March 31, 1993. For purposes of this section, "insurer" includes the assigned risk plan, and "rates" include rates approved by the commissioner of commerce for the assigned risk plan. The reduction mandated by this section must also be applied on a prorated basis to the unexpired portion of all workers' compensation policies on October 1, 1992. An insurer shall provide a written notice by November 1, 1992, to all workers' compensation policyholders having an unexpired policy with the insurer as of October 1, 1992, that reads as follows: "As a result of the changes in the workers' compensation system enacted by the 1992 legislature, you are entitled to a prorated reduction of one percent on your current policy premium."

Page 14, line 30, delete "January" and insert "April"

Page 15, line 7, after the period, insert "Section 16 is effective the day following final enactment retroactive to April 1, 1992. The rest of the act is effective July 1, 1992."

Renumber the sections in sequence

Amend the title as follows:

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

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

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

S.F. No. 2336: A bill for an act relating to employment; providing that certain conduct by employers against employees for engaging in lawful activities during nonworking hours is an unfair labor practice; amending Minnesota Statutes 1991 Supplement, sections 179.12; and 179A.13, subdivision 2.

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

Page 2, line 30, after "hours" insert "*if the activities are unrelated to the employee's employment and do not affect the employer's legitimate business interests*"

Page 4, line 7, after "hours" insert "*if the activities are unrelated to the employee's employment and do not affect the employer's legitimate government interests*"

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

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

S.F. No. 1880: A bill for an act relating to workers' compensation; regulating benefits and coverage; providing penalties; amending Minnesota Statutes 1990, sections 176.011, subdivisions 3, 11a, and 18; 176.101, subdivisions 1, 2, and 3f; 176.102, subdivision 11; 176.111, subdivision 18; and 176.645, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 176.

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

Page 9, delete lines 14 to 31 and insert:

"(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 workers' compensation rates in effect on October 1, 1992, must be reduced by 7.4 percent and applied by the insurer to all policies with an effective date between October 1, 1992, and March 31, 1993. For purposes of this section, "insurer" includes the assigned risk plan, and "rates" include rates approved by the commissioner of commerce for the assigned risk plan. The reduction mandated by this section must also be applied on a prorated basis to the unexpired portion of all workers' compensation policies on October 1, 1992. An insurer shall provide a written notice by November 1, 1992, to all workers' compensation policyholders having an unexpired policy with the insurer as of October 1, 1992, that reads as follows: "As a result of the changes in the workers' compensation system enacted by the 1992 legislature, you are entitled to a prorated reduction of 7.4 percent on your current policy premium.""

Page 9, line 33, delete "January" and insert "April"

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

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

S.F. No. 2385: A bill for an act relating to elections; special school district No. 1; allowing special school district No. 1 to change the years of its elections; amending Laws 1959, chapter 462, section 3, as amended.

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

Page 1, line 23, before the period, insert “, and election of three of its directors in 1996 and subsequent years for four-year terms”

Page 1, line 25, before the period, insert “, and that the terms of office for directors to be elected in 1993 will expire January 1, 1997”

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

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

S.F. No. 2307: A bill for an act relating to elections; changing deadlines for certain statutory cities to abolish the ward system; amending Minnesota Statutes 1990, section 412.023, subdivision 4.

Reports the same back with the recommendation that the bill do pass and be placed on the Consent Calendar. Report adopted.

Mr. Novak from the Committee on Energy and Public Utilities, to which was referred

S.F. No. 2094: A bill for an act relating to the one call excavation notice system; authorizing land surveyors to receive location information related to underground facilities; amending Minnesota Statutes 1990, section 216D.01, subdivision 8, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 216D.

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

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1990, section 216D.01, is amended by adding a subdivision to read:

Subd. 1b. [BOUNDARY SURVEY.] “Boundary survey” means a survey made to establish or to reestablish a boundary line on the ground or to obtain data for preparing a map or plat showing boundary lines.

Sec. 2. Minnesota Statutes 1990, section 216D.01, is amended by adding a subdivision to read:

Subd. 6a. [LAND SURVEYOR.] “Land surveyor” means a person licensed to practice land surveying under sections 326.02 to 326.15.

Sec. 3. Minnesota Statutes 1990, section 216D.01, subdivision 8, is amended to read:

Subd. 8. [NOTIFICATION CENTER.] “Notification center” means a center that receives notice from excavators of planned excavation or other requests for location and transmits this notice to participating operators.

Sec. 4. Minnesota Statutes 1990, section 216D.04, is amended to read:

216D.04 [EXCAVATION.]

Subdivision 1. [NOTICE OF EXCAVATION REQUIRED; CONTENTS.]
(a) Except in an emergency, an excavator or land surveyor shall contact the notification center and provide an excavation or location notice at least 48 hours before beginning any excavation or boundary survey, excluding Saturdays, Sundays, and holidays. An excavation or boundary survey begins,

for purposes of this requirement, the first time excavation *or a boundary survey* occurs in an area that was not previously identified by the excavator *or land surveyor* in an excavation *or boundary survey* notice.

(b) The excavation *or boundary survey* notice may be oral or written, and must contain the following information:

(1) the name of the individual providing the excavation *or boundary survey* notice;

(2) the precise location of the proposed area of excavation *or boundary survey*;

(3) the name, address, and telephone number of the excavator *or land surveyor* or excavator's *or land surveyor's* company;

(4) the excavator's *or land surveyor's* field telephone number, if one is available;

(5) the type and the extent of the proposed excavation *or boundary survey* work;

(6) whether or not the discharge of explosives is anticipated; and

(7) the date and time when excavation *or boundary survey* is to commence.

Subd. 2. [DUTIES OF NOTIFICATION CENTER.] The notification center shall assign an inquiry identification number to each excavation *or location* notice and retain a record of all excavation *or location* notices received for at least six years. The center shall immediately transmit the information contained in an excavation *or location* notice to every operator that has an underground facility in the area of the proposed excavation *or boundary survey*.

Subd. 3. [LOCATING UNDERGROUND FACILITIES.] (a) An operator shall, within 48 hours after receiving an excavation notice *or within 96 hours after receiving a location notice* from the center, excluding Saturdays, Sundays, and holidays, unless otherwise agreed to between the excavator *or land surveyor* and operator, locate and mark or otherwise provide the approximate horizontal location of the underground facilities of the operator, without cost to the excavator *or land surveyor*. The excavator *or land surveyor* shall determine the precise location of the underground facility, without damage, before excavating within two feet of the marked location of the underground facility.

(b) For the purpose of this section, the approximate horizontal location of the underground facilities is a strip of land two feet on either side of the underground facilities.

(c) Markers used to designate the approximate location of underground facilities must follow the current color code standard used by the American Public Works Association.

(d) If the operator cannot complete marking of the excavation *or boundary survey* area before the excavation *or boundary survey* commencement time stated in the excavation *or location* notice, the operator shall promptly contact the excavator *or land surveyor*. If the excavator *or land surveyor* postpones the excavation *or boundary survey* commencement time stated in the excavation *or location* notice by more than 48 hours, or cancels the excavation *or boundary survey*, the excavator *or land surveyor* shall notify the notification center."

Delete the title and insert:

"A bill for an act relating to the one call excavation notice system; authorizing land surveyors to receive location information related to underground facilities; requiring notice of land surveys; amending Minnesota Statutes 1990, sections 216D.01, subdivision 8, and by adding subdivisions; and 216D.04."

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

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

S.F. No. 2310: A bill for an act relating to waters; changing the composition of the board of water and soil resource's dispute resolution committee; amending Minnesota Statutes 1990, section 103B.101, subdivision 10.

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

Mr. Frank from the Committee on Metropolitan Affairs, to which was re-referred

S.F. No. 1993: A bill for an act relating to transportation; providing tax incentives for the use of alternative means of commuting; directing the regional transit board to establish a program to reduce traffic congestion; prohibiting right turns in front of buses; providing public transit operations priority in the event of an energy supply emergency; establishing a demonstration enforcement project for high occupancy vehicle lane use; amending Minnesota Statutes 1990, sections 169.01, by adding a subdivision; 169.19, subdivision 1; 216C.15, subdivision 1; and 290.01, subdivision 19b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 169.346, subdivision 1; and 290.01, subdivision 19d; proposing coding for new law in Minnesota Statutes, chapters 169; 290; and 473.

Reports the same back with the recommendation that the bill do pass and be re-referred to the Committee on Taxes and Tax Laws. Report adopted.

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2645: A bill for an act relating to agriculture; providing requirements for discharges from aquatic farms; requiring permits requiring monitoring; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1991 Supplement, section 17.498.

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

Page 1, line 26, delete everything after "and"

Page 2, line 1, delete "7050.0440,"

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

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2028: A bill for an act relating to agriculture; changing requirements for pesticide registration applications; amending Minnesota Statutes 1990, section 18B.26, subdivision 2.

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

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2257: A bill for an act relating to agricultural development; redefining agricultural business enterprise for purposes of the Minnesota agricultural development act; amending Minnesota Statutes 1991 Supplement, section 41C.02, subdivision 2.

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

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

S.F. No. 1982: A bill for an act relating to education; authorizing the board of teaching to implement restructured teacher preparation programs and requirements to become a licensed teacher; requiring certain examinations before admission to an internship program and becoming licensed; requiring a one-year internship in an approved professional development school before becoming licensed; recodifying and simplifying certain licensure provisions for clarification; amending Minnesota Statutes 1990, section 125.05, subdivisions 1, 7, and by adding subdivisions; Minnesota Statutes 1991 Supplement, section 125.185, subdivisions 4 and 4a; repealing Minnesota Statutes 1990, section 125.03, subdivision 5.

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

Page 4, line 21, after the period, insert "*The board shall provide the leadership to ensure that teacher preparation programs include cultural sensitivity, gender fairness, violence prevention skills, sexual harassment awareness and prevention, and recognition of the signs of child abuse and neglect.*"

Page 6, after line 28, insert:

"The board of teaching shall appoint an advisory task force to advise the board on implementation of the restructured teacher preparation and licensure system. The task force shall consist of 20 members. Each of the following organizations shall select a member to serve on the task force: inter-faculty organization, University of Minnesota, Minnesota private college council, Minnesota association of colleges for teacher education, Minnesota education association, Minnesota federation of teachers, Minnesota association of teacher educators, Minnesota association of school administrators, Minnesota association of secondary school principals, Minnesota association of elementary school principals, Minnesota congress of parents, teachers, and students, Minnesota school boards association, educational cooperative service units, and the Minnesota business partnership. In addition, the board shall appoint two former legislators and one member of the board of teaching to the task force. The task force shall include three ex

officio members representing the commissioner of education, the state board of education, and the higher education coordinating board. Expenses incurred by task force members shall be reimbursed by the organizations they represent.

During the pilot period of the plan, the advisory task force shall meet at least six times each year and advise the board on linking redesigned teacher preparation programs with the restructured system, strategies to promote ethnic and cultural diversity in the teaching profession, costs for implementing the restructured system, and development of rules for examinations, internships, and professional development schools.

The board of teaching shall submit a progress report on implementing the restructured teacher preparation and licensure system to the education committees of the legislature by January 1 of each year. Before full implementation of the restructured system, the board of teaching shall include a report on the pilot period. Advisory task force input and recommendations shall be included in the report."

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

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

S.F. No. 1991: A bill for an act relating to education; authorizing the state board of technical colleges to contract to provide services; proposing coding for new law in Minnesota Statutes, chapter 136C.

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

Page 1, line 8, delete "*The state board of technical colleges*" and insert "*A technical college*"

Amend the title as follows:

Page 1, lines 2 and 3, delete "*the state board of technical colleges*" and insert "*a technical college*"

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

Mr. Waldorf from the Committee on Governmental Operations, to which was referred

S.F. No. 2505: A bill for an act relating to state government; ratifying labor agreements; providing for classification changes for certain employees; requiring a report to the legislature; amending Minnesota Statutes 1990, section 21.85, subdivision 2; Minnesota Statutes 1991 Supplement, sections 43A.08, subdivisions 1 and 1a; and 349A.02, subdivision 4.

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

Page 3, lines 3 and 4, delete "*higher education coordinating*" and insert "*technical college*"

Page 3, after line 29, insert:

"Subd. 19. [STATE UNIVERSITY FACULTY.] The labor agreement between the state of Minnesota and the inter-faculty organization, approved

by the legislative commission on employee relations on March 9, 1992, is ratified.

Subd. 20. [STATE UNIVERSITY ADMINISTRATIVE UNIT.] The labor agreement between the state of Minnesota and the Minnesota state university association of administrative and service faculty, approved by the legislative commission on employee relations on March 9, 1992, is ratified.

Subd. 21. [STATE UNIVERSITY UNREPRESENTED EMPLOYEES PLAN.] The plan for unrepresented employees of the state university system, as approved by the department of employee relations on March 9, 1992, and by the legislative commission on employee relations on March 9, 1992, is ratified."

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

Mr. Waldorf from the Committee on Governmental Operations, to which was referred

S.F. No. 1710: A bill for an act relating to retirement; public employees retirement association; providing entitlement for optional annuities to certain surviving spouses of certain deceased disabilitants.

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

Page 2, after line 7, insert:

"Sec. 2. [STUDY OF COORDINATED MEMBER SURVIVOR COVERAGE GAPS.]

The legislative commission on pensions and retirement shall study the subject of gaps in survivor coverage that exist for members of public pension coordinated programs in Minnesota and shall report on the results of its study and any associated proposed legislation on or before January 4, 1993. The results of the study and any proposed legislation must be reported to the chairs of the governmental operations committee of the house of representatives, the governmental operations committee of the senate, the appropriations committee of the house of representatives, and the finance committee of the senate."

Page 2, line 9, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "disabilitants" insert "; mandating a study of coordinated program survivorship benefit gaps"

And when so amended the bill do pass and be placed on the Consent Calendar. Amendments adopted. Report adopted.

Mr. Waldorf from the Committee on Governmental Operations, to which was referred

S.F. No. 2354: A bill for an act relating to retirement; Falcon Heights volunteer firefighters relief associations; authorizing full vesting with five years of service.

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

as follows:

Page 1, line 12, delete everything after "pay"

Page 1, line 13, delete "*completed fewer than five years of service and*"

Page 1, delete lines 19 to 25

Page 2, delete lines 1 to 6

Page 2, line 10, before the period, insert "*, and applies for the plan year in which the reduced vesting provision is approved and implemented*"

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

Mr. Waldorf from the Committee on Governmental Operations, to which was referred

S.F. No. 1718: A bill for an act relating to retirement; establishing an ambulance service personnel longevity award and incentive program; redirecting proceeds of a driver's license surtax; amending Minnesota Statutes 1991 Supplement, sections 171.06, subdivision 2b; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.05, subdivisions 1 and 3; and 353D.06; proposing coding for new law as Minnesota Statutes, chapter 356B; repealing Minnesota Statutes 1991 Supplement, sections 353D.01, subdivisions 1a and 1b; 353D.021; 353D.031; 353D.051; and 353D.091; and Laws 1991, chapter 291, article 19, section 11.

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

Page 1, line 25, after the period, insert "*The purpose of the ambulance service personnel longevity award and incentive trust is to accumulate funds to allow for the payment of longevity awards to qualified ambulance service personnel upon the completion of a substantial ambulance service career.*"

Page 1, line 26, before "The" insert "(a)"

Page 1, line 27, delete "*the administrative*" and insert "*administered by*"

Page 1, line 28, delete "*responsibility of*" and delete "*finance*" and insert "*health*" and after the period, insert "*The administrative responsibilities of the commissioner of health for the program relate solely to the record keeping, award application, and award payment functions. The state board of investment is responsible for the investment of the ambulance service personnel longevity award and incentive trust. Each ambulance service is responsible for determining, consistent with this chapter, who is a qualified ambulance service person, what constitutes a year of credited ambulance service, what constitutes sufficient documentation of a year of prior service, and submission of all necessary data to the commissioner of health in a manner consistent with this chapter. Determinations of an ambulance service are final.*"

(b)"

Page 1, line 29, delete "*finance*" and insert "*health*"

Page 2, delete lines 5 to 16

Page 2, line 24, after "*directors*" insert "*or medical advisors*"

Page 2, line 30, after "*performance*" insert "*during the 12 months ending as of the immediately previous June 30*"

Page 2, line 32, after "*verified*" insert "*by August 1*" and delete "*a statement certified by*" and insert "*an affidavit from*"

Page 2, line 34, after "*certification*" insert "*during the 12 months ending as of the immediately previous June 30*"

Page 2, line 36, after "*director*" insert "*or medical advisor under section 144.804 and supporting rules,*"

Page 3, line 1, after "*verified*" insert "*by August 1*"

Page 3, line 2, delete "*a certified statement by*" and insert "*an affidavit from*"

Page 3, line 3, after the semicolon, insert "*and*"

Page 3, line 7, after "*substituted*" insert "*, for purposes of this section only,*"

Page 3, line 14, delete "*; and*" and insert a period

Page 3, delete lines 15 and 16 and insert:

"(c) *The term "active ambulance service employment or service provision status" means being in good standing with and on the active roster of the ambulance service making the certification.*

(d) *The maximum period of ambulance service employment or service provision for which a person may receive credit towards an award under this chapter, including prior service credit under section 7, subdivision 2, paragraph (c), is 20 years.*"

Page 3, line 20, delete "*The*"

Page 3, delete lines 21 to 24

Page 3, delete line 32 and insert "*and the state board of investment*"

Page 4, lines 18 and 25, delete "*finance*" and insert "*health*"

Page 4, line 21, delete the comma and insert a period

Page 4, delete line 22

Page 5, line 1, delete "*subject to the provisions of*" and insert "*, as provided in*"

Page 5, lines 5, 10, and 29, delete "*finance*" and insert "*health*"

Page 5, lines 20 and 28, after "*reported*" insert "*on or before August 15*"

Page 5, line 34, after the second "*person*" insert "*is certified by the chief administrative officer of the ambulance service as having*"

Page 5, line 36, delete "*, plus*" and insert "*. If the person has rendered prior active ambulance service, the person must be additionally credited with*"

Page 6, line 2, after "*exceed*" insert "*one additional year of service in any year or to exceed*"

Page 6, line 3, after the period, insert "*Prior active ambulance service means employment by or the provision of service to a licensed ambulance*

service before June 30, 1992, as determined by the person's current ambulance service based on records that were contemporaneous to the service as provided by the person. The prior ambulance service must be reported to the commissioner of health in an affidavit from the chief administrative officer of the ambulance service."

Page 6, line 9, delete "250" and insert "400"

Page 6, after line 14, insert:

"(b) If a qualified ambulance service person who meets the age and service requirements specified in paragraph (a) dies before applying for a longevity award, the estate of the decedent is entitled, upon application, to the decedent's ambulance service personnel longevity award, without reference to the limit on the number of annual awards."

Page 6, line 15, delete "(b)" and insert "(c)"

Page 6, line 17, delete "preceding"

Page 6, delete line 18

Page 6, line 19, delete "between that September 1 and the preceding" and after "June 30" insert "preceding the application"

Page 6, line 20, after "payable" insert "only"

Page 6, line 21, delete "(c)" and insert "(d)"

Page 6, line 25, delete "September" and insert "October"

Page 7, line 11, delete "finance" and insert "health"

Page 7, line 16, after "personnel," insert "only"

Page 7, after line 19, insert:

"Sec. 10. [SCOPE OF ADMINISTRATIVE DUTIES.]

For purposes of administering the award and incentive program, the commissioner cannot hear appeals, direct ambulance services to take actions, investigate or take action on individual complaints, or otherwise act on information beyond that submitted by the licensed ambulance services.

Sec. 11. [APPROPRIATION; COMPLEMENT INCREASE.]

There is appropriated to the commissioner of health, for the purposes of administering the ambulance service personnel longevity award and incentive program, \$ for the fiscal year ending June 30, 1992, and \$ for the fiscal year ending June 30, 1993.

The complement of the department of health is increased by positions for the fiscal year ending June 30, 1992, and by positions for the fiscal year ending June 30, 1993."

Page 7, delete line 21 and insert "Section 11 is effective on the day following final enactment. Sections 1 to 7, 9, and 10 are effective on July 1, 1992. Section 8 is effective on July 1, 1993."

Page 8, lines 6 to 14, reinstate the stricken language

Page 8, lines 26 to 33, delete the new language

Page 12, line 12, delete "1992" and insert "1993"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "retirement" and insert "state government"

Page 1, line 5, after "surtax;" insert "appropriating money;"

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

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

H.F. No. 2259 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
		2259	2239		

and that the above Senate File be indefinitely postponed.

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

Mr. Davis from the Committee on Agriculture and Rural Development, to which was referred

S.F. No. 2432: A bill for an act relating to agriculture; regulating aquatic farming; protecting certain wildlife populations; imposing civil penalties; amending Minnesota Statutes 1990, sections 97C.203; 97C.211, subdivision 1; 97C.301, by adding a subdivision; 97C.345, subdivision 4; 97C.391; 97C.505, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1990, section 97C.209.

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

Delete everything after the enacting clause and insert:

"Section 1. [17.4981] [GENERAL CONDITIONS FOR REGULATION OF AQUATIC FARMS.]

Aquatic farms are licensed to culture private aquatic life. Cultured aquatic life is not wildlife under state law. Aquatic farms are to be licensed and given protective classifications to prevent or minimize impacts on wildlife. Sections 1 to 14 must be implemented to:

- (1) prevent wild aquatic life from entering an aquatic farm;
- (2) prevent release of nonindigenous, nonnaturalized, or exotic species into public waters without approval of the commissioner; and
- (3) protect against release of disease pathogens to public waters.

Private aquatic life that is legally acquired and possessed is an article of interstate commerce and may be restricted only as necessary to protect state fish and water resources.

Sec. 2. [17.4982] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 to 14.

Subd. 2. [APPROVED LABORATORY METHODS.] "Approved laboratory methods" means methods described in the latest edition of the "Procedures for the Detection and Identification of Certain Fish Pathogens" published by the American Fisheries Society Fish Health Section.

Subd. 3. [AQUARIUM FACILITIES.] "Aquarium facilities" means facilities that rear or hold private aquatic life for sale for aquarium or display purposes.

Subd. 4. [AQUATIC FARM.] "Aquatic farm" means a licensed facility used for the purpose of hatching, raising, rearing, and culturing private aquatic life in waters and preparing aquatic life for sale, including but not limited to ponds, vats, tanks, raceways, and other indoor or outdoor facilities that an aquatic farmer owns or waters where an aquatic farmer has riparian use of the waters.

Subd. 5. [AQUATIC LIFE.] "Aquatic life" has the meaning given in section 17.47, subdivision 7.

Subd. 6. [CERTIFIABLE DISEASES.] "Certifiable diseases" include channel catfish virus, bacterial kidney disease, bacterial furunculosis, enteric redmouth disease, enteric septicemia of catfish, infectious hematopoietic necrosis virus, infectious pancreatic necrosis virus, whirling disease, proliferative kidney disease, viral hemorrhagic septicemia virus, and epizootic epitheliotropic virus.

Subd. 7. [COMMISSIONER.] "Commissioner" means the commissioner of natural resources.

Subd. 8. [CONTAINMENT FACILITY.] "Containment facility" means a licensed facility that:

(1) disinfects its effluent to the standards in section 10 before the effluent is discharged to public waters; or

(2) does not discharge to public waters or to waters of the state directly connected to public waters.

Subd. 9. [EMERGENCY FISH DISEASE.] "Emergency fish disease" means designated fish diseases not already present in state fish that could impact fish populations if inadvertently released by infected fish imported into the state, including viral hemorrhagic septicemia virus, infectious hematopoietic necrosis virus, infectious pancreatic necrosis virus, whirling disease, ceratomyxosis, proliferative kidney disease, and epizootic epitheliotropic virus disease or any other disease listed in a rule or published by the commissioner in the state register on an emergency basis to be effective for not more than 180 days without renewal.

Subd. 10. [ENZOOTIC.] "Enzootic" means a disease that is known to occur only within well-defined geographic boundaries.

Subd. 11. [FISH HEALTH BLUE BOOK.] "Fish health blue book" means the standardized set of procedures and guidelines established and published by the American Fisheries Society Fish Health Section for the detection and isolation of fish pathogens.

Subd. 12. [FISH HEALTH INSPECTION.] "Fish health inspection" means an on-site, statistically based sampling of all lots of fish on a facility,

performed or supervised by a certified fish pathologist or accredited fish health inspector with subsequent examination of the collected tissues and fluids for the detection of certifiable diseases.

Subd. 13. [FISH HEALTH INSPECTOR.] "Fish health inspector" means an individual certified as a fish health inspector by the American Fisheries Society or an appropriate governmental agency.

Subd. 14. [FLEXIBLE CLASS FACILITY.] "Flexible class facility" means a standard or isolation facility that is capable of operating on a seasonal or as-needed basis as a containment or quarantine facility with portions of the aquatic farm designated as a containment or quarantine facility while the required disinfection and verification occurs.

Subd. 15. [GAME FISH.] "Game fish" has the meaning given in section 97A.015, subdivision 25.

Subd. 16. [INDIGENOUS AQUATIC LIFE.] "Indigenous aquatic life" means native or naturalized aquatic life species found in the state.

Subd. 17. [INTENSIVE CULTURE.] "Intensive culture" means the rearing of fish at densities greater than can be supported in the natural environment and usually requiring high stocking rates with use of controlled feeding.

Subd. 18. [ISOLATION FACILITY.] "Isolation facility" means a licensed facility that:

(1) cultures only warm or cool water species of indigenous aquatic life and discharges an effluent to public waters designated as a cold water fishery; or

(2) cultures only cold water species of indigenous aquatic life and discharges effluent to public waters designated as a warm or cool water fishery.

Subd. 19. [LICENSED FACILITY.] "Licensed facility" means an aquatic farm including its waters with an aquatic farm license.

Subd. 20. [LOT.] "Lot" means a group of fish of the same species and age that originated from the same discrete spawning population and that always have shared a common water supply. Various age groups of adult brood stock may comprise the same lot if they meet the conditions in this subdivision and have shared the same containers for one brood cycle.

Subd. 21. [MINNOWS.] "Minnows" has the meaning given in section 97A.015, subdivision 29, except the 12-inch restriction on sucker minnows shall not apply.

Subd. 22. [MULTIPLE-CLASS FACILITY.] "Multiple-class facility" means a licensed facility with different portions of the facility or waters used by the facility classified as a standard facility, isolation facility, containment facility, quarantine facility, or flexible class facility.

Subd. 23. [NONINDIGENOUS AQUATIC LIFE.] "Nonindigenous aquatic life" means aquatic life species not native or naturalized and not found in the state.

Subd. 24. [PUBLIC WATERS.] "Public waters" has the meaning given in section 103G.005, subdivision 15.

Subd. 25. [QUARANTINE FACILITY.] "Quarantine facility" means a

containment facility that maintains independent verification of internal management practices at a level recognized in the aquaculture industry to provide quality assurances of certification of a designated portion of the aquatic life in the facility as free of certifiable diseases.

Subd. 26. [STANDARD FACILITY.] "Standard facility" means a licensed facility with a continual or intermittent discharge of effluent to public waters.

Subd. 27. [WATERS OF THE STATE.] "Waters of the state" has the meaning given in section 103G.005, subdivision 17.

Sec. 3. [17.4983] [AQUATIC FARM OPERATIONS.]

Subdivision 1. [ACQUISITION AND SALE OF PRIVATE AQUATIC LIFE.] Aquatic life legally possessed may be bought, acquired, and sold by licensed facilities as provided in sections 1 to 14, including aquatic life legally possessed for sale under tribal laws and regulations.

Subd. 2. [ACQUISITION FROM STATE.] (a) The commissioner may sell aquatic life to licensed facilities at fair market value. Fair market value must be determined by the average market price charged in this state and contiguous states and provinces for similar quantities.

(b) The commissioner shall establish procedures to make aquatic life available to licensed facilities if state aquatic life would otherwise die or go to waste, such as in cases of winterkill or summerkill lakes, waters where piscicides will be applied, and waters subject to extreme draw-down. The public must be given angling opportunities if public access is available. The commissioner shall provide conditions for acquiring trophy game fish from the rescue operations. The price of the aquatic life must be the market price determined by a comparable available source and must be discounted based on the health of the aquatic life, the difficulty of its acquisition, and the trophy game fish or other aquatic life retained by the state.

(c) The commissioner shall attempt to provide opportunities to make state broodstock available to licensed facilities to reduce reliance on out-of-state sources without causing adverse impacts to game fish populations.

(d) If the commissioner denies approval to obtain aquatic life outside the state, a written notice must be submitted to the applicant stating the reasons for denial, and the commissioner shall:

- (1) designate approved sources to obtain the desired aquatic life; or*
- (2) sell the aquatic life from state hatcheries at fair market value.*

Subd. 3. [METHODS TO HARVEST AQUATIC LIFE.] Licensed facilities may use all reasonable methods to operate and harvest aquatic life from licensed facilities, including available nets.

Subd. 4. [DISCHARGE MAY REQUIRE PERMIT.] The discharge from the aquatic farm must not be a significant contributor of pollution to public waters without required discharge permits.

Subd. 5. [OWNERSHIP OF AQUATIC LIFE.] (a) Notwithstanding other provisions of law, aquatic life lawfully acquired and possessed by a licensed facility is private aquatic life and property of the owner of the licensed facility.

(b) The state may not seize or otherwise confiscate private aquatic life without due process of law, except that private aquatic life in public waters

may become property of the state if the waters are not part of a licensed facility. The commissioner shall notify the licensee that the aquatic life in a licensed facility, that is no longer licensed, then will become property of the state if the aquatic life is not removed. If the licensee does not respond in writing within 30 days after receiving the notice and make alternative arrangements, or does not remove the aquatic life by 90 ice-free days after receiving the notice, the private aquatic life becomes property of the state.

(c) Private aquatic life that is transferred to the state or released into public waters that are not part of a licensed facility is owned by the state and may be considered wildlife.

Subd. 6. [ACCESS FROM ROADS TO LICENSED FACILITIES.] A person may not access a licensed facility from a public road or its right-of-way unless the access is acquired and designated for the public use by the commissioner of natural resources.

Subd. 7. [CONTROL OF LICENSED WATERS.] (a) If the public cannot access waters of the state that are part of a licensed aquatic farm except by permission of the licensee, the use of the waters by the public is subject to regulation by the licensee.

(b) Waters that are part of a licensed facility are not waters of the state and are under the exclusive regulatory control of the licensee.

(c) Waters of the state may not be licensed for aquaculture use to more than one licensee.

Subd. 8. [ANGLING IN LICENSED WATERS.] A fishing license is not required of persons angling in the waters subject to regulation by the licensee under subdivision 7. The aquatic farm operator shall provide an invoice to the angler fishing in waters stating the name of the angler, the species, number and pounds of fish taken, the date of taking, and the aquatic farm license number, which must be issued before the fish are removed from the aquatic farm premises.

Subd. 9. [AQUATIC LIFE CONTAINED IN PROTECTIVE FACILITIES.] Private aquatic life must be contained in standard, isolation, containment, or quarantine facilities according to the protection required for the aquatic life. The protective requirements of the facility must be maintained. Private aquatic life may be contained in a more protective facility without approval of the commissioner.

Sec. 4. [17.4984] [AQUATIC FARM LICENSE.]

Subdivision 1. [LICENSE REQUIRED.] (a) A person or entity may not operate an aquatic farm without first obtaining an aquatic farm license from the commissioner.

(b) Applications for an aquatic farm license must be made on forms provided by the commissioner.

(c) Licenses must be issued for a period of five years and are transferable.

Subd. 2. [LISTED WATERS.] (a) The aquatic farm license must list:

(1) all waters of the state that may be used in connection with the licensed aquatic farm and whether aeration is approved;

(2) the classification of the waters as standard, isolation, containment, quarantine, or flexible facility; and

(3) *whether piscicide use is approved.*

Additional waters may not be used until approved by the commissioner. Waters that allow passage of wild aquatic life to the proposed waters may not be approved for aquatic farm use unless appropriate barriers to prevent passage can be constructed. Waters that may become connected may be licensed on a conditional basis during low water times or with requirements that the waters are screened or otherwise enclosed to prevent passage of aquatic life from public waters.

(b) *The commissioner shall conduct an inspection of waters to be licensed prior to approving or denying licensing of the waters.*

(c) *Waters containing game fish of significant public value may not be licensed unless the game fish of significant public value are sold to the licensee, removed for other state use by the department of natural resources, or disposed of as provided in writing by the director of fish and wildlife.*

Subd. 3. [LISTED SPECIES.] (a) *The license must list the species of aquatic life appropriate for the protective classification of the waters.*

(b) *Nonindigenous species of aquatic life may only be contained in licensed waters without connections to public waters which would allow their passage.*

Subd. 4. [SINGLE LICENSE FOR AQUATIC FARMING OPERATION.] *The commissioner shall issue a single license for aquatic farming, with the following information and endorsements:*

- (1) *waters covered by the license;*
- (2) *protective classification of each of the licensed waters;*
- (3) *aeration endorsement for each of the licensed waters;*
- (4) *minnow dealer endorsement;*
- (5) *aquatic dealer vehicle endorsement; and*
- (6) *two minnow dealer helper endorsements.*

Subd. 5. [STATE LIST OF WATERS.] (a) *If the state uses waters of the state for aquatic farming, the state shall acquire legal access to the waters.*

(b) *The state shall prepare a list of all waters of the state to be used by the state in the following calendar year where access was obtained from private owners, with their names and location by county. The list must be completed and available by December 15 upon request.*

Subd. 6. [INSPECTIONS.] (a) *The premises, property, vehicles, and equipment where private aquatic farm operations are being conducted are subject to an annual inspection at a reasonable time by employees of the department of natural resources division of enforcement. The owner or operator must be present when inspections are conducted.*

Subd. 7. [NONPUBLIC RECORDS.] (a) *Licensees must keep current records containing complete, up-to-date nonpublic records of the operation of the aquatic farm. The records must be kept for at least one year.*

(b) *The records must be in English and include the following information:*

(1) *for each species acquired, the number and pounds of fish or eggs acquired, names and addresses of the sources from which acquired, and the dates of receipt;*

(2) for each species sold or disposed of, the number and pounds of fish sold or disposed of, the names and addresses of the purchasers or persons to whom the conveyances are made, and the dates of sale; and

(3) for fish sperm or viable eggs, the amount acquired or sold, the names and addresses of the sources from where acquired, the purchasers to whom conveyed, and the dates of purchase or sale;

(c) On or before March 1 of each year, the licensee shall submit a complete annual report on a form furnished by the commissioner, covering the quantity of all species sold in the preceding licensed year.

(d) An aquatic farmer shall maintain records for annual inspection by the commissioner. Information on aquatic life production, harvest, and sales is nonpublic information, but the documentation must be available upon written request from the commissioner for inspection if determined that the records are needed to protect the public resources.

Sec. 5. [17.4985] [TRANSPORTATION OF AQUATIC LIFE.]

Subdivision 1. [REQUIREMENT.] The driver of a vehicle transporting aquatic life to another licensed facility out of state, or to public waters for stocking, shall possess a completed transportation form showing the facility license number, the vehicle identification, the driver's name, the species and amount of aquatic life, and the locations between which the aquatic life will be transported.

Subd. 2. [RECORD KEEPING.] Aquatic life may be transported without permit if record keeping is maintained:

(1) from waters licensed by a facility to other waters under the same license with the same or more protective standard, isolation, or quarantine classification;

(2) in the case of processed aquatic life, from and to any location; and

(3) in the case of live aquatic life, from a licensed facility to a processing facility that is designated in the aquatic farm license.

Subd. 3. [NOTIFICATION REQUIRED.] (a) Except as provided in subdivision 2, a person must file a notification form within two business days of transporting aquatic life between locations as follows:

(1) from an isolation or quarantine class licensed facility to another licensed facility of the same or more protective standard, isolation, or quarantine class; and

(2) in transit through the state between isolation or quarantine class facilities.

(b) The notification form may be transmitted to the commissioner by telecopy transmission.

Subd. 4. [PERMIT REQUIRED.] A person must obtain a permit before transporting aquatic life between the following locations:

(1) from any location to a licensed facility or waters of the facility with a less protective standard, isolation, containment, or quarantine class or a location not covered in subdivision 2 or 3;

(2) from any location outside of the state to a location in this state;

(3) from any location to a location for release into Minnesota public

waters.

Subd. 5. [VEHICLE IDENTIFICATION.] (a) Vehicles used for transporting private aquatic fish or eggs must display on each door or each side of fish hauling tanks in characters at least two inches in height:

- (1) the aquatic farm name;*
- (2) residence of the licensee as it appears on the commercial license;*
- (3) license number; and*
- (4) minnow dealer's license number, if applicable.*

(b) Applications for vehicle registration received by the commissioner serve as temporary licenses until approved or denied.

(c) Magnetic placards are acceptable for displaying the required information.

Sec. 6. [17.4986] [IMPORTATION OF AQUATIC LIFE.]

Subdivision 1. [PERMIT REQUIRED.] (a) A person may not import aquatic life into the state without an importation permit. Aquatic life legally obtained or possessed outside of this state are articles of commerce and may be imported with an importation permit to a licensed facility of the appropriate protective classification.

(b) A permit application on a form prescribed by the commissioner must be submitted to the commissioner. By 14 days after a completed application is received the commissioner must approve or deny the importation permit as provided in this section.

(c) An importation permit may cover multiple shipments from the same source and destination within specified time periods.

Subd. 2. [LICENSED FACILITIES.] (a) The commissioner shall issue importation permits to import:

(1) any species of aquatic life to a licensed containment or quarantine facility regardless of disease history;

(2) indigenous and naturalized species from any source to an isolation facility licensed for that species;

(3) indigenous and naturalized species except trout, salmon, and catfish from any source to a standard facility;

(4) trout, salmon, and catfish from any source to a standard facility if the fish are certified within the previous year to be free of certifiable diseases; and

(5) trout, salmon, and catfish from a facility with a disease-free history of three years or more located in an enzootic area to a standard or isolation facility.

(b) The commissioner may deny an importation permit under this subdivision if importation of the aquatic life would cause a clear and present danger to wildlife. The specific reasons and the danger must accompany the permit denial.

Subd. 3. [AQUARIUM AND ORNAMENTAL FISH.] Aquarium and ornamental fish that cannot survive in public waters may be imported and sold without a permit to aquarium facilities.

Subd. 4. [ENZOOTIC DISEASE AREA.] A facility located in an emergency disease enzootic area must have a five-year disease-free history. Hatchery inspections must occur at least once a year and fish must be tested for all certifiable diseases. Facilities must have been inspected according to sampling and methods guidelines established in the Fish Health Blue Book. Eggs received from enzootic emergency disease areas or other areas with unknown disease histories may be imported only to an approved containment or quarantine facility. Source fish farms from enzootic nonemergency disease areas from which sperm, eggs, or fish are to be imported having less than a three-year disease-free history may only be imported to a containment or quarantine facility.

Sec. 7. [17.4987] [STOCKING PRIVATE AQUATIC LIFE.]

Subdivision 1. [PUBLIC WATERS WITH MANAGEMENT PLAN.] A person may not release private aquatic life into public waters with a management plan without first obtaining a stocking permit from the commissioner. The commissioner may deny issuance of a permit if releasing the private aquatic life is not consistent with the management plan for the public waters. The commissioner shall provide a copy of the management plan with the issuance or denial of a stocking permit.

Subd. 2. [WATERS WITHOUT MANAGEMENT PLAN.] (a) Except for waters covered under an aquatic farm license, a person may release indigenous species of private aquatic life into public waters that do not have a management plan by notifying the commissioner on a stocking notification form prescribed by the commissioner, at least seven days before the release. After review of the notification, the commissioner may require a stocking permit.

(b) The commissioner may deny the stocking permit if:

- (1) the request is to release an exotic species;*
- (2) the request is for the release of an indigenous or naturalized species that does not have the required disease-free certification; or*
- (3) the release could reasonably be expected to cause significant adverse effects on wildlife populations.*

(c) If a permit is denied, the commissioner must provide reasons for the denial in writing.

Sec. 8. [17.4988] [TRANSPORTATION, IMPORTATION, AND STOCKING PERMIT.]

Subdivision 1. [APPLICATION INFORMATION.] An application for a permit to import from other states or stock sperm, viable fish eggs, or live aquatic life in public waters must be made on forms provided by the commissioner and containing the following information:

- (1) species, strain if known, number, size, and quantity by weight of fish, if known, viable fish eggs, or sperm as applicable;*
- (2) name, address, telephone number, and fax number, if any, of aquatic farm or other sources where the fish eggs or sperm were acquired;*
- (3) name, address, and telephone number of the purchaser, if any;*
- (4) name, address, and telephone number of the broker, if any, through which shipment is being made;*

- (5) name, address, and telephone number of the shipper;
- (6) type of transportation and approximate date of transit;
- (7) name and address of any transfer stations that will be used prior to final delivery; and
- (8) destination.

Subd. 2. [PERMIT CONSOLIDATION.] The commissioner shall prescribe one form to be used for importation, transportation, and stocking in public waters of private aquatic life.

Sec. 9. [17.4989] [PERMIT, LICENSE, AND INSPECTION FEES.]

Subdivision 1. [REQUIREMENT FOR ISSUANCE.] A permit or license must be issued when the requirements of law are met and the license and permit fees specified in this section are paid.

Subd. 2. [AQUATIC FARMING LICENSE.] License fees shall be no more than the following:

- (1) aquatic farming license, \$350;
- (2) minnow dealer license, \$77;
- (3) minnow retailer license, \$11;
- (4) minnow exporting license, \$286;
- (5) minnow dealer helper license, \$5.50;
- (6) aquatic dealer vehicle license, \$11;
- (7) fish vendor vehicle license, \$27.50;
- (8) sucker egg taking license, \$165, plus \$3 per quart over 100 quarts;
- (9) game fish packers license, \$14.50; and
- (10) private fish hatchery license, \$55.

Subd. 3. [PERMIT FEES.] The fees for the following permits must be paid as prescribed by the commissioner:

- (1) stocking private aquatic life in public waters, up to \$10;
- (2) importation of aquatic life, up to \$10; and
- (3) combination importation and stocking public waters permit, up to \$15.

Subd. 4. [INSPECTION FEES.] The fees for the following inspections must be paid as prescribed by the commissioner:

- (1) inspection of waters to be licensed for initial inspection, \$50 per year;
- (2) fish health inspection and certification, \$80 per lot; and
- (3) protective classification initial inspection for isolation, containment, quarantine, and flexible facility inspections, \$50.

Sec. 10. [17.4991] [DISEASE TRANSMISSION.]

Subdivision 1. [FACILITY DESIGNATION.] (a) The licensee may apply to the commissioner for designation of all or a portion of a facility as a standard, containment, isolation, quarantine, multiple-class, or flexible class facility on forms prescribed by the commissioner as part of the license

application or separately.

(b) By 15 days after an application is submitted, the commissioner must notify the applicant if there are any deficiencies in the application. By 30 days after a complete application is submitted, the commissioner must approve or deny the designation requested. A denial must include an assessment of the actual risk to wildlife population at the particular site. A designation must be approved if the facility meets the disinfection requirements of subdivision 2.

Subd. 2. [DISINFECTION.] (a) Containment and quarantine facilities must disinfect effluent prior to discharge to public waters. The effluent required to be disinfected includes water used by a containment or quarantine facility in the production of the aquatic life of concern, waste or mortalities from the aquatic life of concern, and live forage or commercial feed discarded from the containment or quarantine facilities. Water or waste from a containment or quarantine facility that has not come in contact with the aquatic life of concern is not effluent to be disinfected. Runoff from precipitation and excess water from natural springs, wells, or other sources that is not used in the production of aquatic life is not effluent to be disinfected.

(b) The disinfection must minimize the potential release of disease pathogens to wildlife susceptible to the pathogens based on a reasonable risk assessment. Disinfection treatment processes may include chlorination, heat, or other processes. If chlorine disinfection is utilized, a measurable residual level of 0.5 parts per million of active chlorine in the effluent must be maintained for ten minutes of retention time. The effluent must be sufficiently dechlorinated to prevent toxic adverse impacts to wildlife after discharge to public waters.

(c) A disinfection treatment process must ensure uninterrupted effluent treatment of ten or more minutes prior to release in the event of electrical power failure, a primary system failure, or other similar events that would cause treatment interruptions.

(d) The effluent disinfection process must be sited, designated, and operated in a manner that allows inspection by the commissioner at all times to determine whether adequate effluent disinfection is maintained.

(e) The commissioner may prescribe reasonable documentation of daily monitoring of treatment system performance to be included in the licensee's annual report. The records must be available for daily inspection by the commissioner during normal business hours and maintained for three years.

Subd. 3. [FISH HEALTH INSPECTION.] (a) An aquatic farm propagating trout, salmon, or catfish and having an effluent discharge from the aquatic farm into public waters must have an annual fish health inspection conducted by the commissioner. The commissioner shall inspect other facilities if disease occurs. Testing must be conducted according to approved laboratory methods.

(b) A health inspection fee must be charged based on each lot of fish sampled. The fee by check or money order payable to the department of natural resources must be prepaid or paid at the time a bill or notice is received from the commissioner that the inspection and processing of samples is completed.

(c) Upon receipt of payment and completion of inspection, the commissioner shall notify the operator and issue a fish health certificate. The certification must be made according to the Fish Health Blue Book by a person certified as a fish health inspector.

Subd. 4. [EMERGENCY DISEASE DETERMINATION.] *If emergency diseases exist, the commissioner may order the fish in the facility to be impounded, confiscated, sold, or destroyed. The commissioner shall make every effort to allow disposed fish to be sold for market if there is no imminent danger of a significant adverse impact on natural fish populations or human health or of escape of the pathogen to public waters.*

Sec. 11. [17.4992] [GAME FISH.]

Subdivision 1. [ACQUISITION AND PURCHASE.] *Game fish sperm, viable game fish eggs, or live game fish may not be taken from public waters, but may be purchased from the state, acquired by contract with the state, or acquired from private aquatic farms for aquaculture purposes.*

Subd. 2. [SALE.] *Game fish sperm, game fish eggs, or live game fish may be sold, but species of the family Salmonidae or Ictaluridae, except bullhead, must be free of certifiable or emergency diseases if sold for stocking in public waters.*

Subd. 3. [SALE OF STATE EGGS, FRY, AND BROODSTOCK.] (a) *Game fish eggs, game fish fry, and game fish broodstock may be sold to aquatic farms in the state at fair market value, as provided in section 3, subdivision 2.*

(b) *The commissioner must offer for sale to aquatic farms at least two percent of the state hatcheries' annual game fish fry. Additional game fish eggs or game fish sperm may be sold if surplus to state program needs or commitment.*

(c) *Licensees may purchase game fish eggs or fry from the state at a rate based on the capacity of their facility to hatch and rear fish. Licensees may purchase walleye eggs at a rate of no more than one-half quart for each acre of licensed surface waters or fraction of an acre or 5,000 fry for the same licensed water acreage. The limitation may be waived if an aquatic farm is an intensive culture facility. A request to exceed the acreage requirement must be included as part of the fry request. Trout or salmon egg purchases from the state must be based on capacity of rearing tanks and flow of water through the hatchery facilities.*

(d) *Game fish must be sold by the state to private aquatic farms if the commissioner denies acquisition of game fish from outside the state and other approved sources are not available.*

Subd. 4. [STOCKING NORTH OF U.S. HIGHWAY NO. 2.] *The proper strain of fish may be required for stocking of public waters north of United States highway No. 2 if the public waters have not been previously stocked with nonindigenous fish.*

Sec. 12. [17.4993] [MINNOWS.]

Subdivision 1. [TAKING FROM PUBLIC WATERS.] *Minnow sperm, minnow eggs, and live minnows may be taken from public waters for aquatic farm purposes with a minnow dealer's endorsement or permit issued by the commissioner.*

Subd. 2. [SALE.] *Minnow sperm, minnow eggs, and live minnows lawfully*

taken from waters of the state may be sold for any purpose with an aquatic farm license.

Subd. 3. [IMPORTATION OF LIVE MINNOWS.] Nonindigenous minnows may not be imported live by a licensee for purposes other than processing or feeding aquatic farm fish.

Sec. 13. [17.4994] [SUCKER EGGS.]

Sucker eggs may be taken from public waters with a sucker egg license. The license authorizes sucker eggs to be taken at a rate of one quart of eggs for each 1-1/2 acres of licensed surface waters. This limitation may be waived. A request to exceed the pond acreage requirement must be included as part of the sucker egg endorsement application. The taking of sucker eggs from public waters is subject to chapter 97C.

Sec. 14. Minnesota Statutes 1990, section 97C.203, is amended to read: 97C.203 [DISPOSAL OF STATE HATCHERY EGGS OR FRY.]

(a) The commissioner shall dispose of game fish eggs and fry according to the following order of priorities:

(1) distribution of fish eggs and fry to state hatcheries to hatch fry or raise fingerlings for stocking waters of the state for recreational fishing;

(2) sale of fish eggs and fry to private fish hatcheries or licensed aquatic farms to hatch fry or raise fingerlings to stock waters of this state with fingerlings for recreational fishing at a price not less than the fair market value, established as the average price charged at the state's private hatcheries and contiguous states per volume rates; and

(3) sale at a ~~price not less than the~~ fair market value, established as the average price charged at the state's private ~~hatcheries~~ *sources and contiguous states per volume rates* of fish eggs and fry to private fish hatcheries and ~~fish~~ *aquatic* farms to hatch fry or raise fingerlings for sale.

(b) ~~Until July 1, 1990,~~ The commissioner must make at least two percent of the game fish eggs collected available to private hatcheries.

Sec. 15. Minnesota Statutes 1990, section 97C.211, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] A person may not operate a private fish hatchery, *which does not include an aquatic farm*, without a private fish hatchery license. A private fish hatchery is a facility for raising fish, including minnows, for sale, stocking waters, angling, or processing, or to grow out for human consumption.

Sec. 16. Minnesota Statutes 1990, section 97C.301, is amended by adding a subdivision to read:

Subd. 5. [AQUATIC FARMS.] *A licensed aquatic farm may take fish authorized under the aquatic farm license without other licenses under the game and fish laws.*

Sec. 17. Minnesota Statutes 1990, section 97C.345, subdivision 4, is amended to read:

Subd. 4. [EXCEPTIONS.] This section does not apply to:

- (1) nets used to take rainbow smelt during the open season;
- (2) nets used to land game fish taken by angling;

- (3) seines or traps used for the taking of minnows for bait; ~~and~~
(4) *nets, seines, or traps possessed and used under an aquatic farm license; and*
(4) (5) angling equipment.

Sec. 18. Minnesota Statutes 1990, section 97C.391, is amended to read:
97C.391 [BUYING AND SELLING FISH.]

Subdivision 1. [GENERAL RESTRICTIONS.] A person may not buy or sell fish taken from the waters of this state, except:

- (1) minnows;
- (2) rough fish excluding ciscoes;
- (3) fish taken under licensed commercial fishing operations;
- (4) fish ~~raised in a fish farm that are identified as prescribed by the commissioner that are private aquatic life; and~~
- (5) fish raised in a private hatchery ~~that are tagged or labeled or otherwise identified as prescribed by the commissioner; and~~
- (6) fish ~~lawfully taken and subject to sale from other states and countries.~~

Subd. 2. [RESTRICTIONS ON CERTAIN GAME FISH.] Largemouth bass, smallmouth bass, rock bass, muskellunge, and sunfish may not be bought or sold, unless bought or sold by a private hatchery or ~~fish aquatic farm~~ to stock waters for recreational fishing, or *to grow out in human consumption* as prescribed by the commissioner.

Sec. 19. Minnesota Statutes 1990, section 97C.505, subdivision 6, is amended to read:

Subd. 6. [APPROVED EQUIPMENT REQUIRED.] A person must use equipment approved by the commissioner to possess or transport minnows for sale. *This subdivision does not apply to licensed aquatic farms.*

Sec. 20. [REPEALER.]

Minnesota Statutes 1990, section 97C.209, is repealed."

Amend the title as follows:

Page 1, lines 3 and 4, delete "imposing civil penalties;"

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

Mr. Berg from the Committee on Gaming Regulation, to which was re-referred

S.F. No. 1605: A bill for an act relating to gambling; prohibiting pari-mutuel licensees from accepting wagers made on credit; prohibiting lawful gambling organizations from accepting credit cards or other forms of credit for lawful gambling purchases; amending Minnesota Statutes 1990, section 349.2127, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 240.13, subdivision 8.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 299L.03, subdivision 1, is amended to read:

Subdivision 1. [INSPECTIONS; ACCESS.] In conducting any inspection authorized under *this chapter* or chapter 240, 349, or 349A, the employees of the division of gambling enforcement have free and open access to all parts of the regulated business premises, and may conduct the inspection at any reasonable time without notice and without a search warrant. For purposes of this subdivision, "regulated business premises" means premises where:

(1) lawful gambling is conducted by an organization licensed under chapter 349 or by an organization exempt or excluded from licensing under section ~~349.214~~ 349.166;

(2) gambling equipment is manufactured, sold, distributed, or serviced by a manufacturer or distributor licensed under chapter 349;

(3) records required to be maintained under *this chapter* or chapter 240, 349, or 349A are prepared or retained;

(4) lottery tickets are sold by a lottery retailer under chapter 340A; or

(5) races are conducted by a person licensed under chapter 240; or

(6) *gambling devices are manufactured, sold, distributed, or serviced by a manufacturer or distributor licensed under this chapter.*

Sec. 2. Minnesota Statutes 1990, section 299L.03, subdivision 2, is amended to read:

Subd. 2. [ITEMS REQUIRED TO BE PRODUCED.] In conducting an audit or inspection authorized under *this chapter* or chapter 240, 349 or 349A the director may inspect any book, record, or other document the licensee, retailer, or vendor is required to keep.

Sec. 3. Minnesota Statutes 1991 Supplement, section 299L.07, is amended by adding a subdivision to read:

Subd. 9a. [INSPECTION.] Employees of the division may inspect the books, records, inventory, and business premises of a licensed manufacturer or distributor without notice and during normal business hours.

Sec. 4. Minnesota Statutes 1990, section 349.12, subdivision 1, is amended to read:

Subdivision 1. As used in sections 349.11 to ~~349.22~~ 349.23 the following terms have the meanings given them.

Sec. 5. Minnesota Statutes 1990, section 349.12, is amended by adding a subdivision to read:

Subd. 6a. [BONANZA BINGO.] "Bonanza bingo" is a form of bingo which has the following features:

(a) The organization calls a predesignated quantity of bingo numbers before the actual playing of that bonanza bingo game.

(b) Bonanza bingo cards shall be sealed when they are sold to the players.

(c) Bonanza bingo cards can be sold throughout the bingo session. However, no bonanza bingo cards may be sold after the organization calls the

next continuous number during the actual bonanza bingo game.

(d) A player wins if all the numbers for the predetermined bingo pattern on the player's bonanza bingo card have been called.

(e) If a player bingos before the next continuous number is called, the player or players must be awarded the designated prize. During the actual bonanza bingo game, the organization shall call the next continuous number, if necessary, and so on until a player successfully bingos and is awarded the designated prize.

(f) A bonanza bingo may not extend beyond a bingo session.

Sec. 6. Minnesota Statutes 1990, section 349.12, subdivision 11, is amended to read:

Subd. 11. [DISTRIBUTOR.] "Distributor" is a person who sells gambling equipment *for use* within the state to licensed organizations, to organizations conducting *excluded or exempt* activities under section ~~349.214~~ 349.166, or to ~~other distributors~~ *the governing bodies of Indian tribes.*

Sec. 7. Minnesota Statutes 1990, section 349.12, subdivision 18, is amended to read:

Subd. 18. [GAMBLING EQUIPMENT.] "Gambling equipment" means: bingo cards or sheets, devices for selecting bingo numbers, pull-tabs, jar tickets, paddlewheels, ~~and paddletickets~~, *paddleticket cards*, tipboards, ~~and tipboard tickets~~.

Sec. 8. Minnesota Statutes 1990, section 349.12, subdivision 21, is amended to read:

Subd. 21. [GROSS RECEIPTS.] "Gross receipts" means all receipts derived from lawful gambling activity including, but not limited to, the following items:

(1) gross sales of bingo cards and sheets before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(2) the ideal gross of pull-tab and tipboard deals or games less the value of unsold and defective tickets and before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(3) gross sales of raffle tickets and ~~paddle tickets~~ *paddletickets* before reduction for prizes, expenses, shortages, free plays, or any other charges or offsets;

(4) admission, commission, cover, or other charges imposed on participants in lawful gambling activity as a condition for or cost of participation; and

(5) interest, dividends, annuities, profit from transactions, or other income derived from the accumulation or use of gambling proceeds.

Gross receipts does not include proceeds from rental under section 349.164 or 349.18, subdivision 3, ~~for duly licensed bingo hall lessors.~~

Sec. 9. Minnesota Statutes 1990, section 349.12, subdivision 23, is amended to read:

Subd. 23. [IDEAL NET.] "Ideal net" means the pull-tab or tipboard deal's ideal gross, as defined under subdivision ~~49~~ 22, less the total predetermined prize amounts available to be paid out. When the prize is not

entirely a monetary one, the ideal net is 50 percent of the ideal gross.

Sec. 10. Minnesota Statutes 1991 Supplement, section 349.12, subdivision 25, is amended to read:

Subd. 25. (a) "Lawful purpose" means one or more of the following:

(1) any expenditure by or contribution to a 501(c)(3) organization, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the board under section 349.154;

(2) a contribution to an individual or family suffering from poverty, homelessness, or physical or mental disability, which is used to relieve the effects of that poverty, homelessness, or disability;

(3) a contribution to an individual for treatment for delayed posttraumatic stress syndrome or a contribution to a recognized program for the treatment of compulsive gambling on behalf of an individual who is a compulsive gambler;

(4) a contribution to or expenditure on a public or private nonprofit educational institution registered with or accredited by this state or any other state;

(5) a contribution to a scholarship fund for defraying the cost of education to individuals where the funds are awarded through an open and fair selection process;

(6) activities by an organization or a government entity which recognize humanitarian or military service to the United States, the state of Minnesota, or a community, subject to rules of the board;

(7) recreational, community, and athletic facilities and activities intended primarily for persons under age 21, *or social, recreational, community, and athletic activities and facilities conducted by a nonprofit organization and intended for those age 55 or over, which is not being conducted primarily for members of the contributing organization*, provided that such facilities and activities do not discriminate on the basis of gender, as evidenced by (i) provision of equipment and supplies, (ii) scheduling of activities, including games and practice times, (iii) supply and assignment of coaches or other adult supervisors, (iv) provision and availability of support facilities, and (v) whether the opportunity to participate reflects each gender's demonstrated interest in the activity, provided that nothing in this clause prohibits a contribution to or expenditure on an educational institution or other entity that is excepted from the prohibition against discrimination based on sex contained in the Higher Education Act Amendments of 1976, United States Code, title 20, section 1681;

(8) payment of local taxes authorized under this chapter, taxes imposed by the United States on receipts from lawful gambling, ~~and the tax taxes~~ imposed by section 349.212, subdivisions 1 ~~and~~, 4, ~~and~~ 6, and the tax imposed on unrelated business income by section 290.05, subdivision 3;

(9) payment of real estate taxes and assessments on ~~licensed permitted~~ gambling premises wholly owned by the licensed organization paying the taxes, not to exceed:

(i) the amount which an organization may expend under board rule on rent for premises used for bingo; ~~or~~

(ii) *50 percent of the real estate taxes and assessments or \$15,000 per*

year, *whichever is more*, for premises used for other forms of lawful gambling; or

(iii) *100 percent of the real estate taxes and assessments for premises constructed, acquired, or expanded, if the construction, acquisition, or expansion was started before August 1, 1990;*

(10) *a contribution to or expenditure on behalf of the United States, this state or any of its political subdivisions, or any agency or instrumentality thereof other than a direct contribution to a law enforcement or prosecutorial agency, provided that, before an expenditure on behalf of a unit of government may be made, the contributing organization must receive prior approval from the unit of government;*

(11) *a contribution to or expenditure by a nonprofit organization, church, or body of communicants gathered in common membership for mutual support and edification in piety, worship, or religious observances; or*

(12) *payment of one-half of the reasonable costs of an audit required in section 349.19, subdivision 9;*

(13) *noncash gifts awarded to recognize a member of an organization or other person who has made a blood donation, provided that the gifts are awarded at the time of the blood donation and the fair market value of the gifts awarded does not exceed \$60 per person per year; or*

(14) *a contribution to or expenditure on a wildlife management project that benefits the public at large, provided that the contribution or expenditure is approved by the area wildlife manager employed by the department of natural resources.*

(b) Notwithstanding paragraph (a), "lawful purpose" does not include:

(1) any expenditure made or incurred for the purpose of influencing the nomination or election of a candidate for public office or for the purpose of promoting or defeating a ballot question;

(2) any activity intended to influence an election or a governmental decision-making process;

(3) the erection, acquisition, improvement, expansion, repair, or maintenance of real property or capital assets owned or leased by an organization, except as provided in clause (6), unless the board has first specifically authorized the expenditures after finding that (i) the real property or capital assets will be used exclusively for one or more of the purposes in paragraph (a); (ii) with respect to expenditures for repair or maintenance only, that the property is or will be used extensively as a meeting place or event location by other nonprofit organizations or community or service groups and that no rental fee is charged for the use; (iii) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building, a building owned by the organization and destroyed or made uninhabitable by fire or natural disaster, provided that the expenditure may be only for that part of the replacement cost not reimbursed by insurance; or (iv) with respect to expenditures, including a mortgage payment or other debt service payment, for erection or acquisition only, that the erection or acquisition is necessary to replace with a comparable building a building owned by the organization that was acquired from the organization by eminent domain or sold by the organization to a purchaser that the organization reasonably believed would otherwise have

acquired the building by eminent domain, provided that the expenditure may be only for that part of the replacement cost that exceeds the compensation received by the organization for the building being replaced;

(4) an expenditure by an organization which is a contribution to a parent organization, foundation, or affiliate of the contributing organization, if the parent organization, foundation, or affiliate has provided to the contributing organization within one year of the contribution any money, grants, property, or other thing of value; *or*

(5) a contribution by a licensed organization to another licensed organization unless the board has specifically authorized the contribution. The board must authorize such a contribution when requested to do so by the contributing organization unless it makes an affirmative finding that the contribution will not be used by the recipient organization for one or more of the purposes in paragraph (a); *or*

~~(6) the erection, acquisition, improvement, or expansion of real property or capital assets which will be used for one or more of the purposes in paragraph (a); clause (7); unless the organization making the expenditures notifies the board at least 15 days before making the expenditure.~~

Sec. 11. Minnesota Statutes 1990, section 349.12, subdivision 30, is amended to read:

Subd. 30. [PERSON.] "Person" is an individual, *organization*, firm, association, partnership, corporation, trustee, or legal representative.

Sec. 12. Minnesota Statutes 1991 Supplement, section 349.151, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] (a) The board has the following powers and duties:

(1) to regulate lawful gambling to ensure it is conducted in the public interest;

(2) to issue licenses to organizations, distributors, bingo halls, manufacturers, and gambling managers;

(3) to collect and deposit license, permit, and registration fees due under this chapter;

(4) to receive reports required by this chapter and inspect all premises, records, books, and other documents of organizations, distributors, manufacturers, and bingo halls to insure compliance with all applicable laws and rules;

(5) to make rules authorized by this chapter;

(6) to register gambling equipment and issue registration stamps;

(7) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;

(8) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing gambling;

(9) to impose civil penalties of not more than \$500 per violation on organizations, distributors, manufacturers, bingo halls, and gambling managers for failure to comply with any provision of this chapter or any rule of the board;

(10) to issue premises permits to organizations licensed to conduct lawful gambling;

(11) to delegate to the director the authority to issue licenses and premises permits under criteria established by the board;

(12) to suspend or revoke licenses and premises permits of organizations, distributors, manufacturers, bingo halls, or gambling managers as provided in this chapter;

(13) to register employees of organizations licensed to conduct lawful gambling;

(14) to require fingerprints from persons determined by board rule to be subject to fingerprinting; and

(15) to take all necessary steps to ensure the integrity of and public confidence in lawful gambling.

(b) Any organization, distributor, bingo hall operator, *gambling manager*, or manufacturer assessed a civil penalty may request a hearing before the board. Hearings conducted on appeals of imposition of penalties are not subject to the provisions of the administrative procedure act.

(c) All fees and penalties received by the board must be deposited in the general fund.

Sec. 13. Minnesota Statutes 1990, section 349.153, is amended to read:

349.153 [CONFLICT OF INTEREST.]

(a) A person may not serve on the board, be the director, or be an employee of the ~~division~~ *board* who has an interest in any corporation, association, or partnership that is licensed by the board as a distributor, manufacturer, or a bingo hall under section 349.164.

(b) A member of the board, the director, or an employee of the ~~division~~ *board* may not participate in the ~~conducting~~ *conduct* of lawful gambling and may not, while employed with or a member of the board or within one year after terminating employment with or leaving the board, accept employment with, receive compensation directly or indirectly from, or enter into a contractual relationship with an organization that conducts lawful gambling, a distributor, or a manufacturer.

Sec. 14. Minnesota Statutes 1991 Supplement, section 349.154, subdivision 2, is amended to read:

Subd. 2. [NET PROFIT REPORTS.] (a) Each licensed organization must report monthly to the board on a form prescribed by the board each expenditure and contribution of net profits from lawful gambling. The reports must provide for each expenditure or contribution:

(1) the name, address, and telephone number of the recipient of the expenditure or contribution;

(2) the date the contribution was approved by the organization;

(3) the date, amount, and check number of the expenditure or contribution; and

(4) a brief description of how the expenditure or contribution meets one or more of the purposes in section 349.12, subdivision 25, ~~paragraph (a).~~

(b) The board shall provide the commissioners of revenue and public

safety copies of each report received under this subdivision.

Sec. 15. Minnesota Statutes 1990, section 349.16, subdivision 8, is amended to read:

Subd. 8. [LOCAL INVESTIGATION FEE.] A statutory or home rule charter city or county notified under section 349.213, subdivision 2, may assess an investigation fee on organizations or bingo halls applying for or renewing a ~~license to conduct lawful gambling premises permit~~ or ~~operate a bingo hall license~~. An investigation fee may not exceed the following limits:

- (1) for cities of the first class, \$500;
- (2) for cities of the second class, \$250;
- (3) for all other cities, \$100; and
- (4) for counties, \$375.

Sec. 16. Minnesota Statutes 1990, section 349.161, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:

(1) sell, offer for sale, or furnish gambling equipment for use within the state ~~for gambling purposes~~, other than for lawful gambling exempt or excluded from licensing, except to an organization licensed for lawful gambling ~~or to the governing body of an Indian tribe~~;

(2) sell, offer for sale, or furnish gambling equipment for ~~lawful gambling use within the state, including to the governing body of an Indian tribe~~, without having obtained a distributor license under this section;

(3) sell, offer for sale, or furnish gambling equipment for use within the state that is not purchased or obtained from a manufacturer or distributor licensed under this chapter; or

(4) sell, offer for sale, or furnish gambling equipment for use within the state that has the same serial number as another item of gambling equipment of the same type sold or offered for sale or furnished for use in the state by that distributor.

Sec. 17. Minnesota Statutes 1990, section 349.161, subdivision 3, is amended to read:

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, other person in a supervisory or management position, ~~or~~ employee eligible to make sales on behalf of the distributor, ~~or holder of any direct or indirect financial interest in it~~, a person, who:

- (1) has ever been convicted of a felony;
- (2) has ever been convicted of a crime involving gambling;
- (3) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (4) is or has ever been engaged in an illegal business;
- (5) owes \$500 or more in delinquent taxes as defined in section 270.72;
- (6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; ~~or~~

(7) after demand, has not filed tax returns required by the commissioner of revenue; or

(8) has been determined to be a person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to it.

Sec. 18. Minnesota Statutes 1990, section 349.161, subdivision 5, is amended to read:

Subd. 5. [PROHIBITION.] (a) No distributor, or employee of a distributor, may also be a wholesale distributor of alcoholic beverages or an employee of a wholesale distributor of alcoholic beverages.

(b) No distributor, or any representative, agent, affiliate, or employee of a distributor, may be: (1) be involved in the conduct of lawful gambling by an organization; (2) keep or assist in the keeping of an organization's financial records, accounts, and inventories; or (3) prepare or assist in the preparation of tax forms and other reporting forms required to be submitted to the state by an organization.

(c) No distributor or any representative, agent, affiliate, or employee of a distributor may provide a lessor of gambling premises any compensation, gift, gratuity, premium, or other thing of value.

(d) No distributor or any representative, agent, affiliate, or employee of a distributor may participate in any gambling activity at any gambling site or premises where gambling equipment purchased from that distributor is being used in the conduct of lawful gambling.

(e) No distributor or any representative, agent, affiliate, or employee of a distributor may alter or modify any gambling equipment, except to add a "last ticket sold" prize sticker.

(f) No distributor or any representative, agent, affiliate, or employee of a distributor may: (1) recruit a person to become a gambling manager of an organization or identify to an organization a person as a candidate to become gambling manager for the organization; or (2) identify for an organization a potential gambling location.

(g) No distributor may purchase gambling equipment for resale to any person for use within the state from any person not licensed as a manufacturer under section 349.163.

(h) No distributor may sell gambling equipment to any person for use in Minnesota other than (i) a licensed organization or organization excluded or exempt from licensing, or (ii) the governing body of an Indian tribe.

Sec. 19. Minnesota Statutes 1990, section 349.162, subdivision 1, is amended to read:

Subdivision 1. [STAMP REQUIRED.] ~~(a) A distributor may not sell, transfer, furnish, or otherwise provide to a person, organization, or distributor other than the governing body of an Indian tribe, and no person, organization, or distributor other than the governing body of an Indian tribe, may purchase, borrow, accept, or acquire from a distributor gambling equipment for use within the state unless the equipment has been registered with the board and has a registration stamp affixed. The board shall charge a fee of five~~

cents for each stamp. Each stamp must bear a registration number assigned by the board. A distributor or manufacturer is entitled to a refund for unused registration stamps and replacement for registration stamps which are defective or canceled by the distributor or the manufacturer.

(b) From January 1, 1991, to June 30, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "For Sale in Minnesota Only."

(c) On and after July 1, 1992, no distributor, organization, or other person may sell a pull-tab which is not clearly marked "Manufactured in Minnesota For Sale in Minnesota Only."

(d) Paragraphs (b) and (c) do not apply to pull-tabs sold by a distributor to the governing body of an Indian tribe.

Sec. 20. Minnesota Statutes 1990, section 349.162, subdivision 2, is amended to read:

Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:

(1) the identity of the person or firm from whom the distributor purchased the equipment;

(2) the registration number of the equipment;

(3) the name, address, and license or exempt permit number of the organization to which the sale was made;

(4) the date of the sale;

(5) the name of the person who ordered the equipment;

(6) the name of the person who received the equipment;

(7) the type of equipment;

(8) the serial number of the equipment;

(9) the name, form number, or other identifying information for each game; and

(10) in the case of bingo cards sold on and after January 1, 1991, the individual number of each card.

The invoice for each sale must be retained for at least 3-1/2 years after the sale is completed and a copy of each invoice is to be delivered to the board in the manner and time prescribed by the board. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.

Each distributor must report monthly to the board, in a form the board prescribes, its sales of each type of gambling equipment. Employees of the division and the division of gambling enforcement may inspect the business premises, books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.

The board may require that a distributor submit the monthly report and invoices required in this subdivision via magnetic media or electronic data transfer.

Sec. 21. Minnesota Statutes 1990, section 349.162, subdivision 4, is

amended to read:

Subd. 4. [PROHIBITION.] (a) No person other than a licensed distributor or licensed manufacturer may possess unaffixed registration stamps.

(b) Unless otherwise provided in this chapter, no person may possess gambling equipment that has not been stamped and registered.

(c) On and after January 1, 1991, no distributor may:

(1) sell a bingo card that does not bear an individual number; or

(2) sell a package of bingo cards that does not contain bingo cards in numerical order.

Sec. 22. Minnesota Statutes 1990, section 349.162, subdivision 5, is amended to read:

Subd. 5. [SALES FROM FACILITIES.] (a) *Except for gambling equipment shipped directly to the governing body of an Indian tribe from either a licensed manufacturer or an out-of-state site of a licensed distributor, all gambling equipment purchased or possessed by a licensed distributor for resale to any person for use in Minnesota must, prior to the equipment's resale, be unloaded into a sales or storage facility located in Minnesota which the distributor owns or leases; and which has been registered, in advance and in writing, with the division of gambling enforcement as a sales or storage facility of the distributor's distributor. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the possession of, a licensed distributor in the state of Minnesota shall be stored at a sales or storage facility which has been registered with the division of gambling enforcement. Except for gambling equipment sold to the governing body of an Indian tribe, no gambling equipment may be moved from the facility unless the gambling equipment has been first registered with the board.*

(b) Notwithstanding section 349.163, subdivision 5, paragraphs (b) and (c), a licensed manufacturer may ship into Minnesota gambling equipment that does not have a Minnesota gambling stamp affixed if the licensed manufacturer ships the gambling equipment to a Minnesota storage facility that is: (1) owned or leased by the licensed manufacturer; and (2) registered, in advance and in writing, with the division of gambling enforcement as a manufacturer's storage facility. No unregistered gambling equipment may be shipped into Minnesota to the manufacturer's registered storage facility unless the shipment of the gambling equipment is reported to the department of revenue in a manner prescribed by the department. No gambling equipment may be removed from the storage facility unless the gambling equipment is sold to a licensed distributor and otherwise in conformity with the provisions of this chapter or shipped to another state and the shipment is reported to the department of revenue in a manner prescribed by the department.

(c) All sales and storage facilities owned, leased, used, or operated by a licensed distributor or manufacturer may be entered upon and inspected by the employees of the division of gambling enforcement or, the division of gambling enforcement director's authorized representatives, employees of the department of revenue, or authorized representatives of the director of the division of special taxes during reasonable and regular business hours. Obstruction of, or failure to permit, entry and inspection is cause for revocation or suspension of a manufacturer's or distributor's licenses and permits issued under this chapter.

(e) (d) Unregistered gambling equipment and unaffixed registration stamps found at any location in Minnesota other than *the manufacturing plant of a licensed manufacturer or a registered sales or storage facility* are contraband under section 349.2125. This paragraph does not apply to *unregistered gambling equipment being transported directly to the governing body of an Indian tribe or to unregistered gambling equipment being transported in interstate commerce between locations outside this state, if the interstate shipment is verified by a bill of lading or other valid shipping document.*

(e) *Only gambling equipment that has been approved by the board pursuant to section 349.163, subdivision 6, may be kept at a registered storage facility.*

Sec. 23. Minnesota Statutes 1990, section 349.163, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No manufacturer of gambling equipment may sell any gambling equipment to any person *for use or resale within the state, including the governing body of an Indian tribe*, unless the manufacturer has a current and valid license *issued by the board under this section and other criteria prescribed by the board by rule.*

A manufacturer licensed under this section may not also be directly or indirectly licensed as a distributor under section 349.161 unless the manufacturer (1) does not manufacture any gambling equipment other than paddlewheels, and (2) was licensed as both a manufacturer and distributor on May 1, 1990.

Sec. 24. Minnesota Statutes 1990, section 349.163, subdivision 1a, is amended to read:

Subd. 1a. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership that has as an officer, director, other person in a supervisory or management position, ~~or~~ employee eligible to make sales on behalf of the ~~distributor manufacturer~~, *or holder of any direct or indirect financial interest in it*, a person, who:

- (1) has ever been convicted of a felony;
- (2) has ever been convicted of a crime involving gambling;
- (3) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (4) is or has ever been engaged in an illegal business;
- (5) owes \$500 or more in delinquent taxes as defined in section 270.72;
- (6) has had a sales and use tax permit revoked by the commissioner of revenue within the last two years; ~~or~~
- (7) after demand, has not filed tax returns required by the commissioner of revenue; *or*

(8) *has been determined to be a person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to it.*

Sec. 25. Minnesota Statutes 1990, section 349.163, subdivision 3, is

amended to read:

Subd. 3. [PROHIBITED SALES.] (a) A manufacturer may not:

(1) sell gambling equipment *for use or resale within the state* to any person not licensed as a distributor, *other than the governing body of an Indian tribe*, unless the manufacturer is also a licensed distributor; or

(2) sell gambling equipment to *the governing body of an Indian tribe* or a distributor in this state that has the same serial number as another item of gambling equipment of the same type that is sold by that manufacturer for use *or resale* in this state;

(3) from January 1, 1991, to June 30, 1992, sell to any person in Minnesota, *other than the governing body of an Indian tribe*, a pull-tab on which the manufacturer has not clearly printed the words "For Sale in Minnesota Only";

(4) on and after July 1, 1992, sell to any person in Minnesota, *other than the governing body of an Indian tribe*, a pull-tab on which the manufacturer has not clearly printed the words "Manufactured in Minnesota For Sale in Minnesota Only"; or

(5) sell a pull-tab marked as required in clauses (3) and (4) to any person inside or outside the state, including the governing body of an Indian tribe, who is not a licensed distributor.

(b) On and after July 1, 1992, all pull-tabs sold by a licensed manufacturer to a person in Minnesota must be manufactured in Minnesota.

(c) (b) A manufacturer, affiliate of a manufacturer, or person acting as a representative or agent of a manufacturer may not provide a lessor of gambling premises or an appointed official any compensation, gift, gratuity, premium, contribution, or other thing of value.

Sec. 26. Minnesota Statutes 1990, section 349.163, subdivision 4, is amended to read:

Subd. 4. [INSPECTION OF MANUFACTURERS.] Employees of the ~~division and board~~, the division of gambling enforcement, *the division of gambling enforcement director's authorized representatives, employees of the department of revenue, and authorized representatives of the director of the division of special taxes of the department of revenue* may inspect the books, records, inventory, and business premises of a licensed manufacturer without notice during the normal business hours of the manufacturer.

Sec. 27. Minnesota Statutes 1990, section 349.163, subdivision 5, is amended to read:

Subd. 5. [PULL-TAB AND TIPBOARD FLARES.] (a) A manufacturer may not ship or cause to be shipped into this state any deal of pull-tabs or tipboards that does not have its own individual flare as required for that deal by rule of the board. A person other than a manufacturer may not manufacture, alter, modify, or otherwise change a flare for a deal of pull-tabs or tipboards except as allowed by this chapter or board rules.

(b) The flare of each deal of pull-tabs and tipboards sold by a manufacturer *for use or resale* in Minnesota must have the Minnesota gambling stamp affixed. The flare, with the stamp affixed, must be placed inside the wrapping of the deal which the flare describes.

(c) Each pull-tab and tipboard flare must bear the following statement printed in letters large enough to be clearly legible:

"Pull-tab (or tipboard) purchasers — This pull-tab (or tipboard) game is not legal in Minnesota unless:

- a Minnesota gambling stamp is affixed to this sheet, and
- the serial number handwritten on the gambling stamp is the same as the serial number printed on this sheet and on the pull-tab (or tipboard) ticket you have purchased."

(d) The flare of each pull-tab and tipboard game must bear the serial number of the game, printed in numbers at least one-half inch high.

(e) The flare of each pull-tab and tipboard game must be imprinted at the bottom with a bar code that provides:

- (1) the name of the game;
- (2) the serial number of the game;
- (3) the name of the manufacturer;
- (4) the number of tickets in the deal;
- (5) the odds of winning each prize in the deal; and
- (6) other information the board by rule requires.

The serial number included in the bar code must be the same as the serial number of the tickets included in the deal. A manufacturer who manufactures a deal of pull-tabs must affix to the outside of the box containing that game the same bar code that is imprinted at the bottom of a flare for that deal.

(f) No person may alter the bar code that appears on the outside of a box containing a deal of pull-tabs and tipboards. Possession of a box containing a deal of pull-tabs and tipboards that has a bar code different from the bar code of the deal inside the box is prima facie evidence that the possessor has altered the bar code on the box.

Sec. 28. Minnesota Statutes 1990, section 349.163, subdivision 6, is amended to read:

Subd. 6. [SAMPLES OF GAMBLING EQUIPMENT.] The board shall require each licensed manufacturer to submit to the board one or more samples of each item of gambling equipment the manufacturer manufactures for ~~sale use or resale~~ in this state, *except gambling equipment shipped directly to the governing body of an Indian tribe from the manufacturer or an out-of-state site of a licensed distributor*. The board shall inspect and test all the equipment it deems necessary to determine the equipment's compliance with law and board rules. Samples required under this subdivision must be approved by the board before the equipment being sampled is *shipped into or sold for use or resale* in this state. The board may request the assistance of the commissioner of public safety and the director of the state lottery division in performing the tests.

Sec. 29. Minnesota Statutes 1990, section 349.164, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No person may lease a facility to more than one ~~individual, corporation, partnership, or organization~~ to conduct bingo without a current and valid bingo hall license under this section.

Sec. 30. Minnesota Statutes 1990, section 349.164, subdivision 3, is amended to read:

Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, ~~organization, corporation, firm, or partnership that~~ who is not the legal owner of the facility, or to a person, ~~or to an organization, corporation, firm, or partnership which has as an officer, director, or other person in a supervisory or management position, or holder of any direct or indirect financial interest in it,~~ a person, who:

- (1) has ever been convicted of a felony;
- (2) has ever been convicted of a crime involving gambling;
- (3) has ever been convicted of (i) assault, (ii) a criminal violation involving the use of a firearm, or (iii) making terroristic threats;
- (4) *is or has ever been engaged in an illegal business;*
- (5) owes delinquent taxes in excess of \$500 as defined in section 270.72;
~~or~~
- ~~(5)~~ (6) after demand, has not filed tax returns required by the commissioner of revenue; *or*
- (7) has been determined to be a person whose prior activities, criminal record, if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gambling, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gambling or the carrying on of the business and financial arrangements incidental to it.*

Sec. 31. Minnesota Statutes 1990, section 349.164, subdivision 6, is amended to read:

Subd. 6. [PROHIBITED ACTS.] No bingo hall licensee, person holding a financial or managerial interest in a bingo hall, or affiliate thereof may:

- (1) be a licensed distributor or licensed manufacturer or affiliate of the distributor or manufacturer under section 349.161 or 349.163 or a wholesale distributor of alcoholic beverages;
- (2) provide any staff to conduct or assist in the conduct of bingo or any other form of lawful gambling on the premises;
- (3) acquire, provide storage or inventory control *for*, or report the use of, any gambling equipment used by an organization that conducts lawful gambling on the premises;
- (4) provide accounting services to an organization conducting lawful gambling on the premises;
- (5) solicit, suggest, encourage, or make any expenditures of gross receipts of an organization from lawful gambling;
- (6) charge any fee to a person without which the person could not play a bingo game or participate in another form of lawful gambling on the premises;
- (7) provide assistance or participate in the conduct of lawful gambling on the premises; *or*
- (8) permit more than 21 bingo occasions to be conducted on the premises in any week.

Sec. 32. Minnesota Statutes 1990, section 349.1641, is amended to read:

349.1641 [LICENSES; SUMMARY SUSPENSION.]

The board may (1) summarily suspend the license of an organization that is more than three months late in filing a tax return required under this chapter and may keep the suspension in effect until all required returns are filed; and (2) summarily suspend for not more than 90 days any license issued by the board or director for what the board determines are actions detrimental to the integrity of lawful gambling in Minnesota. The board must notify the licensee at least 14 days before suspending the license under this ~~paragraph~~ section. A contested case hearing must be held within 20 days of the summary suspension and the administrative law judge's report must be issued within 20 days after the close of the hearing record. In all cases involving summary suspension, the board must issue its final decision within 30 days after receipt of the report of the administrative law judge and subsequent exceptions and argument under section 14.61. When an organization's license is suspended or ~~revoked~~ under this ~~subdivision~~ section, the board shall within three days notify all municipalities in which the organization's gambling premises are located and all licensed distributors in the state.

Sec. 33. Minnesota Statutes 1990, section 349.166, is amended to read:

349.166 [EXCLUSIONS; EXEMPTIONS.]

Subdivision 1. [EXCLUSIONS.] (a) Bingo may be conducted without a license and without complying with sections 349.17, subdivision 1, and 349.18, if it is conducted:

(1) in connection with a county fair, the state fair, or a civic celebration if it is not conducted for more than 12 consecutive days in a calendar year; or

(2) by an organization that conducts four or fewer bingo occasions in a calendar year.

An organization that holds a license to conduct lawful gambling under this chapter may not conduct bingo under this subdivision.

(b) Bingo may be conducted within a nursing home or a senior citizen housing project or by a senior citizen organization without compliance with sections 349.11 to 349.213 if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, no more than two bingo occasions are held by the organization or at the facility each week, only members of the organization or residents of the nursing home or housing project are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, a manager is appointed to supervise the bingo, and the manager registers with the board. The gross receipts from bingo conducted under the limitations of this subdivision are exempt from taxation under chapter 297A.

(c) Raffles may be conducted by an organization without complying with sections ~~349.11 to 349.14 and~~ 349.151 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750.

Subd. 2. [EXEMPTIONS.] (a) Lawful gambling may be conducted by an organization as defined in section 349.12, subdivision 28, without complying with sections 349.151 to 349.16; 349.167; 349.168; 349.18; 349.19; and 349.212 if:

(1) the organization conducts lawful gambling on five or fewer days in a calendar year;

(2) the organization does not award more than \$50,000 in prizes for lawful gambling in a calendar year;

(3) the organization pays a fee of \$25 to the board, notifies the board in writing not less than 30 days before each lawful gambling occasion of the date and location of the occasion, or 60 days for an occasion held in the case of a city of the first class, the types of lawful gambling to be conducted, the prizes to be awarded, and receives an exemption identification number;

(4) the organization notifies the local government unit 30 days before the lawful gambling occasion, or 60 days for an occasion held in a city of the first class;

(5) the organization purchases all gambling equipment and supplies from a licensed distributor; and

(6) the organization reports to the board, on a single-page form prescribed by the board, within 30 days of each gambling occasion, the gross receipts, prizes, expenses, expenditures of net profits from the occasion, and the identification of the licensed distributor from whom all gambling equipment was purchased.

(b) If the organization fails to file a timely report as required by paragraph (a), clause (3) or (6), a \$250 penalty is imposed on the organization. Failure to file a timely report does not disqualify the organization as exempt under this ~~paragraph~~ *subdivision* if a report is later filed and the penalty paid.

(c) Merchandise prizes must be valued at their fair market value.

(d) Unused pull-tab and tipboard deals must be returned to the distributor within seven working days after the end of the lawful gambling occasion. The distributor must accept and pay a refund for all returns of unopened and undamaged deals returned under this paragraph.

(e) An organization that is exempt from taxation on purchases of pull-tabs and tipboards under section 349.212, subdivision 4, paragraph (c), must return to the distributor any tipboard or pull-tab deal no part of which is used at the lawful gambling occasion for which it was purchased by the organization.

Subd. 3. [RAFFLES; CERTAIN ORGANIZATIONS.] Sections 349.21 349.168, *subdivisions 3 and 4*, and 349.211, subdivision 3, and the membership requirements requirement of ~~sections 349.14 and 349.20~~ *section 349.16, subdivision 2, paragraph (c)*, do not apply to raffles conducted by an organization that directly or under contract to the state or a political subdivision delivers health or social services and that is a 501(c)(3) organization if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.

Subd. 4. [TAXATION.] An organization's receipts from lawful gambling that is exempt from licensing under this section are not subject to the tax imposed by section 297A.02 or 349.212.

Sec. 34. Minnesota Statutes 1991 Supplement, section 349.167, subdivision 4, is amended to read:

Subd. 4. [TRAINING OF GAMBLING MANAGERS.] The board shall by rule require all persons licensed as gambling managers to receive periodic training in laws and rules governing lawful gambling. The rules must contain the following requirements:

(1) each gambling manager must receive training before being issued a new license, except that in the case of the death, disability, or termination of a gambling manager, a replacement gambling manager must receive the training within 90 days of being issued a license;

(2) each gambling manager applying for a renewal of a license must have received training within the three years prior to the date of application for the renewal; and

(3) the training required by this subdivision may be provided by a person, ~~firm, association, or organization~~ authorized by the board to provide the training. Before authorizing a person, ~~firm, association, or organization~~ to provide training, the board must determine that:

(i) the provider and all of the provider's personnel conducting the training are qualified to do so;

(ii) the curriculum to be used fully and accurately covers all elements of lawful gambling law and rules that the board determines are necessary for a gambling manager to know and understand;

(iii) the fee to be charged for participants in the training sessions is fair and reasonable; and

(iv) the training provider has an adequate system for documenting completion of training.

The rules may provide for differing training requirements for gambling managers based on the class of license held by the gambling manager's organization.

The board or the director may provide the training required by this subdivision using employees of the ~~division~~ board.

Sec. 35. Minnesota Statutes 1990, section 349.168, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that the following persons may receive compensation without being active members: (1) sellers of pull-tabs, tip-boards, raffle tickets, ~~paddlewheel tickets~~ *paddletickets*, and bingo ~~paper cards or sheets~~; (2) accountants performing auditing or bookkeeping services for the organization; and (3) attorneys providing legal services to the organization. The board may by rule allow other persons not active members of the organization to receive compensation.

Sec. 36. Minnesota Statutes 1990, section 349.168, subdivision 6, is amended to read:

Subd. 6. [COMPENSATION PAID BY CHECK.] Compensation paid by an organization in connection with lawful gambling must be in the form of a check drawn on the organization's gambling account, as specified in section 349.19, and paid directly to the ~~employee~~ *person being compensated*.

Sec. 37. Minnesota Statutes 1990, section 349.169, subdivision 2, is

amended to read:

Subd. 2. [COPIES.] The director shall provide copies of price filings to any person requesting them and may charge a reasonable fee for the copies. Any person may examine price filings in the ~~division~~ board office at no cost, and the director shall make the filings available for that purpose.

Sec. 38. Minnesota Statutes 1990, section 349.174, is amended to read:
349.174 [PULL-TABS; DEADLINE FOR USE.]

A deal of pull-tabs ~~and or~~ tipboards received by an organization before September 1, 1989, must be put into play by that organization before September 1, 1990, unless the deal bears a serial number that allows it to be traced back to its manufacturer and to the distributor who sold it to the organization. An organization in possession on and after September 1, 1990, of a deal of pull-tabs ~~and or~~ tipboards the organization received before September 1, 1989, may not put such a deal in play but must remove it from the organization's inventory and return it to the manufacturer.

Sec. 39. Minnesota Statutes 1991 Supplement, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be on a form prescribed by the board. Copies of all leases must be made available to employees of the ~~division~~ board and the division of gambling enforcement on request. A lease may not provide for payments determined directly or indirectly by the receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling provided that no rule of the board may prescribe a limit of less than \$1,000 per month on rent paid for premises used for lawful gambling other than bingo. Any rule adopted by the board limiting the amount of rent to be paid may only be effective for leases entered into, or renewed, after the effective date of the rule.

No person, distributor, manufacturer, lessor, or organization other than the licensed organization leasing the space may conduct any activity on the leased premises during times when lawful gambling is being conducted on the premises.

Sec. 40. Minnesota Statutes 1991 Supplement, section 349.18, subdivision 1a, is amended to read:

Subd. 1a. [STORAGE OF GAMBLING EQUIPMENT.] (a) Gambling equipment owned by or in the possession of an organization must be kept at a ~~licensed~~ permitted gambling premises owned or ~~operated~~ leased by the organization, or at other storage sites within the state that the organization has notified the board are being used as gambling equipment storage sites. At each storage site or ~~licensed~~ permitted premises, the organization must have the invoices or true and correct copies of the invoices for the purchase of all gambling equipment at the site or premises. Gambling equipment owned by an organization may not be kept at a distributor's office, warehouse, storage unit, or other place of the distributor's business.

(b) Gambling equipment, other than devices for selecting bingo numbers, owned by an organization must be secured and kept separate from gambling equipment owned by other persons, organizations, distributors, or manufacturers.

(c) Paddlewheels must be covered or disabled when not in use by the organization in the conduct of lawful gambling.

(d) Gambling equipment kept in violation of this subdivision is contraband under section 349.2125.

(e) An organization may transport gambling equipment it owns or possesses between approved gambling equipment storage sites and to and from licensed distributors.

Sec. 41. Minnesota Statutes 1990, section 349.18, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] (a) An organization may conduct raffles on a premise it does not own or lease.

(b) An organization may, with the permission of the board, conduct bingo on premises it does not own or lease for up to 12 consecutive days in a calendar year, in connection with a county fair, the state fair, or a civic celebration.

(c) A licensed organization may, after compliance with section 349.213, conduct lawful gambling on premises other than the organization's ~~licensed premise permitted premises~~ for one day per year for not more than 12 hours that day. A lease for that time period for the exempted premises must accompany the request to the board.

Sec. 42. Minnesota Statutes 1990, section 349.19, subdivision 6, is amended to read:

Subd. 6. [PRESERVATION OF RECORDS.] Records required to be kept by this section must be preserved by a licensed organization for at least 3-1/2 years and may be inspected by the commissioner of revenue, the ~~commissioner of gaming board~~, or the commissioner of public safety at any reasonable time without notice or a search warrant.

Sec. 43. Minnesota Statutes 1991 Supplement, section 349.19, subdivision 9, is amended to read:

Subd. 9. [ANNUAL AUDIT; FILING REQUIREMENT.] (a) An organization licensed under this chapter must have an annual financial audit of its lawful gambling activities and funds performed by an independent accountant licensed by the state of Minnesota. The commissioner of revenue shall prescribe standards for the audit. A complete, true, and correct copy of the audit report must be filed as prescribed by the commissioner of revenue.

(b) For organizations with gross receipts of \$50,000 or less, the commissioner of revenue may waive the financial audit requirement for the current fiscal year or grant an extension of time to file the financial audit, if the organization submits a written request and provides written documentation sufficient to satisfy the commissioner that the financial audit would create an undue hardship for the organization.

Sec. 44. Minnesota Statutes 1990, section 349.191, subdivision 1, is amended to read:

Subdivision 1. [CREDIT RESTRICTION.] A manufacturer may not offer or extend to a distributor, and a distributor may not *offer or* extend to an organization, credit for a period of more than 30 days for the sale of any gambling equipment. No right of action exists for the collection of any claim

based on credit prohibited by this subdivision. The 30-day period allowed by this subdivision begins with the day immediately following the day of invoice and includes all successive days, including Sundays and holidays, to and including the 30th successive day.

Sec. 45. Minnesota Statutes 1990, section 349.191, subdivision 4, is amended to read:

Subd. 4. [CREDIT; POSTDATED CHECKS.] For purposes of this ~~subdivision~~ *section*, "credit" includes acceptance by a manufacturer or distributor of a postdated check in payment for gambling equipment.

Sec. 46. Minnesota Statutes 1990, section 349.211, subdivision 1, is amended to read:

Subdivision 1. [BINGO.] Prizes for a single bingo game may not exceed \$100 except prizes for a cover-all game, which may exceed \$100 if the aggregate value of all cover-all prizes in a bingo occasion does not exceed ~~\$500~~ *\$1,000*. Total prizes awarded at a bingo occasion may not exceed \$2,500, unless a cover-all game is played in which case the limit is ~~\$3,000~~ *\$3,500*. For purposes of this subdivision, a cover-all game is one in which a player must cover all spaces except a single free space to win.

Sec. 47. Minnesota Statutes 1990, section 349.211, subdivision 2, is amended to read:

Subd. 2. [BINGO CUMULATIVE PRIZES.] A prize of up to \$1,000 may be awarded for a single bingo game if the prize is an accumulation of prizes not won in games in previous bingo occasions. The total amount awarded in cumulative prizes in any calendar year may not exceed ~~\$12,000~~ *\$36,000*. For bingo occasions in which a cumulative prize is awarded the aggregate value of prizes which may be awarded for the occasion is increased by the amount of the cumulative prize so awarded less \$100.

Sec. 48. Minnesota Statutes 1990, section 349.211, subdivision 2a, is amended to read:

Subd. 2a. [PULL-TAB PRIZES.] The maximum prize which may be awarded for any single pull-tab is ~~\$250~~ *\$500*. An organization may not sell any pull-tab for more than \$2.

Sec. 49. Minnesota Statutes 1990, section 349.2124, is amended to read:

349.2124 [SALES TO INDIAN TRIBES.]

~~A distributor may set aside that part of the distributor's stock necessary for the conduct of business in making sales to the established governing body of any Indian tribe recognized by the United States Department of Interior. A distributor shall, when shipping or delivering any stock to an Indian tribal organization, make a true duplicate invoice showing the complete details of the sale or delivery and shall keep the duplicate. Subdivision 1. [DIRECT SHIPMENTS REQUIRED.] Gambling equipment sold by a manufacturer to the governing body of an Indian tribe in Minnesota must be shipped directly to the tribe from the manufacturer. Gambling equipment sold by a distributor to the governing body of an Indian tribe in Minnesota must be shipped either directly to the tribe from a registered storage facility of the distributor or directly to the tribe from a licensed manufacturer or an out-of-state site of the distributor.~~

Subd. 2. [RECORDS REQUIRED.] For each sale of gambling equipment to the governing body of an Indian tribe in Minnesota, the distributor or

manufacturer making the sale shall make a true duplicate invoice showing the complete details of the sale and shall keep the duplicate for at least 3-1/2 years after the sale. Distributors and manufacturers shall maintain additional records of these sales and file reports of these sales as prescribed by the department of revenue or by board rule.

Subd. 3. [PULL-TAB AND TIPBOARD FLARES.] Each pull-tab and tipboard deal sold to the governing body of an Indian tribe in Minnesota by a distributor or manufacturer must have its own individual flare and must conform to the requirements of section 349.163, subdivision 5, paragraphs (e) and (f). Pull-tab and tipboard deals sold to the governing body of an Indian tribe in Minnesota are not otherwise subject to the requirements of section 349.163, subdivision 5.

Sec. 50. Minnesota Statutes 1990, section 349.2125, subdivision 1, is amended to read:

Subdivision 1. [CONTRABAND DEFINED.] The following are contraband:

(1) all pull-tab or tipboard deals that do not have stamps affixed to them as provided in ~~section~~ sections 349.162 and 349.163;

(2) all pull-tab or tipboard deals in the possession of any unlicensed person, firm, or organization, whether stamped or unstamped;

(3) any container used for the storage and display of any contraband pull-tab or tipboard deals as defined in clauses (1) and (2);

(4) all currency, checks, and other things of value used for pull-tab or tipboard transactions not expressly permitted under this chapter, and any cash drawer, cash register, or any other container used for illegal pull-tab or tipboard transactions including its contents;

(5) any device including, but not limited to, motor vehicles, trailers, snowmobiles, airplanes, and boats used, with the knowledge of the owner or of a person operating with the consent of the owner, for the storage or transportation of more than five pull-tab or tipboard deals that are contraband under this subdivision. When pull-tabs and tipboards are being transported in the course of interstate commerce, ~~or from one distributor to another between locations outside this state or directly to the governing body of an Indian tribe in this state~~, the pull-tab and tipboard deals are not contraband, notwithstanding the provisions of clause (1);

(6) any unaffixed registration stamps except as provided in section 349.162, subdivision 4;

(7) any prize used or offered in a game utilizing contraband as defined in this subdivision;

(8) any altered, modified, or counterfeit pull-tab or tipboard ticket;

(9) any unregistered gambling equipment except as permitted by this chapter;

(10) any gambling equipment kept in violation of section 349.18; ~~and~~

(11) any gambling equipment not in conformity with law or board rule-;

(12) any pull-tab or tipboard deals or portions of deals on which the tax imposed under section 349.212 has not been paid;

(13) any gambling equipment that has not been approved by the board

pursuant to section 349.163, subdivision 6:

(14) any gambling equipment in the possession of a person other than a licensed distributor, a licensed manufacturer, or an organization licensed or exempt or excluded from licensing under this chapter, except for devices for selecting bingo numbers kept by a bingo hall lessor pursuant to section 349.17, subdivision 2a;

(15) any gambling equipment in the possession of a licensed distributor that is not: (i) at or being transported to a registered storage facility of the distributor; (ii) being transported from a registered storage facility of the distributor to an out-of-state site, the governing body of an Indian tribe in this state, a licensed manufacturer, or an organization licensed or exempt or excluded from licensing under this chapter; (iii) being transported from a licensed manufacturer or an out-of-state site of the distributor to the governing body of an Indian tribe in this state; or (iv) being transported in interstate commerce between locations outside this state; and

(16) any gambling equipment in the possession of a licensed manufacturer that is not: (i) at a manufacturing plant of the manufacturer located in Minnesota or being transported from such a plant to an out-of-state site; (ii) at a registered storage facility of the manufacturer or being transported to or from a registered storage facility or to the governing body of an Indian tribe in this state; or (iii) being transported in interstate commerce between locations outside this state.

Sec. 51. Minnesota Statutes 1990, section 349.2125, subdivision 3, is amended to read:

Subd. 3. [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within ten days after the seizure of any alleged contraband, the person making the seizure shall make available an inventory of the property seized to the person from whom the property was seized, if known, and file a copy with the commissioner of revenue or the director of gambling enforcement. Within ten days after the date of service of the inventory, the person from whom the property was seized or any person claiming an interest in the property may file with the seizing authority a demand for judicial determination of whether the property was lawfully subject to seizure and forfeiture. Within 60 days after the date of filing of the demand, the seizing authority must bring an action in the district court of the county where seizure was made to determine the issue of forfeiture. The action must be brought in the name of the state and be prosecuted by the county attorney or by the attorney general. The court shall hear the action without a jury and determine the issues of fact and laws involved. When a judgment of forfeiture is entered, the seizing authority may, unless the judgment is stayed pending an appeal, either (1) cause the forfeited property to be destroyed; or (2) cause it to be sold at a public auction as provided by law.

If demand for judicial determination is made and no action is commenced by the seizing authority as provided in this subdivision, the property must be released by the seizing authority and delivered to the person entitled to it. If no demand is made, the property seized is considered forfeited to the seizing authority by operation of law and may be disposed of by the seizing authority as provided where there has been a judgment of forfeiture. When the seizing authority is satisfied that a person from whom property is seized was acting in good faith and without intent to evade ~~the~~ a tax imposed by section ~~349.2121, subdivision 4~~ 349.212, the seizing authority shall release

the property seized without further legal proceedings.

Sec. 52. Minnesota Statutes 1990, section 349.2127, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION AGAINST POSSESSION.] (a) A person, ~~other than a licensed distributor,~~ is guilty of a crime who sells, offers for sale, or possesses a pull-tab or tipboard deal not stamped in accordance with the provisions of this chapter. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

(b) A person, other than *a licensed manufacturer*, a licensed distributor or an organization licensed or exempt or excluded from licensing under this chapter, is guilty of a crime who sells, offers to sell, or possesses gambling equipment. A violation of this paragraph is a gross misdemeanor if it involves ten or fewer pull-tab or tipboard deals. A violation of this paragraph is a felony if it involves more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

(c) A person, ~~firm, or organization~~ is guilty of a crime who alters, modifies, or counterfeits pull-tabs, tipboards, or tipboard tickets, or possesses altered, modified, or counterfeit pull-tabs, tipboards, or tipboard tickets. A violation of this paragraph is a gross misdemeanor if the total face value for all such pull-tabs, tipboards, or tipboard tickets does not exceed \$200. A violation of this paragraph is a felony if the total face value exceeds \$200. For purposes of this paragraph, the face value of all pull-tabs, tipboards, and tipboard tickets altered, modified, or counterfeited within a six-month period may be aggregated and the defendant charged accordingly.

Sec. 53. Minnesota Statutes 1990, section 349.2127, subdivision 4, is amended to read:

Subd. 4. [TRANSPORTING UNSTAMPED DEALS.] A person is guilty of a gross misdemeanor who transports into, ~~or causes to be transported into,~~ receives, carries, ~~or moves from place to place, or causes to be moved from place to place~~ in this state, any deals of pull-tabs or tipboards not stamped in accordance with this chapter except in the course of interstate commerce *between locations outside this state*. A person is guilty of a felony who violates this subdivision with respect to more than ten pull-tab or tipboard deals, or a combination of more than ten deals of pull-tabs and tipboards.

Sec. 54. Minnesota Statutes 1991 Supplement, section 349.213, subdivision 1, is amended to read:

Subdivision 1. [LOCAL REGULATION.] (a) A statutory or home rule city or county has the authority to adopt more stringent regulation of lawful gambling within its jurisdiction, including the prohibition of lawful gambling, and may require a permit for the conduct of gambling exempt from licensing under section ~~349.214~~ *349.166*. The fee for a permit issued under this subdivision may not exceed \$100. The authority granted by this subdivision does not include the authority to require a license or permit to conduct gambling by organizations or sales by distributors licensed by the board. The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent from its net profits derived from lawful gambling. For the purposes of this subdivision, net profits are profits less amounts expended

for allowable expenses. A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except as authorized under section 349.16, subdivision 4 8, or 349.212; provided, however, that an ordinance requirement that such organizations must contribute ten percent of their net profits derived from lawful gambling *conducted at premises within the city's or county's jurisdiction* to a fund administered and regulated by the responsible local unit of government without cost to such fund, for disbursement by the responsible local unit of government of the receipts for lawful purposes, is not considered an expenditure to the city or county nor a tax under section 349.212, and is valid and lawful.

(b) A statutory or home rule city or county may by ordinance require that a licensed organization conducting lawful gambling within its jurisdiction expend all or a portion of its expenditures for lawful purposes on lawful purposes conducted or located within the city's or county's trade area. Such an ordinance *must be limited to lawful purpose expenditures of gross profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction*, must define the city's or county's trade area, and must specify the percentage of lawful purpose expenditures which must be expended within the trade area. A trade area defined by a city under this subdivision must include each city contiguous to the defining city.

(c) A more stringent regulation or prohibition of lawful gambling adopted by a political subdivision under this subdivision must apply equally to all forms of lawful gambling within the jurisdiction of the political subdivision, except a political subdivision may prohibit the use of paddlewheels."

Delete the title and insert:

"A bill for an act relating to lawful gambling; regulating the conduct of lawful gambling, licensed organizations, distributors, and manufacturers; authorizing certain expenditures for senior citizens, real estate taxes and assessments, noncash gifts for blood donors, wildlife management projects, and the combined receipts tax as lawful purposes; placing employment restrictions on members or employees of the board; changing requirements for the annual financial audit; increasing the aggregate value of cover-all prizes and total prizes for bingo; adding bonanza bingo as a form of bingo; increasing maximum prizes for pull-tabs; amending Minnesota Statutes 1990, sections 299L.03, subdivisions 1 and 2; 349.12, subdivisions 1, 11, 18, 21, 23, 30, and by adding a subdivision; 349.153; 349.16, subdivision 8; 349.161, subdivisions 1, 3, and 5; 349.162, subdivisions 1, 2, 4, and 5; 349.163, subdivisions 1, 1a, 3, 4, 5, and 6; 349.164, subdivisions 1, 3, and 6; 349.1641; 349.166; 349.168, subdivisions 3 and 6; 349.169, subdivision 2; 349.174; 349.18, subdivision 2; 349.19, subdivision 6; 349.191, subdivisions 1 and 4; 349.211, subdivisions 1, 2, and 2a; 349.2124; 349.2125, subdivisions 1 and 3; and 349.2127, subdivisions 2 and 4; Minnesota Statutes 1991 Supplement, sections 299L.07, by adding a subdivision; 349.12, subdivision 25; 349.151, subdivision 4; 349.154, subdivision 2; 349.167, subdivision 4; 349.18, subdivisions 1 and 1a; 349.19, subdivision 9; and 349.213, subdivision 1."

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

Mr. Novak from the Committee on Energy and Public Utilities, to which was referred

S.F. No. 1802: A bill for an act relating to telephones; allowing telephone companies to offer caller identification service to its subscribers; proposing coding for new law in Minnesota Statutes, chapter 237.

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

Page 1, line 8, before "A" insert "*Notwithstanding section 626A.02, and subject to the approval of the commission,*"

Page 1, line 12, after the period, insert "*The terms and conditions of the service, including the reasonableness of the fee, must be approved by the commission.*"

Page 1, line 15, after the period, insert "*The commission may not approve a caller identification service that does not allow a subscriber, at no charge, to elect to block the display of the subscriber's number or name, or both, when calls are made from the subscriber's telephone.*"

Sec. 2. Minnesota Statutes 1990, section 626A.02, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] (a) It is not unlawful under sections 626A.01 to ~~626A.23~~ 626A.21 for an operator of a switchboard, or an officer, employee, or agent of a provider of wire or electronic communication service, whose facilities are used in the transmission of a wire communication, to intercept, disclose, or use that communication in the normal course of employment while engaged in any activity which is a necessary incident to the rendition of service or to the protection of the rights or property of the provider of that service, except that a provider of wire communication service to the public shall not utilize service observing or random monitoring except for mechanical or service quality control checks.

(b) It is not unlawful under sections 626A.01 to 626A.23 for an officer, employee, or agent of the Federal Communications Commission, in the normal course of employment and in discharge of the monitoring responsibilities exercised by the commission in the enforcement of chapter 5 of title 47 of the United States Code, to intercept a wire or electronic communication, or oral communication transmitted by radio, or to disclose or use the information thereby obtained.

(c) It is not unlawful under sections 626A.01 to 626A.23 for a person acting under color of law to intercept a wire, electronic, or oral communication, where such person is a party to the communication or one of the parties to the communication has given prior consent to such interception.

(d) It is not unlawful under sections 626A.01 to 626A.23 for a person not acting under color of law to intercept a wire, electronic, or oral communication where such person is a party to the communication or where one of the parties to the communication has given prior consent to such interception unless such communication is intercepted for the purpose of committing any criminal or tortious act in violation of the constitution or laws of the United States or of any state.

(e) It is not a violation of sections 626A.01 to 626A.23 or sections 626A.26 to 626A.34 for a person:

(1) to intercept or access an electronic communication made through an

electronic communication system that is configured so that the electronic communication is readily accessible to the general public;

(2) to intercept any radio communication that is transmitted:

(i) by a station for the use of the general public, or that relates to ships, aircraft, vehicles, or persons in distress;

(ii) by a governmental, law enforcement, civil defense, private land mobile, or public safety communications system, including police and fire, readily accessible to the general public;

(iii) by a station operating on an authorized frequency within the bands allocated to the amateur, citizens band, or general mobile radio services; or

(iv) by a marine or aeronautical communications system;

(3) to engage in any conduct which:

(i) is prohibited by section 553 of title 47 of the United States Code; or

(ii) is excepted from the application of section 605(a) of title 47 of the United States Code by section 605(b) of that title;

(4) to intercept a wire or electronic communication the transmission of which is causing harmful interference to any lawfully operating station or consumer electronic equipment, to the extent necessary to identify the source of such interference; or

(5) for other users of the same frequency to intercept any radio communication made through a system that utilizes frequencies monitored by individuals engaged in the provision or the use of such system, if the communication is not scrambled or encrypted.

(f) It is not unlawful under sections 626A.01 to 626A.23:

(1) to use a pen register or a trap and trace device as those terms are defined by section 626A.39; or

(2) for a provider of electronic communication service to record the fact that a wire or electronic communication was initiated or completed in order to protect the provider, another provider furnishing service toward the completion of the wire or electronic communication, or a user of that service, from fraudulent, unlawful, or abusive use of the service.

(g) It is not unlawful under sections 626A.01 to 626A.23 for a person not acting under color of law to intercept the radio portion of a cordless telephone communication that is transmitted between the cordless telephone handset and the base unit if the initial interception of the communication was obtained inadvertently.

(h) It is not unlawful under sections 626A.02 to 626A.21 for a person to use a caller identification service or device authorized by section 1."

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "amending Minnesota Statutes 1990, section 626A.02, subdivision 2;"

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

SECOND READING OF SENATE BILLS

S.F. Nos. 2336, 1880, 2385, 2307, 2094, 2310, 2028, 2257, 1982, 1991, 1710, 2354 and 1605 were read the second time.

SECOND READING OF HOUSE BILLS

H.F. No. 2259 was read the second time.

MOTIONS AND RESOLUTIONS

Mr. Dahl moved that the name of Mr. Marty be added as a co-author to S.F. No. 1898. The motion prevailed.

Mr. Merriam moved that the name of Mr. Waldorf be added as a co-author to S.F. No. 2103. The motion prevailed.

Mr. Morse moved that the name of Mr. Waldorf be added as a co-author to S.F. No. 2142. The motion prevailed.

Mr. Morse moved that the name of Mr. Waldorf be added as a co-author to S.F. No. 2146. The motion prevailed.

Mr. Finn moved that the name of Mr. Bernhagen be added as a co-author to S.F. No. 2249. The motion prevailed.

Ms. Traub moved that the name of Ms. Ranum be added as a co-author to S.F. No. 2436. The motion prevailed.

Mr. Kelly moved that the name of Mr. Merriam be added as a co-author to S.F. No. 2627. The motion prevailed.

Mrs. Benson, J.E. moved that the name of Ms. Ranum be added as a co-author to S.F. No. 2632. The motion prevailed.

Mr. Larson introduced—

Senate Resolution No. 124: A Senate resolution congratulating the Frazee-Vargas Hornets wrestling team on winning the 1992 Class A wrestling championship.

Referred to the Committee on Rules and Administration.

Messrs. Belanger and Riveness introduced—

Senate Resolution No. 125: A Senate resolution congratulating Bloomington Kennedy High School's Kolleens Danceline on winning the 1992 State High School Class AAAA danceline competition.

Referred to the Committee on Rules and Administration.

Mr. Dahl moved that S.F. No. 1982, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

CALENDAR

S.F. No. 1689: A bill for an act relating to insurance; property and casualty; regulating certain terminations and modifications or changes to certain agent agreements; modifying the definition of loss ratio experience; modifying membership in the board of review; amending Minnesota Statutes 1990, sections 60A.172; and 60A.177, subdivision 3.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1669: A bill for an act relating to watercraft; allowing towing of persons with personal watercraft equipped with rearview mirrors; amending Minnesota Statutes 1991 Supplement, section 86B.313, subdivision 1.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 2002: A bill for an act relating to community service; directing the Minnesota office on volunteer services to prepare a federal grant proposal.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1633: A bill for an act relating to the city of Bloomington; providing for the membership of the port authority; amending Minnesota Statutes 1990, section 469.071, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1854: A bill for an act relating to appropriations; clarifying the purposes for which a certain appropriation may be spent at Worthington community college.

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

So the bill passed and its title was agreed to.

H.F. No. 1827: A bill for an act relating to livestock diseases; modifying requirements for certain tests; providing for adoption of certain rules; amending Minnesota Statutes 1990, sections 35.245, subdivisions 1 and 2; and 35.251; proposing coding for new law in Minnesota Statutes, chapter 35; repealing Minnesota Statutes 1990, section 35.245, subdivision 1a.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

CONSENT CALENDAR

H.F. No. 1652: A resolution memorializing the Postmaster General to issue a postal stamp in commemoration of Wanda Gag, American Author and Illustrator.

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

The question was taken on the passage of the resolution.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Adkins	Day	Johnson, J.B.	Metzen	Renneke
Belanger	DeCramer	Johnston	Moe, R.D.	Riveness
Benson, D.D.	Dicklich	Kelly	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	Terwilliger
Bertram	Frederickson, D.R.	Lessard	Pappas	Vickerman
Brataas	Gustafson	Luther	Pariseau	Waldorf
Chmielewski	Halberg	Marty	Piper	
Cohen	Hottinger	McGowan	Price	
Dahl	Johnson, D.E.	Mehrkins	Ranum	
Davis	Johnson, D.J.	Merriam	Reichgott	

So the resolution passed and its title was agreed to.

S.F. No. 2210: A bill for an act relating to Ramsey county; providing for the certification of eligibles for county positions; amending Minnesota Statutes 1990, section 383A.291, by adding a subdivision.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

GENERAL ORDERS

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

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

S.F. Nos. 1919, 1638, 2227, 2011, 1773 and H.F. Nos. 2044, 1911 and 917, which the committee recommends to pass.

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

INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Ms. Berglin introduced—

S.F. No. 2650: A bill for an act relating to human services; providing for continuous eligibility for work readiness under certain conditions; extending eligibility duration; establishing a grant diversion program; changing penalties; amending Minnesota Statutes 1990, section 256D.101, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 256D.051, subdivisions 1 and 1a; and 256D.052, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 256D; repealing Minnesota Statutes 1990, section 256D.09, subdivision 3.

Referred to the Committee on Health and Human Services.

Mr. Samuelson introduced—

S.F. No. 2651: A bill for an act relating to the city of Garrison; establishing a dedicated fund to meet city expenses to pay for construction of a city sewer system; permitting a one percent local sales tax upon approval by the city council; providing for a sunset on the tax.

Referred to the Committee on Local Government.

Mr. Chmielewski introduced—

S.F. No. 2652: A bill for an act relating to Aitkin county; permitting a local liquor and restaurant tax.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Vickerman; Frederickson, D.R.; Solon; Morse and Merriam introduced—

S.F. No. 2653: A bill for an act relating to petroleum underground storage tanks; establishing a loan guarantee and interest reduction program; defining terms; providing for the establishment of underwriting standards; establishing a loan guarantee and interest reduction fund; authorizing rulemaking; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115C.

Referred to the Committee on Environment and Natural Resources.

Mr. Novak introduced—

S.F. No. 2654: A bill for an act relating to public safety; providing for membership on emergency response commission and regional review committees; requiring mining companies to comply with the hazardous chemical inventory reporting provisions of the federal emergency planning and community right to know act; amending Minnesota Statutes 1990, sections 299K.03, subdivisions 2 and 3; 299K.04, subdivision 1; and 299K.08, subdivision 2.

Referred to the Committee on Veterans and General Legislation.

Messrs. Sams, Larson and Moe, R.D. introduced—

S.F. No. 2655: A bill for an act relating to agriculture; making political subdivisions of the state eligible for reimbursement from the agricultural chemical response and reimbursement account; amending Minnesota Statutes 1990, section 18E.02, subdivision 5.

Referred to the Committee on Agriculture and Rural Development.

Mr. Neuville introduced—

S.F. No. 2656: A bill for an act relating to education; adding independent school district No. 392, Le Center, to those districts with certain additional capital bonding authority; amending Laws 1991, chapter 265, article 5, section 18.

Referred to the Committee on Education.

Mr. Chmielewski introduced—

S.F. No. 2657: A bill for an act relating to motor vehicles; providing for the appointment of a deputy registrar in the city of McGregor.

Referred to the Committee on Transportation.

Mr. Laidig introduced—

S.F. No. 2658: A bill for an act relating to commerce; unclaimed property; providing for the recovery of property by others; amending Minnesota

Statutes 1991 Supplement, section 345.485.

Referred to the Committee on Commerce.

Ms. Ranum introduced—

S.F. No. 2659: A bill for an act relating to education; placing certain positions in special school district No. 1, Minneapolis, in the unclassified service; amending Laws 1990, chapter 366, section 1, subdivision 2.

Referred to the Committee on Governmental Operations.

Mr. Marty introduced—

S.F. No. 2660: A bill for an act relating to public utilities; removing the public service member from the telecommunications access for communication-impaired persons board; amending Minnesota Statutes 1990, section 237.51, subdivisions 2 and 6.

Referred to the Committee on Governmental Operations.

Messrs. Marty and Moe, R.D. introduced—

S.F. No. 2661: A bill for an act relating to elections; prohibiting certain election campaign contributions; eliminating the taxpayer checkoff for election campaign financing; authorizing public campaign financing; decreasing campaign contribution limits; providing penalties; amending Minnesota Statutes 1990, sections 10A.17, subdivision 5; 10A.315; 10A.321, subdivision 2; 10A.323; and 10A.324, subdivision 1; Minnesota Statutes 1991 Supplement, sections 10A.065, subdivision 1; and 10A.27, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1990, sections 10A.065, subdivisions 2 and 4; 10A.25, subdivisions 1, 2, 2a, 3, 4, and 6; 10A.30, subdivision 1; 10A.31, subdivisions 1, 2, 3a, 4, 5, 6, 7, 8, 9, and 11; 10A.321, subdivision 1; 10A.322, subdivision 3; 10A.325; and 10A.335; Minnesota Statutes 1991 Supplement, sections 10A.065, subdivision 5; 10A.25, subdivisions 5, 7, and 10; 10A.30, subdivision 2, and 10A.31, subdivisions 3 and 10.

Referred to the Committee on Elections and Ethics.

Ms. Pappas and Mr. Luther introduced—

S.F. No. 2662: A bill for an act relating to commerce; regulating the real estate, education, research, and recovery fund; amending Minnesota Statutes 1990, section 82.34, subdivisions 3, 4, 7, 9, 11, 13, and 14; repealing Minnesota Statutes 1990, section 82.34, subdivision 20.

Referred to the Committee on Commerce.

Mr. Pogemiller introduced—

S.F. No. 2663: A bill for an act relating to consumer protection; trade regulations; prohibiting commercial telephone solicitation of residential subscribers who elect to not be solicited; setting a fee; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325G.

Referred to the Committee on Commerce.

Mr. Pogemiller introduced—

S.F. No. 2664: A bill for an act relating to taxation; extending the class 4a classification to property leased under certain lease-purchase programs; amending Minnesota Statutes 1991 Supplement, section 273.13, subdivision 25, as amended.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Vickerman, DeCramer and Ms. Pappas introduced—

S.F. No. 2665: A bill for an act relating to motor carriers; providing for the expiration of certificates and permits as regular and irregular route carriers of property, and for their conversion to class I certificates and class II permits; specifying operating authority granted by each class; restricting transfer of certain operating authority; prohibiting the lease of class I certificates and class II permits; specifying service that may be offered by courier service carriers; redefining the local cartage zone; increasing registration fees for vehicles of motor carriers; appropriating money; amending Minnesota Statutes 1990, sections 168.013, subdivision 1e; 221.011, subdivisions 7, 8, 9, 14, 25, 28, and by adding subdivisions; 221.036, subdivision 1; 221.041; 221.051; 221.061; 221.071, subdivision 1; 221.081; 221.111; 221.121, subdivisions 1, 6, 6a, and by adding subdivisions; 221.131, subdivisions 2 and 3; 221.141, subdivision 4; and 221.151, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1990, section 221.011, subdivisions 11 and 17.

Referred to the Committee on Transportation.

Ms. Reichgott introduced—

S.F. No. 2666: A bill for an act relating to crime; providing for life imprisonment without release for persons who commit first degree murder involving forcible criminal sexual conduct; amending Minnesota Statutes 1990, sections 244.05, subdivisions 4 and 5; and 609.184, subdivision 2.

Referred to the Committee on Judiciary.

Messrs. Hottinger, Mondale, Morse, Finn and Mrs. Benson, J.E. introduced—

S.F. No. 2667: A bill for an act relating to education; providing for consumer protection for SELF student loan recipients; proposing coding for new law in Minnesota Statutes, chapter 136A.

Referred to the Committee on Education.

Messrs. Moe, R.D.; Gustafson; Ms. Reichgott, Mr. Benson, D.D. and Ms. Flynn introduced—

S.F. No. 2668: A resolution memorializing the President and Congress to recognize Labor Day 1992 as "Help Yourself, Buy American Day."

Referred to the Committee on Rules and Administration.

Mr. Knaak introduced—

S.F. No. 2669: A bill for an act relating to education; requiring the consolidation of all independent school districts; amending Minnesota Statutes 1990, section 122.23, subdivision 16.

Referred to the Committee on Education.

Mr. Solon introduced—

S.F. No. 2670: A bill for an act relating to Duluth; authorizing the Spirit Mountain recreation area authority to engage in business activities outside the Spirit Mountain recreation area; amending Laws 1973, chapter 327, section 5, by adding a subdivision.

Referred to the Committee on Economic Development and Housing.

Messrs. Sams, Stumpf, Dicklich and Mehrkens introduced—

S.F. No. 2671: A bill for an act relating to education; requiring metric literacy training for teachers; appropriating money.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 2672: A bill for an act relating to the environment; modifying requirements relating to the use of refuse derived fuel; amending Minnesota Statutes 1991 Supplement, section 116.90.

Referred to the Committee on Environment and Natural Resources.

Mr. Stumpf introduced—

S.F. No. 2673: A bill for an act relating to education; changing computations for purposes of sparsity and supplemental revenue; amending Minnesota Statutes 1991 Supplement, section 124A.22, subdivisions 5 and 8.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 2674: A bill for an act relating to education; expanding the possibilities for qualifying as combining districts; amending Minnesota Statutes 1990, section 122.241, subdivision 3.

Referred to the Committee on Education.

Mr. Stumpf introduced—

S.F. No. 2675: A bill for an act relating to education; changing the computation for revenue reduction in certain cases; amending Minnesota Statutes 1991 Supplement, section 124A.26, subdivision 1.

Referred to the Committee on Education.

Mr. Pogemiller introduced—

S.F. No. 2676: A bill for an act relating to public finance; providing conditions and requirements for issuance of debt and for the financial obligations of authorities; exempting certain securities from registration requirements; defining acceptable securities for use by self-insurers for workers' compensation; amending Minnesota Statutes 1990, sections 80A.15, subdivision 1; 176.181, subdivision 2, and by adding subdivisions; 429.091, subdivision 2; and 469.015, subdivision 4; Minnesota Statutes 1991 Supplement, sections 469.155, subdivision 12; and 475.66, subdivision 3.

Referred to the Committee on Taxes and Tax Laws.

Mr. Berg introduced—

S.F. No. 2677: A bill for an act relating to taxation; imposing a tax on certain lawful gambling activities; recodifying certain provisions related to lawful gambling; imposing penalties; amending Minnesota Statutes 1990, sections 270.101, subdivision 1; 349.163, subdivision 5; 349.2123; 349.2125, subdivision 1; 349.2127, subdivision 3; and 349.22, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 297E; repealing Minnesota Statutes 1990, sections 349.166, subdivision 4; 349.212, as amended; 349.2121; 349.2122; 349.215; 349.2151; 349.2152; 349.216; 349.217; 349.2171; 349.218; and 349.219; and Minnesota Statutes 1991 Supplement, section 349.19, subdivision 9.

Referred to the Committee on Taxes and Tax Laws.

Mr. Berg introduced—

S.F. No. 2678: A bill for an act relating to game and fish; transportation of firearms in a motor vehicle; amending Minnesota Statutes 1990, section 97B.045.

Referred to the Committee on Environment and Natural Resources.

Mr. Berg introduced—

S.F. No. 2679: A bill for an act relating to game and fish; granting preference to elderly applicants for licenses or permits to take deer within a refuge; amending Minnesota Statutes 1990, section 97A.091, subdivision 2.

Referred to the Committee on Environment and Natural Resources.

Mr. Frederickson, D.J. introduced—

S.F. No. 2680: A bill for an act relating to taxation; providing a property tax exemption for secondary containment areas used to confine agricultural chemicals; amending Minnesota Statutes 1991 Supplement, section 272.02, subdivision 1.

Referred to the Committee on Taxes and Tax Laws.

Mr. Renneke introduced—

S.F. No. 2681: A bill for an act relating to education; establishing a method to focus on class sizes, curricula, and educational programs and services for students when negotiating teacher contracts; proposing coding for new

law in Minnesota Statutes, chapter 179A.

Referred to the Committee on Education.

Mr. Kelly introduced—

S.F. No. 2682: A bill for an act relating to employment; requiring compensation for employees for being on-call; proposing coding for new law in Minnesota Statutes, chapter 181.

Referred to the Committee on Employment.

Mr. Renneke introduced—

S.F. No. 2683: A bill for an act relating to retirement; permitting school boards in combining and consolidating districts to pay for health insurance for certain retired administrators; increasing retirement benefits for certain retired administrators in combining and consolidating school districts; amending Minnesota Statutes 1990, sections 275.125, by adding a subdivision; and 354.44, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 122.

Referred to the Committee on Governmental Operations.

Mr. Renneke introduced—

S.F. No. 2684: A bill for an act relating to education; allowing independent school district No. 424, Lester Prairie, to make a fund transfer.

Referred to the Committee on Education.

Messrs. Davis; Sams; Moe, R.D.; Renneke and Langseth introduced—

S.F. No. 2685: A bill for an act relating to agriculture; changing procedures for refunds of commodity promotion checkoff fees; amending Minnesota Statutes 1991 Supplement, section 17.63.

Referred to the Committee on Agriculture and Rural Development.

Ms. Berglin introduced—

S.F. No. 2686: A bill for an act relating to human services; requiring the commissioner to contract with a prepaid dental plan company to provide dental services to recipients of medical assistance, general assistance medical care, and the children's health plan; amending Minnesota Statutes 1990, section 256B.0625, subdivision 9.

Referred to the Committee on Health and Human Services.

Messrs. DeCramer, Dicklich and Dahl introduced—

S.F. No. 2687: A bill for an act relating to education; modifying the cooperative secondary facilities program; authorizing the sale of bonds; amending Minnesota Statutes 1990, sections 124.493, subdivision 1; 124.494, subdivisions 2 and 4; and 124.495; repealing Minnesota Statutes 1991 Supplement, section 124.493, subdivision 3.

Referred to the Committee on Education.

ADJOURNMENT

Mr. Moe, R.D. moved that the Senate do now adjourn until 2:00 p.m., Monday, March 16, 1992. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate