

## EIGHTY-FIFTH DAY

St. Paul, Minnesota, Thursday, March 26, 1992

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

### CALL OF THE SENATE

Mr. Luther 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. Ralph Johnson.

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

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

The President declared a quorum present.

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

### EXECUTIVE AND OFFICIAL COMMUNICATIONS

The following communications were received and referred to the committee indicated.

March 3, 1992

The Honorable Jerome Hughes  
President of the Senate

Dear Sir:

The following appointments are hereby respectfully submitted to the Senate for confirmation as requested by law:

## MINNESOTA HIGHER EDUCATION COORDINATING BOARD

Carl W. Cummins III, 2312 Nashua Lane, Mendota Heights, Ramsey County, Minnesota, has been appointed by me, effective March 4, 1992, for a term expiring on the first Monday in January, 1998.

Sharon L. Bailey-Bok, 1991 Sheridan Avenue South, Minneapolis, Hennepin County, Minnesota, has been appointed by me, effective March 4, 1992, for a term expiring on the first Monday in January, 1998.

Edward F. Zachary, 84 Saratoga Court, Winona, Winona County, Minnesota, has been appointed by me, effective March 4, 1992, for a term expiring on the first Monday in January, 1994.

(Referred to the Committee on Education.)

Warmest regards,  
Arne H. Carlson, Governor

March 25, 1992

The Honorable Dee Long  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1992 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 1992	Date Filed 1992
	1911	370	9:42 a.m. March 25	March 25

Sincerely,  
Joan Anderson Growe  
Secretary of State

## MESSAGES FROM THE HOUSE

Mr. President:

I have the honor to announce the passage by the House of the following Senate File, herewith returned: S.F. No. 1633.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 25, 1992

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 764, and repassed said bill in accordance with the report of the Committee, so adopted.

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

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 25, 1992

Mr. President:

I have the honor to announce that the House has adopted the recommendation and report of the Conference Committee on Senate File No. 1300, and repassed said bill in accordance with the report of the Committee, so adopted.

S.F. No. 1300: A bill for an act relating to agriculture; allowing exemption of certain garbage from requirements for feeding to livestock or poultry; amending Minnesota Statutes 1990, section 35.73, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 35.

Edward A. Burdick, Chief Clerk, House of Representatives

Returned March 25, 1992

Mr. President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 2225, 2287, 2769, 2924, 2046, 2438, 2640, 2137, 1350, 2341, 2752 and 1681.

Edward A. Burdick, Chief Clerk, House of Representatives

Transmitted March 25, 1992

### **FIRST READING OF HOUSE BILLS**

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

H.F. No. 2225: A bill for an act relating to retirement; St. Paul police relief association; authorizing retirees and surviving spouses to participate in relief association board elections and other governance issues; amending Laws 1955, chapter 151, section 1, subdivision 3, as amended.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2412, now on the Calendar.

H.F. No. 2287: A bill for an act relating to retirement; local police and salaried firefighter relief associations; eliminating eligibility for amortization state aid and supplementary amortization state aid for relief associations and consolidation accounts with no unfunded actuarial accrued liability; amending Minnesota Statutes 1991 Supplement, section 423A.02.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1970, now on the Calendar.

H.F. No. 2769: A bill for an act relating to retirement; providing for the

calculation of pension increases for the Virginia police relief association.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2531, now on the Calendar.

H.F. No. 2924: A bill for an act relating to licensure board powers; amending the examination procedure for licensing optometrists; amending Minnesota Statutes 1990, section 148.57, subdivision 1.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2486, now on General Orders.

H.F. No. 2046: A bill for an act relating to commerce; motor vehicle lienholders; requiring notice to certain secured creditors before the vehicle is sold; amending Minnesota Statutes 1990, section 514.20.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2437, now on the Calendar.

H.F. No. 2438: A bill for an act relating to retirement; individual retirement account plan; expanding plan coverage to include certain higher education employees; amending Minnesota Statutes 1990, sections 136.88, subdivision 1; 352C.033; 352D.02, subdivisions 1 and 1a; 352D.03; 354B.01, subdivision 2, and by adding subdivisions; 354B.015; 354B.02, subdivisions 1, 4, and by adding subdivisions; 354B.03, by adding a subdivision; 354B.04, subdivision 1; and 354B.05, subdivision 1; Minnesota Statutes 1991 Supplement, section 354B.04, subdivision 2; repealing Laws 1986, chapter 458, section 36.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2367, now on General Orders.

H.F. No. 2640: A bill for an act relating to occupations and professions; elevators and boilers; providing that boilers used for mint oil extraction are considered to be used for agricultural or horticultural purposes; amending Minnesota Statutes 1991 Supplement, section 183.56.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2408, now on the Calendar.

H.F. No. 2137: A bill for an act relating to retirement; the Minnesota state retirement system and the public employees retirement association; making various changes to administration, benefits, and investment practices; amending Minnesota Statutes 1990, sections 352.01, subdivision 2b; 352.029, subdivisions 1 and 2; 352.113, subdivisions 1, 3, 4, and 10; 352.12, subdivision 1; 352.22, subdivision 3; 352D.12; 353.01, subdivision 28; 353.27, subdivision 10; 353.29, subdivision 7; 353.33, subdivisions 1, 6, 6a, and 6b; 353.34, subdivision 2; 353.65, subdivision 1; 353.656, subdivision 5; 353.659; 353.68, subdivision 4; 353A.02, subdivision 12; 353A.04, subdivision 2; 353A.05, subdivision 3; 353A.07, subdivision 3; 353A.08, subdivision 6, and by adding a subdivision; 353A.09, subdivision 1; 353A.10, subdivision 4, and by adding a subdivision; 356.30, subdivision 1; 356.302, subdivision 6; 356.303, subdivision 3; 490.124, subdivision 11; Minnesota Statutes 1991 Supplement, sections 353.01, subdivisions 2b, 16, and 20; 353.27, subdivisions 12 and 12b; 353.31, subdivision 1; 353.32, subdivision 1a; 353.64, subdivision 5a; 353.657, subdivisions 1, 2, and 2a; 353A.03; 353A.06; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.04, subdivision 1; 353D.05, subdivisions 2 and 3; 353D.07, subdivisions 2 and 3; 353D.12, subdivision 1; Laws 1990, chapter 570, article 8, section 14, subdivision 1, as amended; Laws 1991, chapter 269, article

2, section 13; proposing coding for new law in Minnesota Statutes, chapter 353; repealing Minnesota Statutes 1990, sections 352.029, subdivision 4; 353.656, subdivision 7; and 353.71, subdivision 3.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2048.

H.F. No. 1350: A bill for an act relating to retirement; major and statewide retirement plans; crediting service and salary when back pay is awarded in the event of a wrongful discharge; proposing coding for new law in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1991 Supplement, section 353.27, subdivision 5a.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1139, now on the Calendar.

H.F. No. 2341: A bill for an act relating to transportation; authorizing nonoperating assistance for public transit service; amending Minnesota Statutes 1990, section 174.24, subdivisions 3, 5, and by adding subdivisions; repealing Minnesota Statutes 1990, section 174.245.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1914, now on the Calendar.

H.F. No. 2752: A bill for an act relating to commerce; trade practices; prohibiting certain practices by recreational equipment manufacturers; proposing coding for new law in Minnesota Statutes, chapter 325E.

Referred to the Committee on Commerce.

H.F. No. 1681: A bill for an act relating to commerce; regulating data collection, enforcement powers, premium finance agreements, temporary capital stock of mutual life companies, surplus lines insurance, conversion privileges, coverages, rehabilitations and liquidations, the comprehensive health insurance plan, and claims practices; requiring insurers to notify all covered persons of cancellations of group coverage; regulating continuation privileges and automobile premium surcharges; regulating unfair or deceptive practices; regulating insurance agent licensing and education; carrying out the intent of the legislature to make uniform the statutory service of process provisions under the jurisdiction of the department of commerce; permitting the sale of credit unemployment insurance on the same basis as other credit insurance; requiring consumer disclosures; specifying minimum loss ratios for credit insurance; making various technical changes; amending Minnesota Statutes 1990, sections 45.012; 45.027, by adding subdivisions; 45.028, subdivision 1; 47.016, subdivision 1; 48.185, subdivisions 4 and 7; 56.125, subdivision 3; 56.155, subdivision 1; 59A.08, subdivisions 1 and 4; 59A.11, subdivisions 2 and 3; 59A.12, subdivision 1; 60A.02, subdivision 7, and by adding a subdivision; 60A.03, subdivision 2; 60A.07, subdivision 10; 60A.12, subdivision 4; 60A.17, subdivision 1a; 60A.1701, subdivisions 3 and 7; 60A.19, subdivision 4; 60A.201, subdivisions 1 and 4; 60A.203; 60A.206, subdivision 3; 60A.21, subdivision 2; 60B.03, by adding a subdivision; 60B.15; 60B.17, subdivision 1; 62A.10, subdivision 1; 62A.146; 62A.17, subdivision 2; 62A.21, subdivisions 2a and 2b; 62A.30, subdivision 1; 62A.41, subdivision 4; 62A.54; 62B.01; 62B.02, by adding a subdivision; 62B.03; 62B.04, subdivision 2; 62B.05; 62B.06, subdivisions 1, 2, and 4; 62B.07, subdivisions 2 and 6; 62B.08, subdivisions 1, 3, and 4; 62B.09, subdivisions 1 and 2; 62B.11; 62C.142, subdivision 2a; 62C.17, subdivision 5; 62D.101, subdivision 2a; 62D.22, subdivision 8; 62E.02, subdivision 23; 62E.11, subdivision 9; 62E.14, by adding a

subdivision; 62E.15, subdivision 4, and by adding subdivisions; 62E.16; 62H.01; 64B.33; 64B.35, subdivision 2; 65B.133, subdivisions 4, 7, and by adding a subdivision; 70A.11, subdivision 1; 71A.02, subdivision 3; 72A.07; 72A.125, subdivision 2; 72A.20, subdivision 27, and by adding a subdivision; 72A.201, subdivision 3; 72A.22, subdivision 5; 72A.37, subdivision 2; 72A.43, subdivision 2; 72B.02, by adding a subdivision; 72B.03, subdivision 2; 72B.04, subdivision 6; 80A.27, subdivisions 7 and 8; 80C.20; 82.31, subdivision 3; 82A.22, subdivisions 1 and 2; 83.39, subdivisions 1 and 2; 270B.07, subdivision 1; and 543.08; Minnesota Statutes 1991 Supplement, sections 45.027, subdivisions 1, 2, 5, 6, and 7; 52.04, subdivision 1; 60A.13, subdivision 3a; 60D.15, subdivision 4; 60D.17, subdivision 4; 62E.10, subdivision 9; 62E.12; 72A.061, subdivision 1; 72A.201, subdivision 8; and 82B.15, subdivision 3; Laws 1991, chapter 233, section 111; proposing coding for new law in Minnesota Statutes, chapters 60A; 62A; 62B; and 62I; proposing coding for new law as Minnesota Statutes, chapter 60K; repealing Minnesota Statutes 1990, sections 60A.05; 60A.051; 60A.17, subdivisions 1, 1a, 1b, 1c, 2c, 2d, 3, 5, 5b, 6, 6b, 6c, 6d, 7a, 8, 8a, 9a, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21; 65B.70; and 72A.13, subdivision 3; Minnesota Statutes 1991 Supplement, section 60A.17, subdivision 1d.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 2212.

## REPORTS OF COMMITTEES

Mr. Moe, R.D. moved that the Committee Reports at the Desk be now adopted, with the exception of the reports on S.F. Nos. 1879 and 2533. The motion prevailed.

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2137: A bill for an act relating to nursing homes; defining a residential hospice facility; modifying hospice program conditions; amending Minnesota Statutes 1990, section 144A.48, subdivision 1, and by adding a subdivision.

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

Page 2, line 34, delete "or"

Page 3, delete line 4 and insert:

*"(ii) for purposes of the state building code and state uniform fire code, the facility meets group R, division 3, occupancy requirements for six or less persons and group R, division 1, occupancy requirements for seven to eight persons; and*

*(3) in compliance with the fire protection provisions of chapter 21 of the 1988 Life Safety Code, NFPA 101, for facilities housing persons with impractical evacuation capabilities, as a minimum.*

### Sec. 3. [LICENSURE LIMITATION.]

*For the fiscal year ending June 30, 1993, the commissioner of health may license up to 15 residential hospice programs under section 2. The commissioner shall report to the legislature by March 1, 1993, on the number*

*of residential hospice programs that have been licensed or applied for licensure under section 2, their geographic location, and any financial information available to the commissioner. The report shall include a recommendation from the commissioner. The report shall include a recommendation from the commissioner on the need to continue limiting the number of licensed residential hospice programs."*

Amend the title as follows:

Page 1, line 4, after "conditions;" insert "limiting the number of residential hospice facilities; requiring a report;"

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

Mr. Metzen from the Committee on Economic Development and Housing, to which was referred

S.F. No. 2691: A bill for an act relating to economic development; changing the name of the export finance authority to Minnesota trading company; increasing the size of the board of directors and changing the composition; changing the financing terms; amending Minnesota Statutes 1990, section 116J.9763, subdivisions 2, 6, and 7.

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 116J.9673, subdivision 2, is amended to read:

Subd. 2. [BOARD OF DIRECTORS.] The governor shall appoint ~~six~~ *seven* members to the authority's board of directors. ~~The~~ *Six* members shall be knowledgeable in international finance, exporting, or international law *and one member shall represent a company specializing in agricultural trade.*

The commissioner of the department of trade and economic development shall be chair of the board. Membership, terms, compensation and removals are governed by section 15.0575. Board members shall perform their duties in a non-self-serving manner and in compliance with section 10A.07.

Sec. 2. Minnesota Statutes 1990, section 116J.9673, subdivision 7, is amended to read:

Subd. 7. [INSURANCE AND GUARANTEES.] The finance authority may provide insurance and guarantees to the following extent:

(1) The finance authority may ~~not~~ provide to any one person insurance or guarantees ~~in excess of \$250,000 for preexport transactions and \$250,000 or for postexport transactions.~~ When insuring, coinsuring, or guaranteeing the postexport portion of transactions, the finance authority shall retain not more than ten percent of the commercial risk, or alternatively, the normal and standard deductible of the insurance policy.

(2) The policy of the finance authority is to provide insurance and guarantees for export credits that would otherwise not be made and that the chair and the board deem to represent a reasonable risk and have a sufficient likelihood of repayment.

(3) The finance authority shall contract with, among others, the Foreign Credit Insurance Association, the United States Export-Import Bank, and private insurers to secure insurance or reinsurance for country and commercial risks for the finance authority's insurance program. The finance

(4) Losses incurred by the finance authority that relate to its insurance or guarantee activities shall be solely borne by the finance authority to the extent of its capital and reserves.

Sec. 3. [APPROPRIATION.]

*\$ . . . . . is appropriated to the commissioner of trade and economic development for the export finance authority working capital account. The sum is available until expended."*

Amend the title as follows:

Page 1, line 2, delete "changing the name of"

Page 1, delete line 3

Page 1, line 4, delete "company;" and after "directors" insert "of the export finance authority"

Page 1, line 6, after "terms;" insert "appropriating money;"

Page 1, line 7, delete ", 6,"

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. 2048: A bill for an act relating to retirement; the Minnesota state retirement system and the public employees retirement association; making various changes to administration, benefits, and investment practices; amending Minnesota Statutes 1990, sections 352.01, subdivision 2b; 352.029, subdivisions 1 and 2; 352.113, subdivisions 1, 3, 4, and 10; 352.12, subdivision 1; 352.22, subdivision 3; 352D.12; 353.01, subdivision 28; 353.27, subdivision 10; 353.29, subdivision 7; 353.33, subdivisions 1, 6, 6a, and 6b; 353.34, subdivision 2; 353.65, subdivision 1; 353.656, subdivision 5; 353.659; 353.68, subdivision 4; 353A.02, subdivisions 12 and 28; 353A.04, subdivision 2; 353A.05, subdivision 3; 353A.07, subdivision 3; 353A.08, subdivision 6, and by adding a subdivision; 353A.09, subdivision 1; 353A.10, subdivision 4, and by adding a subdivision; 356.30, subdivision 1; 356.302, subdivision 6; 356.303, subdivision 3; 490.124, subdivision 11; Minnesota Statutes 1991 Supplement, sections 353.01, subdivisions 2b, 16, and 20; 353.27, subdivisions 12 and 12b; 353.31, subdivision 1; 353.32, subdivision 1a; 353.64, subdivision 5a; 353.657, subdivisions 1, 2, and 2a; 353A.03; 353A.06; 353D.01, subdivision 2; 353D.02; 353D.03; 353D.04, subdivision 1; 353D.05, subdivisions 2 and 3; 353D.07, subdivisions 2 and 3; 353D.12, subdivision 1; and Laws 1990, chapter 570, article 8, section 14, subdivision 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 353; repealing Minnesota Statutes 1990, sections 352.029, subdivision 4; and 353.656, subdivision 7.

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



Page 11, line 21, after “in” insert “the year in”

Page 23, line 14, after “lump-sum” insert “refund” and after “payment” insert “under section 353.32, subdivision 1, if provided for in a marriage dissolution decree”

Page 23, delete lines 15 and 16 and insert “even if required by the decree.”

Page 24, line 2, delete “of” and insert “or”

Page 24, line 3, after “lump-sum” insert “refund” and after “payment” insert “under subdivision 1 if provided for in a marriage dissolution decree”

Page 28, line 9, after “lump-sum” insert “refund” and after “payment” insert “under section 353.32, subdivision 1, if provided for in a marriage dissolution decree”

Page 28, line 22, delete the second “the” and insert “that member’s”

Page 29, line 14, after “lump-sum” insert “refund” and after “payment” insert “under section 353.32, subdivision 1, if provided for in a marriage dissolution decree”

Page 31, delete section 26

Page 33, line 33, after “commission,” insert “the executive director of the public employees retirement association.”

Page 51, after line 25, insert:

“Sec. 49. Laws 1991, chapter 269, article 2, section 13, is amended to read:

Sec. 13. [EFFECTIVE DATE.]

(a) Sections 1 to 11 are effective the day following final enactment.

Section 12 is effective for the former relief associations of the city of Chisholm the day following approval by the Chisholm city council and upon compliance with Minnesota Statutes, section 645.021. Section 12 is effective for the former relief associations of the city of Hibbing the day following approval by the Hibbing city council and upon compliance with Minnesota Statutes, section 645.021.

(b) The elimination of the surviving spouse benefit discontinuation requirement provided for in sections 1 to 11 also applies to any surviving spouse receiving a surviving spouse benefit on the date of final enactment of the act ~~and, to the potential surviving spouses of active, deferred or retired plan members who have that status on the effective date of the change. Sections 1 to 11 do not apply to, and to persons who formerly were receiving surviving spouse benefits and had those benefits discontinued by virtue of a remarriage and may not be considered to. Sections 1 to 11 do not authorize the payment of any retroactive survivor benefit amounts to any person or to an estate, except that a person who was formerly receiving surviving spouse benefits from the public employees retirement association and who had those benefits discontinued by virtue of remarriage prior to July 1, 1991 is eligible to receive benefit amount payments retroactive to July 1, 1991 or 12 months prior to the month in which application for benefits is received in the office of the association, whichever is sooner.~~

Page 51, line 36, delete “section” and insert “sections” and delete “is” and insert “; and 353.71, subdivision 3, are”

Page 52, line 3, delete "and 7 to" and insert ", 7 to 48, 50, and"

Page 52, line 4, after the second period, insert "Section 49 is effective July 1, 1992."

Renumber the sections of article 2 in sequence

Amend the title as follows:

Page 1, lines 13 and 14, delete "subdivisions 12 and 28" and insert "subdivision 12"

Page 1, line 27, delete the second "and"

Page 1, line 29, after the semicolon, insert "and Laws 1991, chapter 269, article 2, section 13;"

Page 1, line 31, delete "and"

Page 1, line 32, before the period, insert "and 353.71, subdivision 3"

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

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

S.F. No. 589: A bill for an act relating to occupations and professions; establishing a board of nutrition and dietetics practice; requiring nutritionists and dietitians to be licensed; establishing licensing requirements and exemptions; authorizing rulemaking; providing penalties; appropriating money; amending Minnesota Statutes 1990, section 214.01, subdivision 2; and Minnesota Statutes 1991 Supplement, section 214.04, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 148.

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

Delete everything after the enacting clause and insert:

"Section 1. [148.621] [DEFINITIONS.]

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

*Subd. 2. [ACCREDITED COLLEGE OR UNIVERSITY.] "Accredited college or university" means a college or university regionally accredited by the council on post-secondary accreditation.*

*Subd. 3. [ASSOCIATION.] "Association" means the American Dietetic Association.*

*Subd. 4. [COUNCIL.] "Council" means the advisory council of nutrition and dietetics practice.*

*Subd. 5. [COMMISSION.] "Commission" means the Commission on Dietetic Registration that is a member of the National Commission on Health Certifying Agencies, which national commission establishes national standards of competence for individuals participating in the health care delivery system.*

*Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of health.*

*Subd. 7. [DIETITIAN.] "Dietitian" means an individual who engages in nutrition or dietetics practice.*

*Subd. 8. [NUTRITIONIST.] "Nutritionist" means an individual who engages in nutrition or dietetics practice.*

*Subd. 9. [NUTRITION OR DIETETICS PRACTICE.] "Nutrition or dietetics practice" means the integration and application of scientific principles of food, nutrition, biochemistry, physiology, food management, and behavioral and social sciences to achieve and maintain human health through the provision of nutrition care services.*

*Subd. 10. [NUTRITION CARE SERVICES.] "Nutrition care services" means at least one of the following:*

- (1) assessment of the nutritional needs of individuals or groups;*
- (2) establishment of priorities, goals, and objectives to meet nutritional needs;*
- (3) provision of nutrition counseling for both normal and therapeutic needs;*
- (4) development, implementation, and management of nutrition care services; or*
- (5) evaluation, adjustment, and maintenance of appropriate standards of quality in nutrition care.*

*Subd. 11. [NUTRITIONAL ASSESSMENT.] "Nutritional assessment" means the evaluation of the nutritional needs of individuals or groups based on appropriate biochemical, anthropometric, physical, and dietary data to determine nutrient needs and recommend appropriate nutritional intake.*

*Subd. 12. [NUTRITION COUNSELING.] "Nutrition counseling" means advising and assisting individuals or groups on appropriate nutritional intake by integrating information from the nutritional assessment with information on food and other sources of nutrients and meal preparation consistent with cultural background and socioeconomic status.*

*Subd. 13. [PERSON.] "Person" means an individual, corporation, partnership, or other legal entity.*

**Sec. 2. [148.622] [ADVISORY COUNCIL OF NUTRITION AND DIETETICS PRACTICE.]**

*Subdivision 1. [CREATION; DUTIES.] The state advisory council of nutrition and dietetics practice consists of seven members appointed by the governor. The council shall advise the commissioner on all matters related to the administration of sections 1 to 14.*

*Subd. 2. [MEMBERSHIP] Members of the advisory council must have been residents of the state of Minnesota for two years immediately preceding appointment and must represent various geographic areas of the state and various employment settings, as required by this section. Two members must be dietitians with at least three years of dietetics practice in Minnesota. Two members must be nutritionists with at least three years of nutrition practice in Minnesota. The professional members first appointed need not be certified under this chapter for appointment to their first terms on the advisory council, but must possess the qualifications necessary for certification under this chapter. Three other members must be public members*

*as defined under section 214.02. Two of the public members must be consumers of nutrition care services or caregivers of those utilizing such services.*

*Subd. 3. [MEMBERSHIP TERMS; OFFICERS; QUORUM; EXPENSES.] (a) Members must be appointed for staggered terms of six years, with terms beginning August 1 of each odd-numbered year. Members of the advisory council serve until the expiration of the term to which they have been appointed or until their successors have qualified. A person may not be appointed to serve more than two consecutive terms.*

*(b) The council shall organize annually and select a chair and vice-chair. The initial chair must be an individual who is qualified for certification under sections 1 to 14. After January 1, 1993, the chair must hold a valid certificate issued under sections 1 to 14.*

*(c) Four members of the advisory council, including two professional members and two public members, constitute a quorum to do business.*

*(d) The advisory council shall hold at least two regular meetings each year. Additional meetings may be held at the call of the chair or at the written request of any three members of the advisory council. At least 14 days' written advance notice of the advisory council meeting is required.*

*(e) Advisory council members receive compensation for their services in accordance with section 15.059.*

**Sec. 3. [148.623] [DUTIES OF THE COMMISSIONER.]**

*The commissioner shall:*

- (1) adopt rules necessary to administer and enforce sections 1 to 14;*
- (2) administer, coordinate, and enforce sections 1 to 14;*
- (3) evaluate the qualifications of applicants;*
- (4) issue subpoenas, examine witnesses, and administer oaths;*
- (5) conduct hearings and keep records and minutes necessary to the orderly administration of sections 1 to 14;*
- (6) investigate persons engaging in practices that violate sections 1 to 14; and*
- (7) adopt rules under chapter 14 prescribing a code of ethics for certificate holders.*

**Sec. 4. [148.624] [CERTIFICATION; RENEWAL.]**

*Subdivision 1. [DIETETICS.] The commissioner shall issue a certificate as a dietitian to any person who files a completed application, pays all required fees, and furnishes evidence satisfactory to the commissioner that the applicant:*

- (1) meets the following qualifications:*
  - (i) has received a baccalaureate or postgraduate degree from an accredited college or university;*
  - (ii) has completed a major course of study in dietetics that is accredited or approved by the association, or has completed academic credits sufficient to meet the current requirements to be eligible to write the registration examination of the commission;*

(iii) has completed a professional experience component in dietetic practice accredited or approved by the commission; and

(iv) has successfully completed the registration examination for dietitians administered by the commission; or

(2) has a valid current registration with the commission which gives the applicant the right to use the term "registered dietitian" or "R.D."

*Subd. 2. [NUTRITION.] The commissioner shall issue a certificate as a nutritionist to any person who files a completed application, pays all required fees, and certifies and furnishes evidence satisfactory to the commissioner that the applicant:*

*(1) meets the following qualifications:*

*(i) has received a master's or doctoral degree from an accredited or approved college or university with a major in human nutrition, public health nutrition, clinical nutrition, nutrition education, community nutrition, or foods and nutrition; and*

*(ii) has completed a professional experience component in nutrition practice beyond the undergraduate level, at a level of professional responsibility at least equivalent to that of a certified dietitian, of not less than 900 hours under the supervision of a certified dietitian, certified nutritionist, or registered dietitian after completion of academic training; or*

*(2) has qualified as a diplomate of the American Board of Nutrition, Springfield, Virginia.*

*Subd. 3. [PETITION.] The commissioner may issue a certificate as a nutritionist to any person who submits to the commissioner a petition for individual review, provided the person has received a master's or doctoral degree from an accredited college or university with a major course of study that includes an emphasis in human nutrition, and has completed a professional experience component in nutrition practice beyond the undergraduate level, at a level of professional responsibility at least equivalent to that of a certified dietitian, of not less than 900 hours under the supervision of a certified dietitian, certified nutritionist, or registered dietitian after completion of academic training. The commissioner may issue a certificate as a nutritionist or dietitian to any person who has completed a course of study at a foreign college or university, provided that (1) the person submits a petition for individual review, (2) the commissioner determines that the person's course of study was at least as rigorous as a course of study that would otherwise qualify under this section, and (3) the person has met the applicable experiential requirements.*

*Subd. 4. [RENEWAL.] Certificate holders shall renew certificates at the time and in the manner established by the rules of the commissioner.*

**Sec. 5. [148.625] [APPLICATION.]**

*A person desiring a certificate under sections 1 to 14 shall apply to the commissioner on a form and in the manner the commissioner prescribes. The application must be accompanied by an application fee in an amount determined by the commissioner.*

**Sec. 6. [148.626] [CONTINUING EDUCATION REQUIRED.]**

*Within three years of the effective date of sections 1 to 14, renewal of a*

*certificate is contingent on the applicant's meeting uniform continuing education requirements to be established by the commissioner. Notice of initial or amended continuing education requirements must be sent to all persons certified under sections 1 to 14 at least 12 months before a person's certificate renewal is dependent on satisfaction of those requirements. Continuing education requirements must be sent to new applicants with the forms on which they are to apply for certification.*

**Sec. 7. [148.627] [TRANSITION PERIOD.]**

*Subdivision 1. [DIETITIANS.] For one year after the effective date of rules adopted by the commissioner under section 3, the commissioner shall issue a certificate as a dietitian to any applicant who is a qualified dietitian as defined by the division of health resources of the department of health and has practiced nutrition or dietetics in good standing for the equivalent of one year full time during the last five years.*

*Subd. 2. [NUTRITIONISTS.] For one year after the effective date of rules adopted by the commissioner under section 3, the commissioner shall issue a certificate as a nutritionist to any applicant who has received a qualifying master's or doctoral degree and has practiced nutrition or dietetics in good standing for the equivalent of one year during the last five years.*

**Sec. 8. [148.628] [RECIPROCITY.]**

*The commissioner may issue a certificate to an applicant who is certified as a dietitian or nutritionist in another state or the District of Columbia, provided that in the judgment of the commissioner the standards for certification in that state are not less stringent than the requirements set forth in sections 1 to 14.*

**Sec. 9. [148.629] [DENIAL, SUSPENSION, OR REVOCATION.]**

*Subdivision 1. [GROUNDS.] The commissioner may refuse to renew or to grant a certificate to, or may suspend, revoke, or restrict the certificate of an individual who the commissioner, after a hearing under the contested case provisions of chapter 14, determines:*

*(1) is incompetent to engage in nutrition or dietetic practice, or is found to be engaged in nutrition or dietetic practice in a manner harmful or dangerous to a client or to the public;*

*(2) has violated the rules of the commissioner or the statutes the commissioner is empowered to enforce;*

*(3) has obtained or attempted to obtain a certificate or certificate renewal by bribery or fraudulent representation; or*

*(4) has knowingly made a false statement on a form required by the commissioner for a certificate or certificate renewal.*

*Subd. 2. [RESTORING CERTIFICATE.] For reasons the commissioner finds sufficient, the commissioner may grant a certificate previously refused, restore a certificate that has been revoked, or reduce a period of suspension or restriction of a certificate.*

*Subd. 3. [REVIEW.] Suspension, revocation, or restriction of a certificate must be reviewed by the commissioner at the request of the certificate holder against whom the disciplinary action was taken.*

**Sec. 10. [148.630] [CERTIFICATE REQUIRED.]**

*No person may use the title "nutritionist" or "dietitian" or any title deemed equivalent by the commissioner unless certified by the commissioner as a nutritionist or dietitian, respectively, nor shall any person hold out as a nutritionist or dietitian unless so certified.*

Sec. 11. [148.631] [PENALTY.]

*Any person who violates sections 1 to 14 is guilty of a misdemeanor.*

Sec. 12. [148.632] [EXEMPTIONS; VOLUNTARY CERTIFICATION.]

*Subdivision 1. [PERSONS EXCEPTED FROM THE CERTIFICATION REQUIREMENT.] Nothing in sections 1 to 14 prevents or restricts the activities of:*

*(1) any person pursuing a degree in nutrition or dietetics at an accredited college or university who is practicing under the supervision of a certified dietitian or certified nutritionist and in accordance with accepted scientific knowledge and standards of practice, provided that the person is designated by a title which clearly indicates the person's status as a student or trainee;*

*(2) any person in the process of fulfilling the professional experience requirements in nutrition or dietetics necessary for certification who is practicing under the supervision of a certified dietitian or certified nutritionist and in accordance with accepted scientific knowledge and standards of practice, provided that the person is designated by a title which clearly indicates the person's status as a trainee;*

*(3) any person licensed to practice medicine, nursing, pharmacy, dentistry, or chiropractic, if the person is practicing within the scope of the person's profession and in accordance with accepted scientific knowledge and standards of practice in nutrition or dietetics and the person does not hold out as a nutritionist or dietitian unless so certified;*

*(4) any person, including a registered dietetic technician, dietetic technician, or other paraprofessional working in a program supervised by a certified dietitian or nutritionist, if the person's activities are within the scope of the person's education and training and in accordance with accepted scientific knowledge and standards of practice in nutrition or dietetics and the person does not hold out as a nutritionist or dietitian unless so certified;*

*(5) the practice of nutrition services by a person who provides weight control services, provided the nutrition program has been reviewed by, consultation is available from, and no program change can be initiated without prior approval of, an individual certified under this act, a dietitian certified in another state that has certification requirements considered by the board to be at least as stringent as the requirements for certification under this act, or a registered dietitian;*

*(6) any home economist with a baccalaureate or graduate degree from an accredited college or university, if the person's activities are within the scope of the person's education and training and in accordance with accepted scientific knowledge and standards of practice and the person does not hold out as a nutritionist or dietitian;*

*(7) any educator employed by a federal, state, county, or municipal agency, elementary or secondary school, accredited institution of higher education, or nonprofit agency, if the person's activities are within the scope of the person's position, education, and training and the person does not hold out as a nutritionist or dietitian unless so certified;*

*(8) any person with a baccalaureate or graduate degree from an accredited college or university who provides general nutrition information, provided that the person does not practice nutrition or dietetics or hold out as a nutritionist or dietitian unless so certified;*

*(9) a person engaged in the free dissemination of information relating to nutrition, including a person conducting a class or seminar or giving a speech, provided that the person is not represented to be a dietitian or nutritionist;*

*(10) a person who markets or distributes health products, including food, food materials, or dietary supplements, and who provides oral or written nutritional information to individuals or groups in conjunction with sale of those products, provided that the person's activities are subject to state and federal laws; or*

*(11) any animal nutritionist who does not meet the requirements of sections 1 to 14, provided that the person's activities are limited to the nutritional care of animals. Animal nutritionists may continue to use the title nutritionist so long as they provide nutrition services only to animals.*

*Subd. 2. [VOLUNTARY CERTIFICATION.] The certification of persons employed by hospitals and nursing homes licensed under chapters 144 and 144A is voluntary. Nothing in sections 1 to 14 prevents or restricts the activities of persons employed by these institutions.*

**Sec. 13. [148.634] [DISPOSITION OF FUNDS.]**

*Money received by the commissioner under sections 1 to 12 must be credited to the health occupations licensing account within the state government special revenue fund.*

**Sec. 14. [INITIAL APPOINTMENTS.]**

*Notwithstanding section 2, subdivision 3, the terms of the initial members of the advisory council of nutrition and dietetics practice must be determined by lot so that:*

*(1) three members are appointed to terms ending July 31, 1997;*

*(2) two members are appointed to terms ending July 31, 1995; and*

*(3) two members are appointed to terms ending July 31, 1993.*

**Sec. 15. [APPROPRIATION.]**

*\$ . . . . . is appropriated from the state government special revenue fund to the commissioner of health for the purposes of sections 1 to 14, to be available until June 30, 1993.*

**Sec. 16. [EFFECTIVE DATE.]**

*Sections 2, 3, and 15 are effective July 1, 1992. The remaining sections are effective 30 days after the effective date of rules adopted by the commissioner of health under section 3."*

Delete the title and insert:

*"A bill for an act relating to occupations and professions; establishing an advisory council of nutrition and dietetics practice; requiring nutritionists and dietitians to be certified; establishing certification requirements and exemptions; authorizing rulemaking; providing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 148."*



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

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

S.F. No. 1847: A bill for an act relating to crime; clarifying certain law enforcement powers; making technical corrections to the eligibility criteria for possession of a pistol; increasing penalties for the unlawful carrying of a pistol without a permit; amending Minnesota Statutes 1990, sections 169.98, subdivision 1a; 299D.06; 624.713, subdivision 1; and 624.714, subdivision 1.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1990, section 169.98, subdivision 1a, is amended to read:

Subd. 1a. [VEHICLE STOPS.] ~~Except as otherwise permitted under sections 221.221 and 299D.06,~~ Only a person who is licensed as a peace officer, constable, or part-time peace officer under sections 626.84 to section 626.863 may use a motor vehicle governed by subdivision 1 to stop a vehicle as defined in section 169.01, subdivision 2.

Sec. 2. Minnesota Statutes 1990, section 299D.06, is amended to read:  
299D.06 [INSPECTIONS; WEIGHING.]

Personnel to enforce the laws relating to motor vehicle equipment, school bus equipment, drivers license, motor vehicle registration, motor vehicle size and weight, and motor vehicle petroleum tax, to enforce public utilities commission rules relating to motor carriers, to enforce pollution control agency rules relating to motor vehicle noise abatement, and to enforce laws relating to directing the movement of vehicles shall be classified employees of the commissioner of public safety assigned to the division of state patrol. Employees engaged in these duties, while actually on the job during their working hours only, shall have power to ~~arrest~~ *issue citations in lieu of arrest and continued detention* and to prepare notices to appear in court for violation of these laws and rules, in the manner provided in section 169.91, *subdivision 3*. They shall not be armed and shall have none of the other powers and privileges reserved to peace officers.

Sec. 3. Minnesota Statutes 1990, section 609.5314, subdivision 1, is amended to read:

Subdivision 1. [PROPERTY SUBJECT TO ADMINISTRATIVE FORFEITURE; PRESUMPTION.] (a) The following are presumed to be subject to administrative forfeiture under this section:

(1) all money, precious metals, and precious stones found in proximity to:

(i) controlled substances;

(ii) forfeitable drug manufacturing or distributing equipment or devices;  
or

(iii) forfeitable records of manufacture or distribution of controlled substances; ~~and~~

(2) all conveyance devices containing controlled substances with a retail value of \$100 or more if possession or sale of the controlled substance would be a felony under chapter 152; and

(3) all firearms, ammunition, and firearm accessories found:

(i) in a conveyance device used or intended for use to commit or facilitate the commission of a felony offense involving a controlled substance;

(ii) on or near a person from whom a felony amount of controlled substance is seized; or

(iii) on the premises where a controlled substance is seized and in proximity to the controlled substance, if possession or sale of the controlled substance would be a felony under chapter 152.

(b) A claimant of the property bears the burden to rebut this presumption.

Sec. 4. [609.672] [PERMISSIVE INFERENCE; FIREARMS IN AUTOMOBILES.]

*The presence of a firearm in a passenger automobile permits the factfinder to infer knowing possession of the firearm by the driver or person in control of the automobile when the firearm was in the automobile. The inference does not apply:*

(1) to a duly licensed operator of an automobile who is at the time operating it for hire in the lawful and proper pursuit of the operator's trade;

(2) to any person in the automobile if one of them legally possesses a firearm; or

(3) when the firearm is concealed on the person of one of the occupants.

Sec. 5. Minnesota Statutes 1990, section 624.713, subdivision 1, is amended to read:

Subdivision 1. [INELIGIBLE PERSONS.] The following persons shall not be entitled to possess a pistol:

(a) a person under the age of 18 years except that a person under 18 may carry or possess a pistol (i) in the actual presence or under the direct supervision of the person's parent or guardian, (ii) for the purpose of military drill under the auspices of a legally recognized military organization and under competent supervision, (iii) for the purpose of instruction, competition, or target practice on a firing range approved by the chief of police or county sheriff in whose jurisdiction the range is located and under direct supervision; or (iv) if the person has successfully completed a course designed to teach marksmanship and safety with a pistol and approved by the commissioner of natural resources;

(b) a person who has been convicted in this state or elsewhere of a crime of violence unless ten years have elapsed since the person has been restored to civil rights or the sentence has expired, whichever occurs first, and during that time the person has not been convicted of any other crime of violence. For purposes of this section, crime of violence includes crimes in other states or jurisdictions which would have been crimes of violence as herein defined if they had been committed in this state;

(c) a person who is or has ever been confined or committed in Minnesota or elsewhere as a "mentally ill," "mentally retarded," or "mentally ill and dangerous to the public" person as defined in section 253B.02, to a treatment

facility, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof that the person is no longer suffering from this disability;

(d) a person who has been convicted in Minnesota or elsewhere ~~for the unlawful use, possession, or sale of a controlled substance other than conviction for possession of a small amount of marijuana, as defined in section 152.01, subdivision 16 of a misdemeanor or gross misdemeanor violation of chapter 152,~~ or a person who is or has ever been hospitalized or committed for treatment for the habitual use of a controlled substance or marijuana, as defined in sections 152.01 and 152.02, unless the person possesses a certificate of a medical doctor or psychiatrist licensed in Minnesota, or other satisfactory proof, that the person has not abused a controlled substance or marijuana during the previous two years;

(e) a person who has been confined or committed to a treatment facility in Minnesota or elsewhere as "chemically dependent" as defined in section 253B.02, unless the person has completed treatment. Property rights may not be abated but access may be restricted by the courts; or

(f) a peace officer who is informally admitted to a treatment facility pursuant to section 253B.04 for chemical dependency, unless the officer possesses a certificate from the head of the treatment facility discharging or provisionally discharging the officer from the treatment facility. Property rights may not be abated but access may be restricted by the courts.

A person who issues a certificate pursuant to this subdivision in good faith is not liable for damages resulting or arising from the actions or misconduct with a firearm committed by the individual who is the subject of the certificate.

Sec. 6. Minnesota Statutes 1990, section 624.7131, subdivision 10, is amended to read:

Subd. 10. [TRANSFER REPORT NOT REQUIRED.] A person who transfers a pistol to a *licensed peace officer, as defined in section 626.84, subdivision 1, exhibiting a valid peace officer identification, or to a person exhibiting a valid transferee permit issued pursuant to this section or a valid permit to carry issued pursuant to section 624.714* is not required to file a transfer report pursuant to section 624.7132, subdivision 1.

Sec. 7. Minnesota Statutes 1990, section 624.7132, subdivision 4, is amended to read:

Subd. 4. [DELIVERY.] *Except as otherwise provided in subdivision 7 or 8, no person shall deliver a pistol to a proposed transferee until seven days after the date of the agreement to transfer as stated on the report delivered to a chief of police or sheriff in accordance with subdivision 1 unless the chief of police or sheriff waives all or a portion of the seven day waiting period.*

No person shall deliver a pistol to a proposed transferee after receiving a written notification that the chief of police or sheriff has determined that the proposed transferee is prohibited by section 624.713 from possessing a pistol.

If the transferor makes a report of transfer and receives no written notification of disqualification of the proposed transferee within seven days of the date of the agreement to transfer, the pistol may be delivered to the transferee.

Sec. 8. Minnesota Statutes 1990, section 624.7132, subdivision 8, is amended to read:

Subd. 8. [REPORT NOT REQUIRED.] (1) If the proposed transferee presents a valid transferee permit issued under section ~~624.714, subdivision 9~~ 624.7131 or a valid permit to carry issued under section 624.714, or if the transferee is a licensed peace officer, as defined in section 626.84, subdivision 1, who presents a valid peace officer identification, the transferor need not file a transfer report.

(2) If the transferor makes a report of transfer and receives no written notification of disqualification of the proposed transferee within seven days of the date of the agreement to transfer, no report or investigation shall be required under this section for any additional transfers between that transferor and that transferee which are made within 30 days of the date on which delivery of the first pistol may be made under subdivision 4.

Sec. 9. [EFFECTIVE DATE.]

*Section 4 is effective August 1, 1992, and applies to offenses occurring on or after that date."*

Delete the title and insert:

"A bill for an act relating to crime; clarifying certain law enforcement powers; providing for administrative forfeiture of firearms; creating a permissive inference of possession with respect to a firearm in an automobile; making technical corrections to the eligibility criteria and transfer process applicable to permits to possess a pistol; amending Minnesota Statutes 1990, sections 169.98, subdivision 1a; 299D.06; 609.5314, subdivision 1; 624.713, subdivision 1; 624.7131, subdivision 10; and 624.7132, subdivisions 4 and 8; proposing coding for new law in Minnesota Statutes, chapter 609."

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

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

S.F. No. 1859: A bill for an act relating to probate; changing provisions relating to merger of trusts, certificates of trust, affidavits of trustees, and powers of attorney; amending Minnesota Statutes 1990, sections 508.62; 508A.62; 523.02; 523.03; 523.07; 523.08; 523.09; 523.11, subdivisions 1 and 2; 523.17; 523.18; 523.19; 523.21; 523.22; 523.23, subdivisions 1, 2, 3, and by adding subdivisions; 523.24, subdivisions 1, 7, 8, and 9; Minnesota Statutes 1991 Supplement, section 518.58, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapters 501B; and 523; repealing Minnesota Statutes 1990, section 523.25.

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

Page 9, line 35, after "date" insert ", if any,"

Page 19, line 11, after "Address" insert "of Person Granting the Power"

Page 20, line 3, before "Principal" insert "the above-named"

Page 20, line 5, delete everything after the colon

Page 20, line 6, delete everything before "with" and insert "To act for

*me in any way that I could act"*

Page 20, delete lines 21 and 22 and insert:

*"property transactions in Minnesota to his or her spouse.)"*

Page 26, line 19, after the period, insert *"In the case of real property located in the state of Minnesota the powers described in this subdivision are limited by the provisions of section 519.06."*

Page 26, line 31, after "beneficiary" insert *"or participant"*

Page 28, lines 29 and 36, after "beneficiary" insert *"or participant"*

Page 29, line 13, delete *"or, if"* and insert *"and, if authorized by"*

Page 29, line 14, delete everything after *"Third"* and insert a comma

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

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

S.F. No. 1856: A bill for an act relating to real property; providing for mortgage satisfaction or release by fewer than all mortgagees; regulating various notice, hearing, and other procedures and requirements for foreclosures and other involuntary transfers of real property; clarifying provisions relating to notice of termination of contract for deed; amending Minnesota Statutes 1990, sections 508.57; 508.58; 508.67; 508A.58; 514.08, subdivision 2; 514.10; 559.21, subdivisions 2a and 3; 580.15; and 582.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 507; and 580.

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

Page 1, after line 29, insert:

"Sec. 2. Minnesota Statutes 1990, section 508.44, subdivision 2, is amended to read:

Subd. 2. [ALTERNATE PROCEEDING.] In lieu of the court directive to the registrar to issue a new duplicate certificate under subdivision 1, the registrar of titles shall issue such a duplicate certificate when directed to do so by the examiner of titles. The directive of the examiner shall be in writing after posting a notice addressed "TO WHOM IT MAY CONCERN" fixing a time when the examiner shall direct the issuance of a new duplicate certificate of title unless valid objections thereto are delivered to the examiner's office prior to the specified time. The notice shall be posted on a bulletin board provided for the posting of legal notices at the courthouse at least seven days prior to the date fixed for the issuance of the directive. No such directive shall be issued by the examiner unless all persons in interest have signed and verified a statement setting forth the facts relating to the reasons why the duplicate certificate cannot be produced, the statement is memorialized upon the certificate of title and there is satisfactory evidence as to the identity of the signers and the facts relating to the loss or destruction of the duplicate certificate of title. Persons in interest in the case of an owner's duplicate certificate are the registered owners or their probate representatives; ~~and in the case of the mortgagee's or lessee's duplicate certificate the persons in interest are the registered owners of the mortgage or lease, as the case may be, or their probate representative.~~

Sec. 3. Minnesota Statutes 1990, section 508.45, is amended to read:

**508.45 [COURT MAY ORDER DUPLICATE CERTIFICATE PRODUCED.]**

If the registrar of titles is requested to enter a new certificate in pursuance of an instrument which purports to be executed by the registered owner, or by reason of any instrument or proceeding which divests the title of the registered owner against the registered owner's consent, and the outstanding owner's duplicate certificate is not presented for cancellation when such request is made, the registrar of titles shall not enter a new certificate, until authorized so to do by order of the district court. The person who claims to be entitled thereto may make application therefor to the district court, and after due notice and hearing, the court may order the registered owner, or any person withholding the duplicate certificate, to surrender it, and direct the entry of a new certificate upon such surrender. If the person withholding the duplicate certificate is not amenable to the process of the court, or if for any reason the outstanding owner's duplicate certificate cannot be delivered up, the court may by decree annul it, and order a new certificate of title to be entered. ~~If an outstanding mortgagee's or lessee's duplicate certificate is not produced and surrendered when the mortgage or lease is discharged, assigned, or extinguished, the same proceedings may be had to obtain registration as in the case of the nonproduction of an owner's duplicate.~~

Sec. 4. Minnesota Statutes 1990, section 508.55, is amended to read:

**508.55 [REGISTRATION OF MORTGAGE; MEMORIAL ENTERED ON CERTIFICATE.]**

The registration of a mortgage shall be made in the following manner: The owner's duplicate certificate shall be presented to the registrar, together with the mortgage deed, or other instrument to be registered, and the registrar shall enter upon the original certificate of title and also upon the owner's duplicate certificate a memorial of the purport of the instrument registered, the exact time of filing, and its file number. The registrar shall also note upon the registered instrument the time of filing and a reference to the volume and page where it is registered. ~~The registrar shall also, at the request of the mortgagee or assignee of the mortgage, make and deliver to the mortgagee or assignee a duplicate certificate of title like the owner's duplicate certificate, except that the words "Mortgagee's Duplicate" shall be written or printed diagonally across its face in large letters. A memorandum of the issuance of the mortgagee's duplicate shall be made upon the original certificate of title.~~

Sec. 5. Minnesota Statutes 1990, section 508.56, is amended to read:

**508.56 [ASSIGNMENT AND DISCHARGE OF MORTGAGE.]**

When a mortgage, ~~upon which a mortgagee's duplicate has been issued,~~ is assigned, extended, or otherwise dealt with, ~~the mortgagee's duplicate shall be presented to the registrar, together with the instrument dealing with the mortgage, and a memorial of the instrument, shall be made upon the mortgagee's duplicate and upon the original certificate of title. When the mortgage is discharged or otherwise extinguished the mortgagee's duplicate shall be surrendered and stamped "Canceled."~~ In case only a part of the mortgage upon the land is intended to be released or discharged a memorial of such partial release shall be entered. ~~The production of the mortgagee's duplicate certificate shall be conclusive authority to register the instrument~~

~~therewith presented."~~

Page 2, line 26, strike "When a"

Page 2, strike lines 27 and 28

Page 2, line 29, strike "thereof entered therein."

Page 3, after line 27, insert:

"Sec. 8. Minnesota Statutes 1990, section 508.59, is amended to read:  
508.59 [REGISTRATION OF JUDGMENT OR FINAL DECREE.]

A judgment or decree affecting registered land shall be registered upon the presentation of a certified copy thereof to the registrar, who shall enter a memorial thereof upon the original certificate of title; and upon the owner's duplicate, ~~and upon any outstanding mortgagee's or lessee's duplicate~~, if practicable so to do. When the registered owner of such land is by such judgment or decree divested of an estate in fee therein, or of any part thereof, the prevailing party shall be entitled to a new certificate of title for the land, or so much thereof as may be described in the judgment and decree, and the registrar shall enter such new certificate of title and issue a new owner's duplicate certificate as in the case of a voluntary conveyance. No such new certificate shall be entered except upon the written certification of the examiner of titles as to the legal sufficiency of the documents presented for filing for the purpose of issuance of a new certificate or upon the order of the district court directing the issuance thereof."

Page 5, after line 9, insert:

"Sec. 10. Minnesota Statutes 1990, section 508.71, subdivision 6, is amended to read:

Subd. 6. [RECORDED INSTRUMENTS.] When instruments affecting registered land have been recorded in the office of any county recorder in this state, a certified copy thereof may be filed for registration and registered with like effect as the original instrument without the order or directive. The owner's ~~mortgagee's, or lessee's~~ duplicate certificate of title shall be presented to the registrar, together with the certified copy, whenever the presentation is required by statute for registration of the original instrument.

Sec. 11. Minnesota Statutes 1990, section 508.73, is amended to read:  
508.73 [EMINENT DOMAIN; REVERSION; VACATION.]

*Subdivision 1. [REGISTRATION FILING; NEW CERTIFICATE; MEMORIALS; REVERSION.]* If the land of a registered owner, or any right, title, interest, or estate therein is taken by eminent domain, the state or body politic, or other authority which exercises such right, shall file for registration a ~~written~~ *certified copy of a final certificate or a certified copy of a court order transferring title pursuant to section 117.042 together with an instrument containing a description of the land so taken, together with the name of each owner thereof, and referring to each certificate of title by its number and place of registration in the register of titles, and stating what estate or interest in the land is taken, and for what purpose. A memorial of the right, title, interest, or estate thus taken shall be made upon each certificate of title by the registrar, and if the fee is taken, a new certificate shall be entered in the name of the owner for the land remaining to the owner after such taking. A new certificate may not be entered except by order of the district court or upon the written certification of the examiner*

of titles as to the legal sufficiency of the final certificate or court order pursuant to section 117.042 and other instruments presented for filing for the purpose of issuance of a new certificate. If the owner has a lien for damages upon the land thus taken, this fact shall be stated in the memorial of registration. All fees on account of any memorial of registration or entry of new certificates for land thus taken shall be paid by the state or body politic or other authority which takes the land. If land which was taken for public use reverts, by operation of law, to the owner or to the owner's heirs or assigns, the district court, upon the application of the person entitled to the benefit of such reversion, and after due notice and hearing, may order the entry of a new certificate of title to the person entitled thereto.

*Subd. 2. [VACATION OF STREET OR ALLEY; LEGAL DESCRIPTION.] Upon the filing of a certified copy of a resolution or ordinance by a city vacating an adjoining street or alley that was dedicated to the public in a plat, a registered owner is entitled to have added to the legal description on the certificate of title that part of the vacated street or alley that accrues to it, provided the vacation occurred after the land was originally registered. The vacated street or alley may be added to the certificate of title by order of the district court or by a written directive from the examiner of titles.*

Sec. 12. Minnesota Statutes 1991 Supplement, section 508.82, is amended to read:

508.82 [REGISTRAR'S FEES.]

The fees to be paid to the registrar shall be as follows:

(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), ~~((1))~~ (10), (12), (13), (14), ~~((5))~~ (16), (17), and (18), and ~~((19))~~; for filing or memorializing shall be paid to the state treasurer and credited to the general fund;

(2) for registering each original certificate of title, and issuing a duplicate of it, \$30;

(3) for registering each instrument transferring the fee simple title for which a new certificate of title is issued and for the issuance and registration of the new certificate of title, \$30;

(4) for the entry of each memorial on a certificate and endorsements upon duplicate certificates, \$15;

~~((5))~~ for issuing each mortgagee's or lessee's duplicate, \$10;

~~((6))~~ for issuing each residue certificate, \$20;

~~((7))~~ (6) for exchange certificates, \$10 for each certificate canceled and \$10 for each new certificate issued;

~~((8))~~ (7) for each certificate showing condition of the register, \$10;

~~((9))~~ (8) for any certified copy of any instrument or writing on file in the registrar's office, the same fees allowed by law to county recorders for like services;

~~((10))~~ (9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;



~~(14)~~ (10) for filing two copies of any plat in the office of the registrar, \$30;

~~(15)~~ (11) for any other service under this chapter, such fee as the court shall determine;

~~(16)~~ (12) for issuing a duplicate certificate of title pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;

~~(17)~~ (13) for issuing a duplicate certificate of title pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10;

~~(18)~~ (14) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;

~~(19)~~ (15) for a copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the condominium plat with a minimum fee of \$10;

~~(20)~~ (16) for filing a condominium declaration and plat or an amendment to it in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment thereto;

~~(21)~~ (17) for the filing of a certified copy of a plat of the survey pursuant to section 508.23 or 508.671, \$10;

~~(22)~~ (18) for filing a registered land survey in triplicate in accordance with section 508.47, subdivision 4, \$30;

~~(23)~~ (19) for furnishing a certified copy of a registered land survey in accordance with section 508.47, subdivision 4, \$10.

Sec. 13. Minnesota Statutes 1990, section 508.835, is amended to read:

508.835 [DISPOSAL OF CANCELED DUPLICATE CERTIFICATES AND RECEIPT CARDS.]

The registrar of titles is hereby authorized to destroy owner's duplicate certificates marked "canceled," upon the entry of a new owner's duplicate certificate, ~~mortgagee's duplicate certificates marked "canceled"~~ and the receipt cards for such "canceled" certificates.

Sec. 14. Minnesota Statutes 1990, section 508A.11, subdivision 3, is amended to read:

Subd. 3. [FEES.] Before the examiner of titles examines the abstract of title, the applicant shall pay to the registrar of titles the fee provided by section 508A.82, clause ~~(18)~~ (17).

Sec. 15. Minnesota Statutes 1990, section 508A.44, subdivision 2, is amended to read:

Subd. 2. [ALTERNATE PROCEEDING.] In lieu of the court directive to the registrar to issue a new duplicate CPT under subdivision 1, the registrar of titles shall issue a duplicate CPT when directed to do so by the examiner of titles. The directive of the examiner shall be in writing after posting a notice addressed "TO WHOM IT MAY CONCERN" fixing a time when the examiner shall direct the issuance of a new duplicate CPT

unless valid objections to it are delivered to the examiner's office prior to the specified time. The notice shall be posted on a bulletin board provided for the posting of legal notices at the courthouse at least seven days prior to the date fixed for the issuance of the directive. No directive shall be issued by the examiner unless all persons in interest have signed and verified a statement setting forth the facts relating to the reasons why the duplicate CPT cannot be produced, the statement is memorialized upon the CPT and there is satisfactory evidence as to the identity of the signers and the facts relating to the loss or destruction of the duplicate CPT. Persons in interest in the case of an owner's duplicate CPT are the registered owners or their probate representatives; ~~and in the case of the mortgagee's or lessee's duplicate CPT, the persons in interest are the registered owners of the mortgage or lease, as the case may be, or their probate representative.~~

Sec. 16. Minnesota Statutes 1990, section 508A.45, is amended to read:

508A.45 [COURT MAY ORDER DUPLICATE CPT PRODUCED.]

If the registrar of titles is requested to enter a new CPT in pursuance of an instrument which purports to be executed by the registered owner, or by reason of any instrument or proceeding which divests the title of the registered owner against the registered owner's consent, and the outstanding owner's duplicate CPT is not presented for cancellation when the request is made, the registrar of titles shall not enter a new CPT until authorized so to do by order of the district court. The person who claims to be entitled to it may apply for it to the district court, and after due notice and hearing, the court may order the registered owner, or any person withholding the duplicate CPT, to surrender it, and direct the entry of a new CPT upon the surrender. If the person withholding the duplicate CPT is not amenable to the process of the court, or if for any reason the outstanding owner's duplicate CPT cannot be delivered up, the court may by decree annul it, and order a new CPT to be entered. ~~If an outstanding mortgagee's or lessee's duplicate CPT is not produced and surrendered when the mortgage or lease is discharged, assigned, or extinguished, the same proceedings may be had to obtain registration as in the case of the nonproduction of an owner's duplicate.~~

Sec. 17. Minnesota Statutes 1990, section 508A.55, is amended to read:

508A.55 [REGISTRATION OF MORTGAGE; MEMORIAL ENTERED ON CERTIFICATE.]

The registration of a mortgage shall be made in the following manner: The owner's duplicate CPT shall be presented to the registrar, together with the mortgage deed, or other instrument to be registered, and the registrar shall enter upon the original CPT and also upon the owner's duplicate CPT a memorial of the purport of the instrument registered, the exact time of filing, and its file number. The registrar shall also note upon the registered instrument the time of filing and a reference to the volume and page where it is registered. ~~The registrar shall also, at the request of the mortgagee or assignee of the mortgage, make and deliver to the mortgagee or assignee a duplicate CPT like the owner's duplicate CPT, except that the words "Mortgagee's Duplicate" shall be written or printed diagonally across its face in large letters. A memorandum of the issuance of the mortgagee's duplicate shall be made upon the original CPT.~~

Sec. 18. Minnesota Statutes 1990, section 508A.56, is amended to read:

508A.56 [ASSIGNMENT AND DISCHARGE OF MORTGAGE.]

When a mortgage, upon which a mortgagee's duplicate has been issued, is assigned, extended, or otherwise dealt with, the mortgagee's duplicate shall be presented to the registrar, together with the instrument dealing with the mortgage, and a memorial of the instrument, shall be made upon the mortgagee's duplicate and upon the original CPT. When the mortgage is discharged or otherwise extinguished the mortgagee's duplicate shall be surrendered and stamped "Canceled." In case only a part of the mortgage upon the land is intended to be released or discharged, a memorial of the partial release shall be entered. The production of the mortgagee's duplicate CPT shall be conclusive authority to register the instrument presented with it.

Sec. 19. Minnesota Statutes 1990, section 508A.57, is amended to read:

508A.57 [FORECLOSURE; NOTICE.]

Mortgages upon land registered under sections 508A.01 to 508A.85 may be foreclosed in the same manner as mortgages upon unregistered land. Where the mortgage is upon registered land it shall be sufficient to authorize the foreclosure of it by advertisement, if the mortgage and all assignments of it have been registered, and a memorial of it duly entered upon the CPT. When a mortgage upon the registered land is foreclosed by advertisement, the notice of foreclosure shall state the date of the mortgage, when and where registered, and the fact of registration. All laws relating to the foreclosure of mortgages upon unregistered land shall apply to mortgages upon land registered under sections 508A.01 to 508A.85, or any estate or interest therein, except as herein provided, and except that a notice of the pendency of any suit or proceeding to enforce or foreclose the mortgage or other charge upon the land shall be filed with the registrar, and a memorial of it entered on the register at the time of or prior to the commencement of the action or proceeding before the first date of publication of the foreclosure notice but not sooner than six months before the first date of publication. A notice so filed and registered shall be notice to the registrar and to all persons thereafter dealing with the land or any part of it and satisfies the requirements of section 580.032, subdivision 3, with respect to registered land. When a mortgagee's duplicate CPT has been issued it shall be presented to the registrar at the time of filing and a memorial of it entered. In all foreclosures, all certificates and affidavits permitted or required by law to be recorded with the county recorder shall be filed with the registrar who shall register them."

Page 6, after line 4, insert:

"Sec. 21. Minnesota Statutes 1990, section 508A.59, is amended to read:

508A.59 [REGISTRATION OF JUDGMENT OR FINAL DECREE.]

A judgment or decree affecting land registered under sections 508A.01 to 508A.85 shall be registered upon the presentation of a certified copy of it to the registrar, who shall enter a memorial of it upon the original CPT, and upon the owner's duplicate, and upon any outstanding mortgagee's or lessee's duplicate, if practicable so to do. When the registered owner of the land is by the judgment or decree divested of an estate in fee in it, or of any part of it, the prevailing party shall be entitled to a new CPT for the land, or so much of it as is described in the judgment and decree. The registrar shall enter the new CPT and issue a new owner's duplicate CPT as in the case of a voluntary conveyance. No new CPT shall be entered except upon the written certification of the examiner of titles as to the legal sufficiency of the documents presented for filing for the purpose of issuance

of a new CPT or upon the order of the district court directing the issuance of it.

Sec. 22. Minnesota Statutes 1990, section 508A.71, subdivision 6, is amended to read:

Subd. 6. [CERTIFIED COPIES OF INSTRUMENTS; FILING.] When instruments affecting land registered under sections 508A.01 to 508A.85 have been recorded in the office of any county recorder in this state, a certified copy of it may be filed for registration and registered with like effect as the original instrument without an order or directive. The owner's, ~~mortgagee's, or lessee's~~ duplicate CPT shall be presented to the registrar, together with the certified copy, whenever the presentation is required by statute for registration of the original instrument.

Sec. 23. Minnesota Statutes 1990, section 508A.73, is amended to read:

508A.73 [EMINENT DOMAIN; REVERSION; VACATION.]

*Subdivision 1. [REGISTRATION FILING; NEW CPT; MEMORIALS; REVERSION.] If the land of a registered owner, or any right, title, interest, or estate in it is taken by eminent domain, the state or body politic, or other authority which exercises the right, shall file for registration a ~~written certified copy of a final certificate or a certified copy of a court order transferring title pursuant to section 117.042 together with an instrument~~ containing a description of the land taken, together with the name of each owner of it, and referring to each CPT by its number and place of registration in the register of titles, and stating what estate or interest in the land is taken, and for what purpose. A memorial of the right, title, interest, or estate thus taken shall be made upon each CPT by the registrar. If the fee is taken, a new CPT shall be entered in the name of the owner for the land remaining to the owner after the taking. ~~A new CPT may not be entered except by order of the district court or upon the written certification of the examiner of titles as to the legal sufficiency of the final certificate or court order pursuant to section 117.042 and other instruments presented for filing for the purpose of issuance of a new CPT.~~ If the owner has a lien for damages upon the land thus taken, this fact shall be stated in the memorial of registration. All fees on account of any memorial of registration or entry of new CPTs for land thus taken shall be paid by the state or body politic or other authority which takes the land. If land which was taken for public use reverts, by operation of law, to the owner or to heirs or assigns, the district court, upon the application of the person entitled to the benefit of the reversion, and after due notice and hearing, may order the entry of a new CPT to the person entitled to it.*

*Subd. 2. [VACATION OF STREET OR ALLEY; LEGAL DESCRIPTION.] Upon the filing of a certified copy of a resolution or ordinance by a city vacating an adjoining street or alley that was dedicated to the public in a plat, a registered owner is entitled to have added to the legal description on the CPT that part of the vacated street or alley that accrues to it, provided the vacation occurred after the land was originally registered. The vacated street or alley may be added to the CPT by order of the district court or by a written directive from the examiner of titles.*

Sec. 24. Minnesota Statutes 1991 Supplement, section 508A.82, is amended to read:

508A.82 [REGISTRAR'S FEES.]

The fees to be paid to the registrar shall be as follows:

(1) of the fees provided herein, five percent of the fees collected under clauses (3), (4), ~~(11) (10)~~, ~~(12)~~, (13), (14), ~~(15)~~, ~~(17) (16)~~, and ~~(19) (18)~~, for filing or memorializing shall be paid to the state treasurer and credited to the general fund;

(2) for registering each original CPT, and issuing a duplicate of it, \$30;

(3) for registering each instrument transferring the fee simple title for which a new CPT is issued and for the issuance and registration of the new CPT, \$30;

(4) for the entry of each memorial on a certificate and endorsements upon duplicate CPTs, \$15;

(5) for ~~issuing each mortgagee's or lessee's duplicate~~, \$10;

~~(6)~~ for issuing each residue CPT, \$20;

~~(7)~~ (6) for exchange CPTs, \$10 for each CPT canceled and \$10 for each new CPT issued;

~~(8)~~ (7) for each certificate showing condition of the register, \$10;

~~(9)~~ (8) for any certified copy of any instrument or writing on file in the registrar's office, the same fees allowed by law to county recorders for like services;

~~(10)~~ (9) for a noncertified copy of any instrument or writing on file in the office of the registrar of titles, or any specified page or part of it, an amount as determined by the county board for each page or fraction of a page specified. If computer or microfilm printers are used to reproduce the instrument or writing, a like amount per image;

~~(11)~~ (10) for filing two copies of any plat in the office of the registrar, \$30;

~~(12)~~ (11) for any other service under sections 508A.01 to 508A.85, the fee the court shall determine;

~~(13)~~ (12) for issuing a duplicate CPT pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is paid in the same manner as the compensation of other county employees, \$50, plus \$10 to memorialize;

~~(14)~~ (13) for issuing a duplicate CPT pursuant to the directive of the examiner of titles in counties in which the compensation of the examiner is not paid by the county or pursuant to an order of the court, \$10;

~~(15)~~ (14) for filing a condominium plat or an amendment to it in accordance with chapter 515, \$30;

~~(16)~~ (15) for a copy of a condominium plat filed pursuant to chapters 515 and 515A, the fee shall be \$1 for each page of the plat with a minimum fee of \$10;

~~(17)~~ (16) for filing a condominium declaration and condominium plat or an amendment to it in accordance with chapter 515A, \$10 for each certificate upon which the document is registered and \$30 for the filing of the condominium plat or an amendment to it;

~~(18)~~ (17) in counties in which the compensation of the examiner of titles is paid in the same manner as the compensation of other county employees,

for each parcel of land contained in the application for a CPT, as the number of parcels is determined by the examiner, a fee which is reasonable and which reflects the actual cost to the county, established by the board of county commissioners of the county in which the land is located;

(49) (18) for filing a registered land survey in triplicate in accordance with section 508A.47, subdivision 4, \$30;

(20) (19) for furnishing a certified copy of a registered land survey in accordance with section 508A.47, subdivision 4, \$10.

Sec. 25. Minnesota Statutes 1990, section 508A.835, is amended to read:

508A.835 [DISPOSAL OF CANCELED DUPLICATE CPTS AND RECEIPT CARDS.]

The registrar of titles is authorized to destroy owner's duplicate CPTs marked "canceled," upon the entry of a new owner's duplicate CPT, ~~mortgagee's duplicate CPTs marked "canceled"~~ and the receipt cards for the "canceled" CPTs.

Sec. 26. Minnesota Statutes 1990, section 508A.85, subdivision 3, is amended to read:

Subd. 3. [CHANGEOVER AT REQUEST OF OWNER.] Subsequent to the expiration of the five year period set forth in section 508A.17, any registered owner of a CPT may file with the registrar of titles a request for a changeover, and upon payment of the fee for an exchange as specified in section 508A.82, clause (7) (6), the registrar shall issue a certificate of title and cancel the CPT."

Pages 6 to 10, delete section 7

Page 15, line 27, delete "10" and insert "30"

Page 16, line 8, delete "9" and insert "29"

Page 16, line 12, delete "8 and 9" and insert "28 and 29"

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to real property; abolishing issuance of duplicate certificates of title and duplicate CPTs for use by lessees and mortgagees of registered land; providing for mortgage satisfaction or release by fewer than all mortgagees; regulating various notice, hearing, and other procedures and requirements for foreclosures and other involuntary transfers of real property; clarifying provisions relating to notice of termination of contract for deed; amending Minnesota Statutes 1990, sections 508.44, subdivision 2; 508.45; 508.55; 508.56; 508.57; 508.58; 508.59; 508.67; 508.71, subdivision 6; 508.73; 508.835; 508A.11, subdivision 3; 508A.44, subdivision 2; 508A.45; 508A.55; 508A.56; 508A.57; 508A.58; 508A.59; 508A.71, subdivision 6; 508A.73; 508A.835; 508A.85, subdivision 3; 514.08, subdivision 2; 559.21, subdivisions 2a and 3; 580.15; and 582.01, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 508.82; and 508A.82; proposing coding for new law in Minnesota Statutes, chapters 507; and 580."

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

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

S.B. No. 2710. A bill for an act relating to agriculture; the Minnesota rural finance authority, providing for establishment of an agricultural improvement loan program for grade B dairy producers; appropriating money and authorizing the issuance of state bonds to fund the program; amending Minnesota Statutes 1990, section 41B.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B.

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 32.21, is amended to read:

**32.21 [ADULTERATED MILK AND CREAM DAIRY PRODUCTS.]**

Subdivision 1. [PURCHASE AND SALE PROHIBITION.] A person may not sell or knowingly buy adulterated ~~milk or cream~~ dairy products.

Subd. 2. [MANUFACTURE OF FOOD FOR HUMAN CONSUMPTION FROM ADULTERATED MILK OR CREAM PROHIBITED.] An article of food for human consumption may not be manufactured from adulterated milk or cream, except as provided in section 32.22 or the federal Food, Drug, and Cosmetic Act, United States Code, title 21, section 301 et seq., and related federal regulations.

*Notwithstanding this section, all bulk milk pickup tankers must be tested for the presence of beta lactum drug residues and for other residues as determined necessary by the commissioner. Test methods must be those approved by the Association of Analytical Chemists (AOAC) or under the AOAC C2 program. Bulk milk tankers testing positive must be reported to the commissioner or the commissioner's agent within 24 hours. This report must include how and where the milk was disposed of, the volume, the responsible producer, and the possible cause of the violative residue. All milk sample residue results must be recorded and retained for examination by the commissioner or the commissioner's agent for six months by the receiving plant. Milk received from a producer in other than a bulk milk pickup tanker is also subject to this section.*

Subd. 3. [ADULTERATED MILK ~~OR CREAM~~.] For purposes of this section and section 32.22, milk ~~or cream~~ is adulterated if it:

- (1) ~~milk~~ is drawn in a filthy or unsanitary place;
- (2) ~~milk~~ is drawn from unhealthy or diseased cows;
- (3) ~~milk~~ is drawn from cows that are fed garbage or an unwholesome animal or vegetable substance;
- (4) ~~milk~~ is drawn from cows within 15 days before calving, or five days after calving;
- (5) ~~milk or cream~~ contains water in excess of that normally found in milk;
- (6) contains a substance that is not a normal constituent of the milk ~~or cream~~, as determined by laboratory procedures established by rule or except as allowed in this chapter;
- (6) ~~milk~~ contains water in excess of that normally present in milk; or

(7) ~~milk or cream contains antibiotics drug residues or other bacterial inhibitory chemical or biological substances in amounts above the actionable tolerances or safe levels established by rule or under section 32.415.~~

Subd. 4. [PENALTIES.] (a) A person, other than a milk producer, who violates this section is guilty of a misdemeanor *or subject to a civil penalty up to \$1,000.*

(b) A milk producer may not change milk plants within 30 days, without permission of the commissioner, after receiving notification from the commissioner under paragraph (c) *or (d)* that the milk producer has violated this section.

(c) A milk producer who violates this section ~~shall be subject to a civil penalty of \$100. The commissioner must notify the person violating this section by certified mail stating:~~

(1) ~~the milk producer violating this section is on probation for one year after the date of violation; and~~

(2) ~~the \$100 civil penalty is suspended unless the milk producer violates this section during the probation period, including changing milk plants within 30 days after the violation.~~

(d) A milk producer who violates this section a second time within a 12-month period is subject to a \$200 civil penalty. The commissioner must notify the milk producer violating this section stating:

(1) ~~the milk producer is still on probation;~~

(2) ~~the \$200 civil penalty is suspended, unless the milk producer violates this section during the probation period, including changing milk plants within 30 days after the violation; and~~

(3) ~~the consequences of a third violation.~~

(e) A milk producer who violates this section three or more times within a 12-month period is subject to a fine of \$300.

(f) Penalties collected under this section shall be deposited in the milk inspection service account created in section 32.394, subdivision 9, subdivision 3, clause (1), (2), (3), (4), or (5), is subject to clauses (1) to (3) of this paragraph.

(1) Upon notification of the first violation in a 12-month period, the producer must meet with the dairy plant field service representative to initiate corrective action within 30 days.

(2) Upon the second violation within a 12-month period, the producer is subject to a civil penalty of \$300. The commissioner shall notify the producer by certified mail stating the penalty is payable in 30 days, the consequences of failure to pay the penalty, and the consequences of future violations.

(3) Upon the third violation within a 12-month period, the producer is subject to an additional civil penalty of \$300 and possible revocation of the producer's permit or certification. The commissioner shall notify the producer by certified mail that all civil penalties owed must be paid within 30 days and that the commissioner is initiating administrative procedures to revoke the producer's permit or certification to sell milk for at least 30 days.

(d) The producer's shipment of milk must be immediately suspended if



*the producer is identified as an individual source of milk containing residues in violation of subdivision 3, clause (6) or (7). Shipment may resume only after subsequent milk has been sampled by the commissioner or the commissioner's agent and found to contain no residues above established tolerances or safe levels. A milk producer who violates subdivision 3, clause (6) or (7), is subject to clauses (1) to (3) of this paragraph.*

*(1) For the first violation in a 12-month period, a producer shall not receive payment for any milk contaminated or the equivalent of at least the value of two days' milk production on that farm. Milk purchased for use from the producer during the two-day penalty period will be assessed a civil penalty equal to the minimum value of that milk and is payable to the commissioner by the dairy plant or marketing organization who purchases the milk. The producer remains eligible only for manufacturing grade until the producer completes the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the signed certificate in the milkhouse, and sends verification to the commissioner. To maintain a permit or certification to market milk, this program must be completed within 30 days.*

*(2) For the second violation in a 12-month period, a producer shall not receive payment for any milk contaminated or the equivalent of at least the value of four days' milk production on that farm. Milk purchased for use from the producer during the four-day penalty period will be assessed a civil penalty equal to the minimum value of that milk and is payable to the commissioner by the dairy plant or marketing organization who purchases the milk. The producer remains eligible only for manufacturing grade until the producer reviews the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the updated certificate in the milkhouse, and sends verification to the commissioner. To maintain a permit or certification to market milk, this program must be reviewed within 30 days.*

*(3) For the third violation in a 12-month period, a producer shall not receive payment for any milk contaminated or the equivalent of at least the value of four days' milk production on that farm. Milk purchased for use from the producer during the four-day penalty period will be assessed a civil penalty equal to the minimum value of that milk and is payable to the commissioner by the dairy plant or marketing organization who purchases the milk. The producer remains eligible only for manufacturing grade until the producer reviews the "Milk and Dairy Beef Residue Prevention Protocol" with a licensed veterinarian, displays the updated certificate in the milkhouse, and sends verification to the commissioner. To maintain a permit or certification to market milk, this program must be reviewed within 30 days. The commissioner shall also notify the producer by certified mail that the commissioner is initiating administrative procedures to revoke the producer's permit or certification to sell milk for a minimum of 30 days.*

*(e) A milk producer that has been certified as completing the "Milk and Dairy Beef Residue Prevention Protocol" within 12 months of the first violation of subdivision 3, clause (7), need only review the cause of the violation with a field service representative within three days to maintain shipping status if all other requirements of this section are met.*

*(f) Civil penalties collected under this section must be deposited in the milk inspection services account established in this chapter.*

Sec. 2. Minnesota Statutes 1990, section 41B.02, is amended by adding a subdivision to read:

*Subd. 19. [AGRICULTURAL IMPROVEMENTS.] "Agricultural improvements" means improvements to a farm, including the purchase and construction or installation of improvements to land, buildings, and other permanent structures, including equipment incorporated in or permanently affixed to the land, buildings, or structures, which are useful for and intended to be used for the purpose of farming. "Agricultural improvements" does not include equipment not affixed to real estate or improvements or additions to that equipment.*

**Sec. 3. [41B.043] [AGRICULTURAL IMPROVEMENT LOAN PROGRAM.]**

*Subdivision 1. [ESTABLISHMENT.] The authority may establish, adopt rules for, and implement an agricultural improvement loan program to finance agricultural improvements. Loans may be made to borrowers who meet the requirements of section 41B.03, subdivision 1, clauses (1) and (2), and who are actively engaged in farming. In the first two years, all loans must be given to grade B dairy farmers for the purpose of enabling them to upgrade to grade A.*

*Subd. 2. [SPECIFICATIONS.] No loan may exceed \$20,000, be made to refinance an existing debt, or be made at an interest rate in excess of eight percent. Each loan must be secured by a mortgage on real property comprising all or part of the farm on which the improvements are made, and such other security as the authority may require.*

*Subd. 3. [FUNDING.] The authority shall establish and make all agricultural improvement loans from an agricultural improvement loan program revolving fund. Money appropriated or otherwise provided for purposes of the program, and all loan payments, must be deposited in the fund and used to make loans and pay costs of the program and are annually appropriated for this purpose. The interest on loans repaid to the state must be credited to the revolving fund and may be spent by the commissioner of agriculture for administrative expenses.*

**Sec. 4. [AGRICULTURAL IMPROVEMENT LOAN PROGRAM FUNDING.]**

*Subdivision 1. [APPROPRIATION.] \$5,000,000 is appropriated to the Minnesota rural finance authority from the rural finance authority security account to fund the agency's agricultural improvement loan program.*

*Subd. 2. [BONDS.] The appropriation made under subdivision 1 shall be funded by the issuance of general obligation bonds as provided for in Minnesota Statutes, section 41B.19. The bonds must be issued and sold in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and the Minnesota Constitution, article XI. The legislature determines that the bonds are being issued to develop the state's agricultural resources by extending credit on real estate security.*

**Sec. 5. [EFFECTIVE DATE.]**

*Sections 1 to 4 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to agriculture; the Minnesota rural finance authority; providing for establishment of an agricultural improvement loan

program for grade B dairy producers; changing provisions concerning adulterated dairy products; appropriating money and authorizing the issuance of state bonds to fund the program; amending Minnesota Statutes 1990, sections 32.21, and 41B.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 41B."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2704: A bill for an act relating to human services; expanding provider surcharges to include providers not participating in the medical assistance program; modifying provider reimbursement rates; amending Minnesota Statutes 1990, sections 256B.431, subdivision 2i, and by adding a subdivision; and 256B.48, subdivision 1b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144A.071, subdivisions 3 and 3a; 256.9656; 256.9657, subdivisions 1, 2, 3, 4, 7, and by adding a subdivision; 256.969, subdivisions 1, 9, 20, and 21; 256B.431, subdivision 3f; and 256B.74, subdivisions 1 and 3; repealing Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; 256B.74, subdivisions 8 and 9; and Law's 1991, chapter 292, article 4, section 77.

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

Delete everything after the enacting clause and insert:

"Section 1. [144.0505] [COOPERATION WITH COMMISSIONER OF HUMAN SERVICES.]

*The commissioner shall promptly provide to the commissioner of human services upon request any information on hospital revenues, nursing home licensure, and health maintenance organization revenues required by the commissioner of human services to operate the provider surcharge program.*

Sec. 2. Minnesota Statutes 1991 Supplement, section 144A.071, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] The commissioner of health, in coordination with the commissioner of human services, may approve the addition of a new certified bed or the addition of a new licensed nursing home bed, under the following conditions:

(a) to replace a bed decertified after May 23, 1983, or to address an extreme hardship situation, in a particular county that, together with all contiguous Minnesota counties, has fewer nursing home beds per 1,000 elderly than the number that is ten percent higher than the national average of nursing home beds per 1,000 elderly individuals. For the purposes of this section, the national average of nursing home beds shall be the most recent figure that can be supplied by the federal health care financing administration and the number of elderly in the county or the nation shall be determined by the most recent federal census or the most recent estimate of the state demographer as of July 1, of each year of persons age 65 and older, whichever is the most recent at the time of the request for replacement. In allowing replacement of a decertified bed, the commissioners shall ensure that the number of added or recertified beds does not exceed the total number of decertified beds in the state in that level of care. An extreme

hardship situation can only be found after the county documents the existence of unmet medical needs that cannot be addressed by other alternatives;

(b) to certify a new bed in a facility that commenced construction before May 23, 1983. For the purposes of this section, "commenced construction" means that all of the following conditions were met: the final working drawings and specifications were approved by the commissioner of health; the construction contracts were let; a timely construction schedule was developed, stipulating dates for beginning, achieving various stages, and completing construction; and all zoning and building permits were secured;

(c) to certify beds in a new nursing home that is needed in order to meet the special dietary needs of its residents, if: the nursing home plan meets the commissioner's satisfaction that the needs of its residents cannot otherwise be met; elements of the special diet are not available through most food distributors; and proper preparation of the special diet requires incurring various operating expenses, including extra food preparation or serving items, not incurred to a similar extent by most nursing homes;

(d) to license a new nursing home bed in a facility that meets one of the exceptions contained in clauses (a) to (c);

(e) to license nursing home beds in a facility that has submitted either a completed licensure application or a written request for licensure to the commissioner before March 1, 1985, and has either commenced any required construction as defined in clause (b) before May 1, 1985, or has, before May 1, 1985, received from the commissioner approval of plans for phased-in construction and written authorization to begin construction on a phased-in basis. For the purpose of this clause, "construction" means any erection, building, alteration, reconstruction, modernization, or improvement necessary to comply with the nursing home licensure rules;

(f) to certify or license new beds in a new facility that is to be operated by the commissioner of veterans' affairs or when the costs of constructing and operating the new beds are to be reimbursed by the commissioner of veterans' affairs or the United States Veterans Administration;

(g) to license or certify beds in a new facility constructed to replace a facility that was destroyed after June 30, 1987, by fire, lightning, or other hazard provided:

(1) destruction was not caused by the intentional act of or at the direction of a controlling person of the facility;

(2) at the time the facility was destroyed the controlling persons of the facility maintained insurance coverage for the type of hazard that occurred in an amount that a reasonable person would conclude was adequate;

(3) the net proceeds from an insurance settlement for the damages caused by the hazard are applied to the cost of the new facility;

(4) the new facility is constructed on the same site as the destroyed facility or on another site subject to the restrictions in section 149A.073, subdivision 5; and

(5) the number of licensed and certified beds in the new facility does not exceed the number of licensed and certified beds in the destroyed facility;

(h) to license or certify beds that are moved from one location to another

within a nursing home facility, provided the total costs of remodeling performed in conjunction with the relocation of beds does not exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, or to license or certify beds in a facility for which the total costs of remodeling or renovation exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, if the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the remodeling or renovation;

(i) to license or certify beds in a facility that has been involuntarily delicensed or decertified for participation in the medical assistance program, provided that an application for relicensure or recertification is submitted to the commissioner within 120 days after delicensure or decertification;

(j) to license or certify beds in a project recommended for approval by the interagency board for quality assurance under section 144A.073;

(k) to license nursing home beds in a hospital facility that are relocated from a different hospital facility under common ownership or affiliation, provided:

(1) the nursing home beds are not certified for participation in the medical assistance program; and

(2) the relocation of nursing home beds under this clause should not exceed a radius of six miles;

(l) to license or certify beds that are moved from one location to another within an existing identifiable complex of hospital buildings, from a hospital-attached nursing home to the hospital building, or from a separate nursing home to a building formerly used as a hospital, provided the original nursing home building will no longer be operated as a nursing home and the building to which the beds are moved will no longer be operated as a hospital. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the relocation. At the time of the licensure and certification of the nursing home beds, the commissioner of health shall delicense the same number of acute care beds within the existing complex of hospital buildings or building. Relocation of nursing home beds under this clause is subject to the limitations in section 144A.073, subdivision 5;

(m) to license or certify beds that are moved from an existing state nursing home to a different state facility, provided there is no net increase in the number of state nursing home beds. The relocated beds need not be licensed and certified at the new location simultaneously with the delicensing and decertification of the old beds and may be licensed and certified at any time after the old beds are delicensed and decertified;

(n) to license new nursing home beds in a continuing care retirement community affiliated with a national referral center engaged in substantial programs of patient care, medical research, and medical education meeting state and national needs that receives more than 40 percent of its residents from outside the state for the purpose of meeting contractual obligations to residents of the retirement community, provided the facility makes a written commitment to the commissioner of human services that it will not seek medical assistance certification for the new beds;

(o) to certify or license new beds in a new facility on the Red Lake Indian Reservation for which payments will be made under the Indian Health Care Improvement Act, Public Law Number 94-437, at the rates specified in United States Code, title 42, section 1396d(b);

(p) to certify and license as nursing home beds boarding care beds in a certified boarding care facility if the beds meet the standards for nursing home licensure and if the cost of any remodeling of the facility does not exceed ten percent of the appraised value of the facility or \$200,000, whichever is less; or to license as nursing home beds boarding care beds in a facility with an addendum to its provider agreement effective beginning July 1, 1983, if the boarding care beds to be upgraded meet the standards for nursing home licensure. If boarding care beds are licensed as nursing home beds, the number of boarding care beds in the facility must not increase in the future. The provisions contained in section 144A.073 regarding the upgrading of the facilities do not apply to facilities that satisfy these requirements;

(q) to license and certify up to 40 beds transferred from an existing facility owned and operated by the Amherst H. Wilder Foundation in the city of Saint Paul to a new unit at the same location as the existing facility that will serve persons with Alzheimer's disease and other related disorders. The transfer of beds may occur gradually or in stages, provided the total number of beds transferred does not exceed 40. At the time of licensure and certification of a bed or beds in the new unit, the commissioner of health shall delicense and decertify the same number of beds in the existing facility. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the transfers allowed under this clause;

(r) to license and certify nursing home beds to replace currently licensed and certified boarding care beds which may be located either in a remodeled or renovated boarding care or nursing home facility or in a remodeled, renovated, newly constructed, or replacement nursing home facility within the identifiable complex of health care facilities in which the currently licensed boarding care beds are presently located, provided that the number of boarding care beds in the facility or complex are decreased by the number to be licensed as nursing home beds and further provided that, if the total costs of new construction, replacement, remodeling, or renovation exceed ten percent of the appraised value of the facility or \$200,000, whichever is less, the facility makes a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate by reason of the new construction, replacement, remodeling, or renovation. The provisions contained in section 144A.073 regarding the upgrading of facilities do not apply to facilities that satisfy these requirements;

(s) to license or certify beds that are moved from a nursing home to a separate facility under common ownership or control that was formerly licensed as a hospital and is currently licensed as a nursing facility and that is located within eight miles of the original facility, provided the original nursing home building will no longer be operated as a nursing home. As a condition of receiving a license or certification under this clause, the facility must make a written commitment to the commissioner of human services that it will not seek to receive an increase in its property-related payment rate as a result of the relocation; or

(t) to license as a nursing home and certify as a nursing facility a facility that is licensed as a boarding care facility but not certified under the medical assistance program, but only if the commissioner of human services certifies to the commissioner of health that licensing the facility as a nursing home and certifying the facility as a nursing facility will result in a net annual savings to the state general fund of \$200,000 or more; *or*

*(u) to certify, prior to July 1, 1993, beds in a facility that has no certified beds but was licensed and in operation prior to January 1, 1992.*

Sec. 3. Minnesota Statutes 1991 Supplement, section 144A.071, subdivision 3a, is amended to read:

Subd. 3a. [CERTIFICATION OF LICENSED BEDS IN A CERTIFIED FACILITY.] Nothing in this section prohibits the commissioner of health from certifying licensed nursing home beds in a facility certified for medical assistance provided that these beds meet the certification requirements ~~and the facility enters into a written agreement with the commissioner of human services specifying that medical assistance reimbursement shall not be requested for a greater number of residents than the facility had medical assistance certified beds on April 1, 1994.~~

Sec. 4. Minnesota Statutes 1990, section 147.02, is amended by adding a subdivision to read:

*Subd. 7. [INFORMATION FOR COMMISSIONER OF HUMAN SERVICES.] The board shall promptly provide to the commissioner of human services upon request any information on physician licensure required by the commissioner to operate the provider surcharge program.*

Sec. 5. Minnesota Statutes 1991 Supplement, section 256.9656, is amended to read:

#### 256.9656 [DEPOSITS INTO THE GENERAL FUND.]

All money collected under section 256.9657 shall be deposited in the general fund ~~and is appropriated to the commissioner of human services for the purposes of section 256B.74.~~ Deposits do not cancel and are available until expended.

Sec. 6. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 1, is amended to read:

Subdivision 1. [NURSING FACILITY HOME LICENSE SURCHARGE.] Effective ~~July 1, 1994~~ *October 1, 1992*, each *nonstate operated* nursing facility ~~subject to the reimbursement principles in Minnesota Rules, parts 9549.0010 to 9549.0080, home licensed under chapter 144A~~ shall pay to the commissioner an annual surcharge according to the schedule in subdivision 4. The surcharge shall be calculated as ~~\$500~~ \$540 per bed licensed on the previous ~~April 1~~ *July 1*, *except that if the number of licensed beds is reduced after July 1 but prior to August 1, the surcharge shall be based on the number of remaining licensed beds. A nursing home entitled to a reduction in the number of beds subject to the surcharge under this provision must demonstrate to the satisfaction of the commissioner by August 5 that the number of beds has been reduced. The surcharge shall be \$600 per bed for the fiscal year beginning July 1, 1993, and \$625 per bed for the fiscal year beginning July 1, 1994.*

Sec. 7. Minnesota Statutes 1991 Supplement, section 256.9657, is amended by adding a subdivision to read:

*Subd. 1a. [WAIVER REQUEST.] The commissioner shall request a waiver from the Secretary of Health and Human Services to exclude from the surcharge under subdivision 1 a nursing home that provides all services free of charge and to make a pro rata reduction in the surcharge paid by a nursing home that provides a portion of its services free of charge. If a waiver is approved under this subdivision, the commissioner shall not collect a surcharge from a nursing home that demonstrates to the satisfaction of the commissioner that all services are provided free of charge and shall make a pro rata reduction in the surcharge paid by a nursing home that provides a portion of its services free of charge.*

Sec. 8. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 2, is amended to read:

*Subd. 2. [HOSPITAL SURCHARGE.] (a) Effective July 1, 1991 October 1, 1992, each Minnesota and local trade area hospital except facilities of the federal Indian Health Service and regional treatment centers shall pay to the medical assistance account a surcharge equal to ten 1.6 percent of medical assistance payments issued to net patient revenues excluding net Medicare revenues reported by that provider for inpatient services to the health care cost information system according to the schedule in subdivision 4. Medicare crossovers and indigent care payments paid under section 256B.74 are excluded from the amount of medical assistance payments issued.*

*(b) Effective July 1, 1991, each Minnesota and local trade area hospital except facilities of the federal Indian Health Service and regional treatment centers shall pay to the medical assistance account a surcharge equal to five percent of medical assistance payments issued to that provider for outpatient services according to the schedule in subdivision 4. Medicare crossovers are excluded from the amount of medical assistance payments issued.*

Sec. 9. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 3, is amended to read:

*Subd. 3. [HEALTH PLAN MAINTENANCE ORGANIZATION SURCHARGE.] Effective July 1, 1991 October 1, 1992, each health plan under contract with maintenance organization with a certificate of authority issued by the commissioner of health under chapter 62D shall pay to the commissioner of human services a surcharge equal to the equivalent value of the surcharges described in subdivision 2 for each medical assistance rate cell payment seven-tenths of one percent of the total premium revenues of the health maintenance organization as reported to the commissioner of health according to the schedule in subdivision 4. The surcharge for each quarter or month of a fiscal year shall be calculated based on the payments due in September of the same fiscal year under subdivision 2.*

Sec. 10. Minnesota Statutes 1991 Supplement, section 256.9657, is amended by adding a subdivision to read:

*Subd. 3a. [LICENSED PHYSICIAN SURCHARGE.] Each physician licensed by the board of medical practice shall pay to the commissioner an annual license surcharge of \$600 according to the schedule in subdivision 4.*

Sec. 11. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 4, is amended to read:

*Subd. 4. [PAYMENTS INTO THE ACCOUNT.] Payments to the commissioner under subdivision subdivisions 1 to 3a must be paid in monthly*



installments due on the 15th of the month beginning ~~August 15, 1991~~ *October 15, 1992*. The monthly payment must be equal to the annual surcharge divided by 12. Payments to the commissioner under subdivisions 2 and 3 ~~for fiscal year 1993 must be paid as follows: the first payment is a quarterly payment due September 15, 1991, with subsequent payments due monthly on the fifteenth of each month. The September 15, 1991, payment under subdivisions 2 and 3 shall be determined by taking the amount of medical assistance payments issued to each provider in the calendar quarter beginning six months prior to the quarter in which the payment is due multiplied by the percentage surcharge for each provider. The subsequent monthly payments shall be determined by taking the amount of medical assistance payments issued to each provider in the month beginning six months prior to the month in which the payment is due multiplied by the percentage surcharge for each provider based on calendar year 1990 revenues. Effective July 1 of each year, beginning in 1993, payments under subdivisions 2 and 3 must be based on revenues earned in the second previous calendar year.~~

Sec. 12. Minnesota Statutes 1991 Supplement, section 256.9657, subdivision 7, is amended to read:

Subd. 7. ~~[ENFORCEMENT COLLECTION; CIVIL PENALTIES.] The commissioner shall bring action in district court to collect provider payments due under subdivisions 1 to 3 that are more than 30 days in arrears. The provisions of sections 289A.35 to 289A.50 relating to the authority to audit, assess, collect, and pay refunds of other state taxes may be implemented by the commissioner of human services with respect to the tax, penalty, and interest imposed by this section. The commissioner of human services shall impose civil penalties for violation of this section as provided in section 289A.60, and the tax and penalties are subject to interest at the rate provided in section 270.75.~~

Sec. 13. Minnesota Statutes 1991 Supplement, section 256.969, subdivision 1, is amended to read:

Subdivision 1. ~~[HOSPITAL COST INDEX.] The hospital cost index shall be obtained from an independent source and shall represent a weighted average of historical, as limited to statutory maximums, and projected cost change estimates determined for expense categories to include wages and salaries, employee benefits, medical and professional fees, raw food, utilities, insurance including malpractice insurance, and other applicable expenses as determined by the commissioner. The index shall reflect Minnesota cost category weights. Individual indices shall be specific to Minnesota if the commissioner determines that sufficient accuracy of the hospital cost index is achieved. The hospital cost index shall be used to adjust the base year operating payment rate through the rate year on an annually compounded basis. Notwithstanding section 256.9695, subdivision 3, paragraph (c), the hospital cost index shall not be effective under the general assistance medical care program for admissions occurring during the biennium ending June 30, 1993, and the hospital cost index under medical assistance shall be increased by one percentage point to reflect changes in technology.~~

Sec. 14. Minnesota Statutes 1991 Supplement, section 256.969, subdivision 9, is amended to read:

Subd. 9. ~~[DISPROPORTIONATE NUMBERS OF LOW-INCOME PATIENTS SERVED.] For admissions occurring on or after July 1, 1989~~

October 1, 1992, the medical assistance disproportionate population adjustment shall comply with federal law ~~at fully implemented rates~~ and shall be paid to a hospital, excluding regional treatment centers and facilities of the federal Indian Health Service, with a medical assistance inpatient utilization rate in excess of the arithmetic mean. The adjustment must be determined as follows:

(1) for a hospital with a medical assistance inpatient utilization rate above the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service but less than or equal to one standard deviation above the mean, the adjustment must be determined by multiplying the total of the operating and property payment rates by the difference between the hospital's actual medical assistance inpatient utilization rate and the arithmetic mean for all hospitals excluding regional treatment centers and facilities of the federal Indian Health Service; and

(2) for a hospital with a medical assistance inpatient utilization rate above one standard deviation above the mean, the adjustment must be determined by multiplying the adjustment that would be determined under paragraph (1) for that hospital by 1.1. If federal matching funds are not available for all adjustments under this subdivision, the commissioner shall reduce payments on a pro rata basis so that all adjustments qualify for federal match. The commissioner may establish a separate disproportionate population operating payment rate adjustment under the general assistance medical care program.

Sec. 15. Minnesota Statutes 1991 Supplement, section 256.969, subdivision 20, is amended to read:

Subd. 20. [INCREASES IN MEDICAL ASSISTANCE INPATIENT PAYMENTS; CONDITIONS.] (a) Medical assistance inpatient payments shall increase 20 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(b) Medical assistance inpatient payments shall increase 15 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(c) Medical assistance inpatient payment rates shall increase 20 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occur on or after October 1, 1992, if: (i) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988, for the period

*January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For a hospital that qualifies for an adjustment under this paragraph and under subdivision 9, the hospital must be paid the adjustment under subdivision 9 plus any amount by which the adjustment under this paragraph exceeds the adjustment under subdivision 9. For this paragraph, medical assistance does not include general assistance medical care.*

*(d) Medical assistance inpatient payments shall increase 15 percent for inpatient hospital originally paid admissions, excluding Medicare cross-overs, that occur after September 30, 1992, if: (i) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare cross-overs, that were paid by March 1, 1988, for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For a hospital that qualifies for an adjustment under this paragraph and under subdivision 9, the hospital must be paid the adjustment under subdivision 9 plus any amount by which the adjustment under this paragraph exceeds the adjustment under subdivision 9. For this paragraph, medical assistance does not include general assistance medical care.*

Sec. 16. Minnesota Statutes 1990, section 256.9695, subdivision 3, is amended to read:

Subd. 3. [TRANSITION.] Except as provided in section 256.969, subdivision 6a, paragraph (a), clause (3), the commissioner shall establish a transition period for the calculation of payment rates from July 1, 1989, to the implementation date of the upgrade to the Medicaid management information system.

During the transition period:

(a) Changes resulting from section 256.969, subdivision 6a, paragraph (a), clauses (1), (2), (4), (5), (6), and (8), shall not be implemented, except as provided in section 256.969, subdivision 6a, paragraph (a), clause (7), and paragraph (i).

(b) The beginning of the 1991 rate year shall be delayed and the rates notification requirement shall not be applicable.

(c) Operating payment rates shall be indexed from the hospital's most recent fiscal year ending prior to January 1, 1991, by prorating the hospital cost index methodology in effect on January 1, 1989. ~~For payments made for admissions occurring on or after June 1, 1990, shall not be adjusted by the one percent technology factor included in the hospital cost index and~~ the hospital cost index shall not exceed five percent. This hospital cost index limitation shall not apply to hospitals that meet the requirements of section 256.969, subdivision 6a, paragraphs (g) and (h).

(d) Property and pass-through payment rates shall be maintained at the most recent payment rate effective for June 1, 1990. However, all hospitals are subject to the hospital cost index limitation of subdivision 2c, for two complete fiscal years. Property and pass-through costs shall be retroactively settled through the transition period. The laws in effect on the day before July 1, 1989, apply to the retroactive settlement.

Sec. 17. Minnesota Statutes 1990, section 256B.19, is amended by adding a subdivision to read:

*Subd. 1b. [PORTION OF NONFEDERAL SHARE TO BE PAID BY GOVERNMENT HOSPITALS.] In addition to the percentage contribution paid by a county under subdivision 1, the governmental units designated in this subdivision are responsible for an additional portion of the nonfederal share of medical assistance costs attributable to the operation of certain public hospitals located within, or subject to, the jurisdiction of the designated governmental units. For purposes of this subdivision, "designated governmental unit" means Hennepin county, Ramsey county, or the University of Minnesota hospitals and clinics. For purposes of this subdivision, "public hospital" means the Hennepin county medical center, the St. Paul-Ramsey medical center, or the University of Minnesota hospitals and clinics.*

*Each of the governmental units designated in this subdivision shall on a monthly basis assess the public hospital within or under its jurisdiction, in an amount equal to one percent of the public hospital's net patient revenues, excluding net Medicare revenue. These sums shall be transmitted to the state Medicaid agency as part of the local governmental unit's portion of the nonfederal share of medical assistance costs, but shall not be subject to payback provisions of section 256.025.*

Sec. 18. Minnesota Statutes 1990, section 256B.431, subdivision 2i, is amended to read:

**Subd. 2i. [OPERATING COSTS AFTER JULY 1, 1988.] (a) [OTHER OPERATING COST LIMITS.]** For the rate year beginning July 1, 1988, the commissioner shall increase the other operating cost limits established in Minnesota Rules, part 9549.0055, subpart 2, item E, to 110 percent of the median of the array of allowable historical other operating cost per diems and index these limits as in Minnesota Rules, part 9549.0056, subparts 3 and 4. The limits must be established in accordance with subdivision 2b, paragraph (d). For rate years beginning on or after July 1, 1989, the adjusted other operating cost limits must be indexed as in Minnesota Rules, part 9549.0056, subparts 3 and 4.

**(b) [CARE-RELATED OPERATING COST LIMITS.]** For the rate year beginning July 1, 1988, the commissioner shall increase the care-related operating cost limits established in Minnesota Rules, part 9549.0055, subpart 2, items A and B, to 125 percent of the median of the array of the allowable historical case mix operating cost standardized per diems and the allowable historical other care-related operating cost per diems and index those limits as in Minnesota Rules, part 9549.0056, subparts 1 and 2. The limits must be established in accordance with subdivision 2b, paragraph (d). For rate years beginning on or after July 1, 1989, the adjusted care-related limits must be indexed as in Minnesota Rules, part 9549.0056, subparts 1 and 2. *For the rate period beginning October 1, 1992, and for rate years beginning after June 30, 1993, the amount of the surcharge under section 256.9657, subdivision 1, shall be included in the plant operations and maintenance operating cost category. The surcharge shall be an allowable cost for the purpose of establishing the payment rate.*

**(c) [SALARY ADJUSTMENT PER DIEM.]** For the rate period October 1, 1988, to June 30, 1990, the commissioner shall add the appropriate salary adjustment per diem calculated in clause (1) or (2) to the total operating cost payment rate of each nursing home. The salary adjustment per diem for each nursing home must be determined as follows:

(1) for each nursing home that reports salaries for registered nurses, licensed practical nurses, and aides, orderlies and attendants separately, the commissioner shall determine the salary adjustment per diem by multiplying the total salaries, payroll taxes, and fringe benefits allowed in each operating cost category, except management fees and administrator and central office salaries and the related payroll taxes and fringe benefits, by 3.5 percent and then dividing the resulting amount by the nursing home's actual resident days; and

(2) for each nursing home that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the salary adjustment per diem is the weighted average salary adjustment per diem increase determined under clause (1).

Each nursing home that receives a salary adjustment per diem pursuant to this subdivision shall adjust nursing home employee salaries by a minimum of the amount determined in clause (1) or (2). The commissioner shall review allowable salary costs, including payroll taxes and fringe benefits, for the reporting year ending September 30, 1989, to determine whether or not each nursing home complied with this requirement. The commissioner shall report the extent to which each nursing home complied with the legislative commission on long-term care by August 1, 1990.

(d) [NEW BASE YEAR.] The commissioner shall establish new base years for both the reporting year ending September 30, 1989, and the reporting year ending September 30, 1990. In establishing new base years, the commissioner must take into account:

(1) statutory changes made in geographic groups;

(2) redefinitions of cost categories; and

(3) reclassification, pass-through, or exemption of certain costs such as public employee retirement act contributions.

(e) [NEW BASE YEAR.] *The commissioner shall establish a new base year for the reporting year ending September 30, 1991. In establishing a new base year, the commissioner must take into account:*

*(1) statutory changes made in geographic groups;*

*(2) redefinitions of cost categories; and*

*(3) reclassification, pass-through, or exemption of certain costs.*

Sec. 19. Minnesota Statutes 1991 Supplement, section 256B.431, subdivision 3f, is amended to read:

Subd. 3f. [PROPERTY COSTS AFTER JULY 1, 1988.] (a) [INVESTMENT PER BED LIMIT.] For the rate year beginning July 1, 1988, the replacement-cost-new per bed limit must be \$32,571 per licensed bed in multiple bedrooms and \$48,857 per licensed bed in a single bedroom. For the rate year beginning July 1, 1989, the replacement-cost-new per bed limit for a single bedroom must be \$49,907 adjusted according to Minnesota Rules, part 9549.0060, subpart 4, item A, subitem (1). Beginning January 1, 1990, the replacement-cost-new per bed limits must be adjusted annually as specified in Minnesota Rules, part 9549.0060, subpart 4, item A, subitem (1). Beginning January 1, 1991, the replacement-cost-new per bed limits will be adjusted annually as specified in Minnesota Rules, part 9549.0060, subpart 4, item A, subitem (1), except that the index utilized will be the Bureau of the Census: Composite fixed-weighted price index as published

in the Survey of Current Business.

(b) [RENTAL FACTOR.] For the rate year beginning July 1, 1988, the commissioner shall increase the rental factor as established in Minnesota Rules, part 9549.0060, subpart 8, item A, by 6.2 percent rounded to the nearest 100th percent for the purpose of reimbursing nursing homes for soft costs and entrepreneurial profits not included in the cost valuation services used by the state's contracted appraisers. For rate years beginning on or after July 1, 1989, the rental factor is the amount determined under this paragraph for the rate year beginning July 1, 1988.

(c) [OCCUPANCY FACTOR.] For rate years beginning on or after July 1, 1988, in order to determine property-related payment rates under Minnesota Rules, part 9549.0060, for all nursing homes except those whose average length of stay in a skilled level of care within a nursing home is 180 days or less, the commissioner shall use 95 percent of capacity days. For a nursing home whose average length of stay in a skilled level of care within a nursing home is 180 days or less, the commissioner shall use the greater of resident days or 80 percent of capacity days but in no event shall the divisor exceed 95 percent of capacity days.

(d) [EQUIPMENT ALLOWANCE.] For rate years beginning on July 1, 1988, and July 1, 1989, the commissioner shall add ten cents per resident per day to each nursing home's property-related payment rate. The ten-cent property-related payment rate increase is not cumulative from rate year to rate year. For the rate year beginning July 1, 1990, the commissioner shall increase each nursing home's equipment allowance as established in Minnesota Rules, part 9549.0060, subpart 10, by ten cents per resident per day. For rate years beginning on or after July 1, 1991, the adjusted equipment allowance must be adjusted annually for inflation as in Minnesota Rules, part 9549.0060, subpart 10, item E. *For the rate period beginning October 1, 1992, the equipment allowance for each nursing facility shall be increased by 28 percent. For rate years beginning after June 30, 1993, the allowance must be adjusted annually for inflation.*

(e) [POST CHAPTER 199 RELATED-ORGANIZATION DEBTS AND INTEREST EXPENSE.] For rate years beginning on or after July 1, 1990, Minnesota Rules, part 9549.0060, subpart 5, item E, shall not apply to outstanding related organization debt incurred prior to May 23, 1983, provided that the debt was an allowable debt under Minnesota Rules, parts 9510.0010 to 9510.0480, the debt is subject to repayment through annual principal payments, and the nursing home demonstrates to the commissioner's satisfaction that the interest rate on the debt was less than market interest rates for similar arms-length transactions at the time the debt was incurred. If the debt was incurred due to a sale between family members, the nursing home must also demonstrate that the seller no longer participates in the management or operation of the nursing home. Debts meeting the conditions of this paragraph are subject to all other provisions of Minnesota Rules, parts 9549.0010 to 9549.0080.

(f) [BUILDING CAPITAL ALLOWANCE FOR NURSING HOMES WITH OPERATING LEASES.] For rate years beginning on or after July 1, 1990, a nursing home with operating lease costs incurred for the nursing home's buildings shall receive its building capital allowance computed in accordance with Minnesota Rules, part 9549.0060, subpart 8.

Sec. 20. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 9a. [ONE-TIME ADJUSTMENT FOR 21-MONTH FACTOR.] For the rate period beginning October 1, 1992, the 21-month inflation factor for operating costs shall be increased by seven-tenths of one percent.*

Sec. 21. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 13. [HOLD-HARMLESS PROPERTY-RELATED RATES.] (a) Terms used in subdivisions 13 to 20 shall be as defined in Minnesota Rules, parts 9549.0010 to 9549.0080, and this section.*

*(b) Except as provided in this subdivision, for rate periods beginning after June 30, 1992, the property-related rate for a nursing facility shall be the greater of \$4 or the property-related payment rate in effect on June 30, 1992. In addition, the incremental increase in rate will be determined under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section for allowable costs incurred after September 30, 1991.*

*(c) Notwithstanding Minnesota Rules, part 9549.0060, subpart 13, item F, a nursing facility that has a change in ownership or reorganization of provider entity after June 30, 1992, shall receive the payment rate in effect at the time of the sale or reorganization and any payment increase allowed under subdivision 14.*

Sec. 22. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 14. [LIMITATIONS ON SALES OF NURSING FACILITIES.] (a) For rate periods beginning after June 30, 1992, a nursing facility's property-related payment rate as established under subdivision 13 shall be adjusted by either paragraph (a) or (b) for the sale of the nursing facility as provided in paragraphs (a) to (j).*

*(b) If the facility's rate under subdivision 13 prior to sale is greater than the facility's rate under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section prior to sale, the facility's rate after sale shall be the greater of the facility's rate under subdivision 13 prior to sale and the facility's rate under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section calculated after sale.*

*(c) If the facility's rate under subdivision 13 prior to sale is equal to or less than the facility's rate under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section prior to sale, the facility's rate after sale shall be the facility's rate under subdivision 13 plus the difference between the facility's rate calculated under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section prior to sale and the facility's rate calculated under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section calculated after sale.*

*(d) For purposes of this subdivision, "sale" means the purchase of a nursing facility's capital assets with cash or debt. The term sale does not include any of the following transactions:*

*(1) a sale and leaseback to the same licensee that does not constitute a change in facility license;*

*(2) a transfer of an interest to a trust;*

*(3) gifts or other transfers for no consideration;*

*(4) a merger of two or more related organizations;*

(5) a change in the legal form of doing business, other than a publicly held organization that becomes privately held or vice versa; and

(6) the addition of a new partner, owner, or shareholder who owns less than five percent of the nursing home or the issuance of stock.

(e) For purposes of this subdivision, "effective date of sale" means the latter of either the date on which legal title to the capital assets is transferred or the date on which closing for the sale occurred.

(f) The sale shall have the effect on the property-related rate provided in this subdivision effective on the first day of the month following the month in which the effective date of sale occurs.

(g) Notwithstanding Minnesota Rules, part 9549.0060, subpart 5, item A, subitems (3) and (4), and subpart 7, items E and F, the commissioner shall limit the total allowable debt and related interest after sale to the sum of the following:

(1) the historical cost of capital assets as of the nursing facility's most recent previous effective date of sale or, if there has been no previous sale, the nursing facility's initial historical cost of constructing capital assets;

(2) the capital asset additions after deduction for capital asset deletions, not including depreciations; and

(3) one-half of the allowed inflation on the nursing facility's allowable capital assets. The commissioner shall compute the allowed inflation as described in paragraph (f).

(h) For purposes of computing the amount of allowed inflation, the commissioner must apply the following principles:

(1) the lesser of the Consumer Price Index for all urban consumers or the Dodge construction systems costs for nursing homes for any time periods during which both are available must be used;

(2) the amount of allowed inflation to be applied to the capital assets in paragraph (e), clauses (1) and (2), must be computed separately;

(3) the amount of allowed inflation must be determined on an annual basis, prorated on a monthly basis for partial years and if the initial month of use is not determinable for a capital asset, then one-half of that calendar year shall be used for purposes of prorating;

(4) the amount of allowed inflation to be applied to the capital assets in paragraph (e), clauses (1) and (2), must not exceed 500 percent of the total capital assets in any one of those clauses; and

(5) the allowed inflation must be computed starting with the nursing facility's most recent previous effective date of sale or, if there has been no previous sale, the date of the nursing facility's initial occupancy, and ending with the effective date of sale.

(i) If the historical cost of an asset is not readily available for the date of the facility's most recent previous sale or if there has been no previous sale for the date of the facility's initial occupancy, then the commissioner shall limit the debt and related interest to the indexed historical cost recognized by the Medicare intermediary after the sale.

(j) The limitations in paragraph (e) apply only to increases in debt resulting from sales occurring after June 30, 1992, and not to existing debt or



*increases in debt not resulting from sales.*

Sec. 23. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 15. [CAPITAL REPAIR AND REPLACEMENT COST REPORTING AND RATE CALCULATION.] For rate periods beginning after June 30, 1993, a nursing facility's capital repair and replacement rate shall be determined as provided in paragraphs (a) to (e).*

*(a) Notwithstanding Minnesota Rules, part 9549.0060, subpart 12, the costs of acquiring the following items, including cash payment for equity financing and principal and interest expense for debt financing, shall be reported in the capital repair and replacement cost category:*

*(1) wall coverings;*

*(2) paint;*

*(3) floor coverings;*

*(4) window coverings;*

*(5) roof repair;*

*(6) heating or cooling system repair or replacement;*

*(7) window repair or replacement;*

*(8) initiatives designed to reduce energy usage by the facility if accompanied by an energy audit prepared by a professional engineer or architect registered in Minnesota, or by an auditor certified under Minnesota Rules, part 7635.0130, to do energy audits and the energy audit identifies the initiative as a conservation measure; and*

*(9) capitalized repair or replacement of capital assets not allowable under subdivision 16.*

*(b) To compute the capital repair and replacement rate, the lesser of the actual or allowable annual repair and replacement costs must be divided by actual resident days. The annual allowable capital repair and replacement costs shall not exceed \$150 per licensed bed. The excess of the actual capital repair and maintenance cost over the capital repair and replacement limit shall be a cost carryover to succeeding cost reporting periods. For rate years beginning after June 30, 1994, the capital repair and replacement limit shall be subject to the index provided in subdivision 2i, paragraph (b). For purposes of this subdivision, the number of licensed beds shall be the number used to calculate capacity days. The capital repair and replacement rate must be added to the total payment rate determined under subdivision 13.*

*(c) For costs incurred using both equity and debt financing, the equity shall be allowed as a cost before allowance of the principal and interest on the remaining costs is allowed; however, such principal and interest may be carried over into succeeding cost reporting periods as provided in paragraph (b).*

*(d) Capital repair and replacement costs under this subdivision shall not be counted as either care-related or other operating costs, nor subject to care-related or other operating limits.*

*(e) Costs otherwise allowable under this subdivision are allowable under either this subdivision or under subdivisions 16 and 17 if the costs are*

*incurred in connection with a project approved under the moratorium exception process in section 144A.073 or in connection with an addition to or replacement of buildings, attached fixtures, or land improvements for which the total historical cost exceeds the lesser of \$125,000 or ten percent of the most recent appraised value.*

Sec. 24. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 16. [MAJOR ADDITIONS AND REPLACEMENTS; EQUITY INCENTIVE.] For rate periods beginning after June 30, 1993, new allowable costs added after June 30, 1992, in connection with a project approved under the moratorium exception process in section 144A.073 or in connection with an addition to or replacement of buildings, attached fixtures, or land improvements for which the total historical cost exceeds the lesser of \$125,000 or ten percent of the most recent appraised value shall be reimbursed under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section and shall receive an equity incentive factor to be added to their rental factor for application to the allowed equity portion of the new cost as provided in paragraphs (a) to (d).*

*(a) For costs described above, in addition to the property related payment under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section, the allowable historical cost of the capital asset acquired, minus the allowable debt directly identified to that capital asset, must be multiplied by the equity incentive factor as described in paragraphs (b) and (c), and divided by the facility's occupancy factor under subdivision 3f, paragraph (c), and added to the facility's total property-related rate. The allowable historical cost and the allowable debt shall be adjusted annually as provided in Minnesota Rules, parts 9549.0010 to 9549.0080, and this section.*

*(b) The equity incentive factor shall be determined by multiplying the amount calculated in clause (1) times the amount calculated in clause (2):*

*(1) the difference between the rental factor and the lesser of two percentage points above the posted yield for standard conventional fixed rate mortgages of the Federal Home Loan Mortgage Corporation as published in the Wall Street Journal and in effect on the first day of the month the debt or cost is incurred, or 16 percent;*

*(2) the cubed quotient of the initial allowable debt in paragraph (a) divided by the initial historical cost in paragraph (a) subtracted from the number one.*

*(c) The payment resulting from application of the equity incentive factor shall be limited to the term of the allowable debt in paragraph (a), not greater than 20 years nor less than ten years. If no debt is incurred in acquiring the capital asset, the equity incentive factor shall be paid for ten years.*

*(d) The incremental increase in rate, as determined under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section resulting under this subdivision, shall be added to the rate determined under subdivision 13 and is effective on the first day of the month following the month in which the repair, replacement, or addition or moratorium exception project was completed. Adjustments under this subdivision are limited to one per 12-month period.*

Sec. 25. Minnesota Statutes 1990, section 256B.431, is amended by

adding a subdivision to read:

*Subd. 17. [SPECIAL PROVISIONS FOR MORATORIUM EXCEPTIONS.] (a) Notwithstanding Minnesota Rules, part 9549.0060, subpart 3, for rate years beginning after June 30, 1992, a nursing facility that has completed a renovation, replacement, or upgrading project approved under the moratorium exception process in section 144A.073 shall be reimbursed for costs related to that project as provided in subdivisions 16, 18, and this subdivision.*

*(b) Notwithstanding Minnesota Rules, part 9549.0060, subpart 5, item A, subitems (1) and (3), allowable debt shall include:*

*(1) debt related to the cost of purchasing or replacing movable equipment not to exceed six percent of the total historical cost of the project; and*

*(2) an increase in debt related to financing or refinancing costs, including costs related to points, loan origination fees, financing charges, legal fees, and title searches; and issuance costs including bond discounts, bond counsel, underwriter's counsel, corporate counsel, printing, and financial forecasts. Allowable debt related to items in this clause shall not exceed seven percent of the total historical cost of the project.*

*(c) Notwithstanding Minnesota Rules, part 9549.0060, subpart 7, item D, allowable interest shall include:*

*(1) interest on all allowable debt, including debt allowed under paragraph (b); and*

*(2) interest on debt incurred for the establishment of a debt reserve fund, net of the interest earned on the debt reserve fund.*

*(d) Debt for costs under paragraph (b) is not subject to Minnesota Rules, part 9549.0060, subpart 5, item A, subitem (5) or (6).*

*(e) Notwithstanding subdivision 3f, paragraph (a), for rate years beginning after June 30, 1992, the replacement-costs-new per bed limit to be used in Minnesota Rules, part 9549.0060, subpart 4, item B, for a nursing facility that has completed a renovation, replacement, or upgrading project that has been approved under the moratorium exception process in section 144A.073, or that has completed an addition to or replacement of buildings, attached fixtures, or land improvements for which the total historical cost exceeds the lesser of \$125,000 or ten percent of the most recent appraised value, must be \$47,500 per licensed bed in multiple-bed rooms and \$71,250 per licensed bed in a single-bed room. These amounts must be adjusted annually as specified in subdivision 3f, paragraph (a).*

Sec. 26. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 18. [ESTABLISHING BASELINE APPRAISALS; UPDATING APPRAISALS, ADDITIONS, AND REPLACEMENTS.] (a) Notwithstanding Minnesota Rules, part 9549.0060, subparts 1 to 3, the appraised value, routine updating of the appraised value, and special reappraisals are subject to clauses (1) to (3).*

*(1) For the rate period beginning after June 30, 1993, the commissioner shall allow any nursing facility not choosing to use appraised values established under Minnesota Rules, part 9549.0060, as of June 30, 1991, or as established after June 30, 1991, and before July 1, 1993, under Minnesota*

*Rules, part 9549.0060, subpart 13, item G (special reappraisals), to establish a new appraised value using the segregated cost version of the replacement cost method.*

*The new appraisal must be conducted by one of the appraisal firms authorized by the commissioner of administration to conduct nursing home appraisals. To qualify for authorization, an appraisal firm must have actual experience utilizing the segregated cost method of appraisal within the last three years and must have actual experience appraising Minnesota nursing homes within the last three years. Any appraisal firm that applies for authorization and meets the qualifying criteria shall be authorized by the commissioner of administration to conduct nursing facility appraisals under this section.*

*Nursing facilities electing to establish a new appraised value shall notify the commissioner of human services in writing and select an appraisal firm before September 30, 1992, from the list of authorized nursing facility appraisal firms. The cost of the new appraisal shall be paid by the nursing facility and shall be considered an allowable cost under Minnesota Rules, parts 9549.0040, subpart 9, and 9549.0061. A nursing facility may appeal the determination of its appraised value under this subdivision pursuant to section 256B.50, subdivision 2.*

*(2) All appraisals and reappraisals conducted under Minnesota Rules, parts 9549.0010 to 9549.0080, must comply with this section.*

*(3) The incremental change in rate resulting from the redetermination of a facility's appraised value shall be added to the rate determined under subdivision 13 and is effective for rate periods beginning July 1, 1993.*

*(b) Notwithstanding Minnesota Rules, part 9549.0060, subpart 2, for rate years beginning after June 30, 1994, the commissioner shall routinely update the appraised value of all nursing facilities by adjusting each appraised value by the index provided in subdivision 3f, paragraph (a). The incremental increase in rate resulting from the annual adjustment as determined under Minnesota Rules, parts 9549.0010 to 9549.0080, and this section shall be added to the facility's rate for each rate year. The adjustment under this paragraph shall also apply for purposes of subdivision 16.*

*(c) A nursing facility that makes a repair, addition, or replacement under subdivision 16, or repair, renovation, or upgrading under subdivision 17, shall have the nursing facility's appraised value increased by the total historical cost of the repair, addition, or replacement exclusive of the proceeds from disposals of capital assets or applicable credits such as public grants and insurance proceeds. The costs may be reported only after completion of the project and must be reported on a special cost report form provided by the commissioner. A facility submitting a special cost report shall have the depreciation for the nursing facility reduced by a percentage equal to the percentage increase in the appraised value resulting from the repair, addition, or replacement under this paragraph. The incremental increase in rate, determined under Minnesota Rules, part 9549.0080, and this section, resulting from the increased appraised value under this paragraph is effective on the first day of the month following the month in which the repair, addition, or replacement was completed.*

*Sec. 27. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:*

*Subd. 19. [REFINANCING INCENTIVE.] A nursing facility that refinances debt after May 30, 1992, in order to achieve a savings in annual interest expense payments shall receive as an incentive prior interest expense payments for the rate year in which refinancing occurs and for the three consecutive rate years following the rate year in which refinancing occurs. To calculate the annual interest expense, the aggregate interest expense over the remaining term of the refinanced debt shall be divided by the remaining years of the term of the refinanced debt. An increase in a nursing facility's debt resulting from refinancing that meets the conditions of this section shall be allowed, notwithstanding Minnesota Rules, part 9549.0060, subpart 5, item A, subitem (6). The proceeds of refinancing may not be used for the purpose of withdrawing equity from the nursing facility.*

Sec. 28. Minnesota Statutes 1990, section 256B.431, is amended by adding a subdivision to read:

*Subd. 20. [TOTAL REPLACEMENT PROJECTS INVOLVING ADDITIONS TO EXISTING FACILITY.] (a) For rate years beginning after June 30, 1992, a nursing facility which, under the approval of the moratorium exception process in section 144A.073, completes a total replacement of another nursing facility through an addition onto its existing nursing facility shall have a property-related rate calculated as follows: the property-related rate shall be the sum of clauses (1) and (2) divided by the total number of licensed beds used in clauses (1) and (2);*

*(1) the current property-related rate of the existing nursing facility under subdivision 13 multiplied by the licensed beds of the existing facility;*

*(2) the property-related rate for the addition computed under subdivisions 16, 17, and 18 using the total historical cost relating to the addition, multiplied by the number of licensed beds approved for replacement under section 144A.073. In computing the incremental increase, the provisions of Minnesota Rules, part 9549.0060, subpart 14, and this section shall be applied to the addition as a newly constructed facility.*

*(b) For rate years beginning after June 30, 1992, the property-related rate for a facility approved for total replacement under the moratorium exception process in section 144A.073, shall have its property-related rate under subdivision 13 recalculated using the greater of actual resident days or 80 percent of capacity days. This rate shall apply until the nursing facility is replaced or until the moratorium exception authority lapses, whichever is sooner.*

Sec. 29. Minnesota Statutes 1990, section 256B.48, subdivision 1b, is amended to read:

*Subd. 1b. [EXCEPTION.] Notwithstanding any agreement between a nursing home and the department of human services or the provisions of this section or section 256B.411, other than subdivision 1a, the commissioner may authorize continued medical assistance payments to a nursing home which ceased intake of medical assistance recipients prior to July 1, 1983, and which charges private paying residents rates that exceed those permitted by subdivision 1, paragraph (a), for (i) residents who resided in the nursing home before July 1, 1983, or (ii) residents for whom the commissioner or any predecessors of the commissioner granted a permanent individual waiver prior to October 1, 1983. Nursing homes seeking continued medical assistance payments under this subdivision shall make the reports required under subdivision 2, except that on or after December 31,*

1985, the financial statements required need not be audited by or contain the opinion of a certified public accountant or licensed public accountant, but need only be reviewed by a certified public accountant or licensed public accountant. In the event that the state is determined by the federal government to be no longer eligible for the federal share of medical assistance payments made to a nursing home under this subdivision, the commissioner may cease medical assistance payments, under this subdivision, to that nursing home. *Between October 1, 1992, and July 1, 1993, a facility governed by this subdivision may elect to resume full participation in the medical assistance program by agreeing to comply with all of the requirements of the medical assistance program, including the rate equalization law in subdivision 1, paragraph (a), and all other requirements established in law or rule, and to resume intake of new medical assistance recipients.*

Sec. 30. Minnesota Statutes 1990, section 256B.48, is amended by adding a subdivision to read:

*Subd. 9. [MEDICAL ASSISTANCE PARTICIPATION FOR CERTAIN FACILITIES.] An agreement entered into between a nursing facility and the commissioner of human services that limits the number of residents that will be reimbursed under the medical assistance program as a condition of allowing additional beds to be certified under section 144A.071, subdivision 3a, terminates effective October 1, 1992.*

Sec. 31. Minnesota Statutes 1991 Supplement, section 256B.74, subdivision 1, is amended to read:

Subdivision 1. [HOSPITAL REIMBURSEMENT.] (a) ~~Effective for admissions occurring on or after July 1, 1991, the commissioner shall make an indigent care payment to Minnesota and local trade area hospitals except facilities of the federal Indian Health Service and regional treatment centers; in addition to all other payment to hospitals for inpatient services. The indigent care payment shall be ten percent of the amount of medical assistance payments issued to that provider for inpatient services in a given calendar quarter or month, excluding indigent care payments paid under this section, divided by the number of related admissions, or patient days if applicable, and multiplying the result by 111 percent. The indigent care payment is added to each admission, or patient day if applicable, occurring (1) in the second calendar quarter beginning after the quarter on which the September 15, 1991, indigent care payment amount is based and (2) in the month beginning six months after the month on which the subsequent monthly indigent care payment amount is based. Medicare crossovers are excluded from indigent care payments and from the payments and admissions on which the indigent care payment is based. The commissioner may issue indigent care payments as disproportionate population adjustments for eligible hospitals.~~

(b) ~~Effective for services rendered on or after July 1, 1991, the commissioner shall reimburse outpatient hospital facility fees at 80 percent of calendar year 1990 submitted charges, not to exceed the Medicare upper payment limit. Services excepted from this payment methodology are emergency room facility fees, clinic facility fees, and those services for which there is a federal maximum allowable payment.~~

Sec. 32. Minnesota Statutes 1991 Supplement, section 256B.74, subdivision 3, is amended to read:

Subd. 3. [NURSING FACILITY REIMBURSEMENT.] ~~For rate years beginning on or after July 1, 1991, the commissioner shall reimburse nursing~~

facilities participating in the medical assistance program as follows:

(1) a capital allowance of \$1.44 per resident day shall be paid. For a licensed provider with an operating lease on the nursing facility, the capital equipment allowance shall not be the property of the lessor but shall be the property of the licensed provider for the duration of the operating lease or any renewal or extension of the operating lease; and

(2) the maximum efficiency incentive per diem payment established annually under section 256B.431, subdivision 2b, paragraph (d), shall be increased to \$2.10 effective July 1, 1991, and \$2.20 effective July 1, 1992, and shall be indexed for inflation annually beginning July 1, 1993, using Data Resources, Inc., forecast for change in the nursing home market basket.

#### Sec. 33. [HOSPITAL OUTPATIENT REIMBURSEMENT.]

*For services rendered on or after October 1, 1992, the commissioner of human services shall increase hospital outpatient rates by 25 percent over the rates in effect on September 30, 1992, provided that no rate shall exceed the upper payment limit established by Medicare.*

#### Sec. 34. [PHYSICIAN AND DENTAL REIMBURSEMENT.]

*The reimbursement increases provided in Minnesota Statutes, section 256B.74, subdivisions 2 and 5, shall not be implemented. Effective October 1, 1992, the commissioner shall increase payments for physician services by 25 percent above the rate in effect on June 30, 1992, and shall increase payments for dental services by 25 percent above the rate in effect on June 30, 1992.*

#### Sec. 35. [HEALTH MAINTENANCE ORGANIZATION REIMBURSEMENT.]

*The commissioner shall adjust rates paid to a health maintenance organization under contract with the commissioner to reflect rate increases provided in sections 33 and 34.*

#### Sec. 36. [COMMISSIONER'S DUTIES.]

*The commissioner of human services shall report to the legislature quarterly on the first day of January, April, July, and October regarding the provider surcharge program. The report shall include information on total billings, total collections, and administrative expenditures. The report on January 1, 1993, shall include information on all surcharge billings, collections, federal matching payments received, efforts to collect unpaid amounts, and administrative costs pertaining to the surcharge program in effect from July 1, 1991, to September 30, 1992. The commissioner shall report when submitting the budget forecast regarding any changes in the amount of the nursing home surcharge needed to ensure that collections continue at the level anticipated for fiscal year 1993. The commissioner shall continue to track and report separately any provider reimbursement increases or other payments authorized in Laws 1991, chapter 292, article 4, and under sections 1 to 39. The commissioner shall request the Minnesota congressional delegation to support a change in federal law that would prohibit federal disallowances for any state that makes a good faith effort to comply with Public Law Number 91-234 by enacting conforming legislation prior to the issuance of federal implementing regulations.*

#### Sec. 37. [NURSING FACILITY PLANT STUDY.]

*The commissioner of health shall study the physical condition of all*

*Minnesota nursing facilities. This study shall include an individual assessment of each facility by one of the architectural firms authorized by the commissioner of health to conduct assessments. To qualify for authorization, an architectural firm must have actual experience and prior involvement with nursing home construction or remodeling projects. Any appraisal firm that applies for authorization and meets the qualifying criteria shall receive the commissioner's authorization. Each nursing facility shall select an architectural firm from a list of authorized firms to conduct the individual facility assessment. The cost of the assessment shall be paid by the nursing facility and shall be considered an allowable cost under Minnesota Rules, parts 9549.0040, subpart 9, and 9549.0061. Prior to beginning the individual assessments, the commissioner shall convene a special task force to develop the standards and criteria by which the individual assessments must be conducted.*

Sec. 38. [APPROPRIATION.]

*(a) \$ . . . . . is appropriated in fiscal year 1993 from the general fund to the commissioner of human services to pay related costs and expenses.*

*(b) \$ . . . . . is appropriated in fiscal year 1993 from the general fund to the commissioner of health to pay related costs and expenses for the nursing facility plant study.*

Sec. 39. [REPEALER.]

*Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; 256.969, subdivision 7; and 256B.74, subdivisions 8 and 9; and Laws 1991, chapter 292, article 4, section 77, are repealed.*

Sec. 40. [EFFECTIVE DATE.]

*Sections 1 to 39 are effective October 1, 1992."*

Delete the title and insert:

*"A bill for an act relating to human services; expanding provider surcharges to include providers not participating in the medical assistance program; modifying provider reimbursement rates; appropriating money; amending Minnesota Statutes 1990, sections 147.02, by adding a subdivision; 256.9695, subdivision 3; 256B.19, by adding a subdivision; 256B.431, subdivision 2i, and by adding subdivisions; and 256B.48, subdivision 1b, and by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 144A.071, subdivisions 3 and 3a; 256.9656; 256.9657, subdivisions 1, 2, 3, 4, 7, and by adding subdivisions; 256.969, subdivisions 1, 9, and 20; 256B.431, subdivision 3f; and 256B.74, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 144; repealing Minnesota Statutes 1991 Supplement, sections 256.9657, subdivision 5; 256.969, subdivision 7; 256B.74, subdivisions 8 and 9; Laws 1991, chapter 292, article 4, section 77."*

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 re-referred

S.F. No. 394: A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for administration of licensing requirements; changing the



name of the board of architecture, engineering, land surveying, and landscape architecture; appropriating money; amending Minnesota Statutes 1990, sections 116J.70, subdivision 2a; 319A.02, subdivision 2; 326.02, subdivisions 1, 5, and by adding a subdivision; 326.03, subdivision 1; 326.031; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, and 2a; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

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 116J.70, subdivision 2a, is amended to read:

Subd. 2a. [LICENSE; EXCEPTIONS.] “Business license” or “license” does not include the following:

(1) any occupational license or registration issued by a licensing board listed in section 214.01 or any occupational registration issued by the commissioner of health pursuant to section 214.13;

(2) any license issued by a county, home rule charter city, statutory city, township, or other political subdivision;

(3) any license required to practice the following occupation regulated by the following sections:

- (a) abstracters regulated pursuant to chapter 386;
- (b) accountants regulated pursuant to chapter 326;
- (c) adjusters regulated pursuant to chapter 72B;
- (d) architects regulated pursuant to chapter 326;
- (e) assessors regulated pursuant to chapter 270;
- (f) attorneys regulated pursuant to chapter 481;
- (g) auctioneers regulated pursuant to chapter 330;
- (h) barbers regulated pursuant to chapter 154;
- (i) beauticians regulated pursuant to chapter 155A;
- (j) boiler operators regulated pursuant to chapter 183;
- (k) chiropractors regulated pursuant to chapter 148;
- (l) collection agencies regulated pursuant to chapter 332;
- (m) cosmetologists regulated pursuant to chapter 155A;
- (n) dentists, registered dental assistants, and dental hygienists regulated pursuant to chapter 150A;
- (o) detectives regulated pursuant to chapter 326;
- (p) electricians regulated pursuant to chapter 326;
- (q) embalmers regulated pursuant to chapter 149;
- (r) engineers regulated pursuant to chapter 326;
- (s) insurance brokers and salespersons regulated pursuant to chapter 60A;

- (t) *certified interior designers regulated pursuant to chapter 326;*
- (u) *midwives regulated pursuant to chapter 148;*
- ~~(w)~~ (v) *morticians regulated pursuant to chapter 149;*
- ~~(w)~~ (w) *nursing home administrators regulated pursuant to chapter 144A;*
- ~~(w)~~ (x) *optometrists regulated pursuant to chapter 148;*
- ~~(x)~~ (y) *osteopathic physicians regulated pursuant to chapter 147;*
- ~~(y)~~ (z) *pharmacists regulated pursuant to chapter 151;*
- ~~(z)~~ (aa) *physical therapists regulated pursuant to chapter 148;*
- ~~(aa)~~ (bb) *physicians and surgeons regulated pursuant to chapter 147;*
- ~~(bb)~~ (cc) *plumbers regulated pursuant to chapter 326;*
- ~~(ee)~~ (dd) *podiatrists regulated pursuant to chapter 153;*
- ~~(dd)~~ (ee) *practical nurses regulated pursuant to chapter 148;*
- ~~(ee)~~ (ff) *professional fundraisers regulated pursuant to chapter 309;*
- ~~(ff)~~ (gg) *psychologists regulated pursuant to chapter 148;*
- ~~(gg)~~ (hh) *real estate brokers, salespersons, and others regulated pursuant to chapters 82 and 83;*
- ~~(hh)~~ (ii) *registered nurses regulated pursuant to chapter 148;*
- ~~(ii)~~ (jj) *securities brokers, dealers, agents, and investment advisers regulated pursuant to chapter 80A;*
- ~~(jj)~~ (kk) *steamfitters regulated pursuant to chapter 326;*
- ~~(kk)~~ (ll) *teachers and supervisory and support personnel regulated pursuant to chapter 125;*
- ~~(ll)~~ (mm) *veterinarians regulated pursuant to chapter 156;*
- ~~(mm)~~ (nn) *watchmakers regulated pursuant to chapter 326;*
- ~~(nn)~~ (oo) *water conditioning contractors and installers regulated pursuant to chapter 326;*
- ~~(oo)~~ (pp) *water well contractors regulated pursuant to chapter 156A;*
- ~~(pp)~~ (qq) *water and waste treatment operators regulated pursuant to chapter 115;*
- ~~(qq)~~ (rr) *motor carriers regulated pursuant to chapter 221;*
- ~~(rr)~~ (ss) *professional corporations regulated pursuant to chapter 319A;*
- (4) *any driver's license required pursuant to chapter 171;*
- (5) *any aircraft license required pursuant to chapter 360;*
- (6) *any watercraft license required pursuant to chapter 86B;*
- (7) *any license, permit, registration, certification, or other approval pertaining to a regulatory or management program related to the protection, conservation, or use of or interference with the resources of land, air, or water, which is required to be obtained from a state agency or instrumentality; and*
- (8) *any pollution control rule or standard established by the pollution*

control agency or any health rule or standard established by the commissioner of health or any licensing rule or standard established by the commissioner of human services.

Sec. 2. Minnesota Statutes 1990, section 319A.02, subdivision 2, is amended to read:

Subd. 2. "Professional service" means personal service rendered by a professional pursuant to a license or certificate issued by the state of Minnesota to practice medicine and surgery pursuant to sections 147.01 to 147.29, chiropractic pursuant to sections 148.01 to 148.105, registered nursing pursuant to sections 148.171 to 148.285, optometry pursuant to sections 148.52 to 148.62, psychology pursuant to sections 148.88 to 148.98, dentistry pursuant to sections 150A.01 to 150A.12, pharmacy pursuant to sections 151.01 to 151.40, podiatric medicine pursuant to Laws 1987, chapter 108, sections 1 to 16, veterinary medicine pursuant to sections 156.001 to 156.14, architecture, engineering, surveying, and landscape architecture, and *certified interior design* pursuant to sections 326.02 to 326.15, accountancy pursuant to sections 326.17 to 326.23, or law pursuant to sections 481.01 to 481.17, or pursuant to a license or certificate issued by another state pursuant to similar laws.

Sec. 3. Minnesota Statutes 1990, section 326.02, subdivision 1, is amended to read:

Subdivision 1. [~~REGISTRATION~~ *LICENSURE OR CERTIFICATION MANDATORY.*] In order to safeguard life, health, and property, and to promote the public welfare, any person in either public or private capacity practicing, or offering to practice, architecture, professional engineering, land surveying, or landscape architecture, *or using the title certified interior designer* in this state, either as an individual, a copartner, or as agent of another, shall be ~~registered~~ *licensed or certified* as hereinafter provided. It shall be unlawful for any person to practice, or to offer to practice, in this state, architecture, professional engineering, land surveying, or landscape architecture, *or to use the title interior designer*, or to solicit or to contract to furnish work within the terms of sections 326.02 to 326.15, or to use in connection with the person's name, or to otherwise assume, use or advertise any title or description tending to convey the impression that the person is an architect, professional engineer (hereinafter called engineer), land surveyor ~~or~~, landscape architect, *or certified interior designer*, unless such person is qualified by ~~registration~~ *licensure or certification* under sections 326.02 to 326.15.

Sec. 4. Minnesota Statutes 1990, section 326.02, is amended by adding a subdivision to read:

*Subd. 4b. [CERTIFIED INTERIOR DESIGNER.] (a) For the purposes of sections 326.02 to 326.15, "certified interior designer" means a person who is certified under section 326.10, to use the title certified interior designer and who provides services in connection with the design of public interior spaces, including preparation of documents relative to non-load-bearing interior construction, space planning, finish materials, and furnishings.*

*(b) No person may use the title certified interior designer unless that person has been certified as an interior designer or has been exempted by the board. Registered architects may be certified without additional testing. Persons represent themselves to the public as certified interior designers if*

*they use a title that incorporates the words certified interior designer.*

*(c) Nothing in this section prohibits the use of the title interior designer or the term interior design by persons not certified by the board.*

*(d) Nothing in this section restricts persons not certified by the board from providing interior design services and from saying that they provide such services, as long as they do not use the title certified interior designer.*

*(e) Nothing in this section authorizes certified interior designers to engage in the practice of architecture as defined in subdivision 2 or the practice of engineering as defined in subdivision 3.*

Sec. 5. Minnesota Statutes 1990, section 326.02, subdivision 5, is amended to read:

Subd. 5. [LIMITATION.] The provisions of sections 326.02 to 326.15 shall not apply to the preparation of plans and specifications for the erection, enlargement, or alteration of any building or other structure by any person, for that person's exclusive occupancy or use, unless such occupancy or use involves the public health or safety or the health or safety of the employees of said person, or of the buildings listed in section 326.03, subdivision 2, nor to any detailed or shop plans required to be furnished by a contractor to a registered engineer, landscape architect, ~~or architect~~, *or certified interior designer*, nor to any standardized manufactured product, nor to any construction superintendent supervising the execution of work designed by an architect, landscape architect, ~~or engineer registered~~, *or certified interior designer licensed or certified in accordance with section 326.03*, nor to the planning for and supervision of the construction and installation of work by an electrical contractor or master plumber as defined in and licensed pursuant to this chapter, where such work is within the scope of such licensed activity and not within the practice of professional engineering, or architecture, *or where the person does not claim to be a certified interior designer as defined in section 326.02, subdivisions subdivision 2 and, 3, or 4b.*

Sec. 6. Minnesota Statutes 1990, section 326.03, subdivision 1, is amended to read:

Subdivision 1. No person, except an architect, engineer, land surveyor ~~or, landscape architect, or certified interior designer~~, licensed *or certified* as provided for in sections 326.02 to 326.15 shall practice architecture, professional engineering, land surveying or landscape architecture, *or use the title certified interior designer*, respectively, in the preparation of plans, specifications, reports, plats or other architectural, engineering, land surveying ~~or, landscape architectural, or interior design~~ documents, or in the observation of architectural, engineering, land surveying ~~or, landscape architectural, or interior design~~ projects. In preparation of such documents, reasonable care shall be given to compliance with applicable laws, ordinances, and building codes relating to design.

Sec. 7. Minnesota Statutes 1990, section 326.031, is amended to read:

326.031 [SPECIFICATIONS FOR PUBLIC FACILITIES, USE OF BRAND NAMES.]

Any engineer, architect, *certified interior designer*, or other person preparing specifications with respect to a contract for the construction of any facility for the state, or any agency or department thereof, or for any county,

city, town, or school district, shall at the time of submitting such specifications to the governing body of the organization requesting the specifications, submit to such body, in writing, a list showing each item in the specifications which has been specified by brand name, unless such specifications allow for the consideration of an equal.

Sec. 8. Minnesota Statutes 1991 Supplement, section 326.04, is amended to read:

326.04 [BOARD OF ARCHITECTURE, ENGINEERING, LAND SURVEYING ~~AND~~, LANDSCAPE ARCHITECTURE, ~~AND INTERIOR DESIGN.~~]

To carry out the provisions of sections 326.02 to 326.15 there is hereby created a board of architecture, engineering, land surveying ~~and~~, landscape architecture, *and interior design* (hereinafter called the board) consisting of ~~17~~ 19 members, who shall be appointed by the governor. Three members shall be licensed architects, five members shall be licensed engineers, one member shall be a licensed landscape architect, two members shall be licensed land surveyors, *one member shall be a certified interior designer*, and ~~six~~ seven members shall be public members. Not more than one member of said board shall be from the same branch of the profession of engineering. The first ~~landscape architect~~ *certified interior designer* member *and seventh public member* shall be appointed as soon as possible and no later than 60 days after August 1, ~~1975~~ 1992, and shall serve for a term to end on January 1, ~~1977~~ 1994. Membership terms, compensation of members, removal of members, the filling of membership vacancies, and fiscal year and reporting requirements shall be as provided in sections 214.07 to 214.09. The provision of staff, administrative services and office space; the review and processing of complaints; the setting of board fees; and other provisions relating to board operations shall be as provided in chapter 214.

Sec. 9. Minnesota Statutes 1990, section 326.05, is amended to read:

326.05 [QUALIFICATIONS OF BOARD MEMBERS.]

Each member of the board shall be a resident of this state at the time of appointment. Each member except the public members shall have been engaged in the practice of the relevant profession for at least ten years and shall have been in responsible charge of work for at least five years. Each such member shall be a member in good standing of a recognized society of architects, engineers, land surveyors ~~or~~, landscape architects, *or interior designers*; and, except as provided in section 326.06, shall be a licensed architect, licensed engineer, licensed land surveyor ~~or~~, licensed landscape architect, *or certified interior designer. The certified interior design member must have passed the National Council for Interior Design Qualifications test.*

Sec. 10. Minnesota Statutes 1990, section 326.06, is amended to read:

326.06 [GENERAL POWERS AND DUTIES OF BOARD.]

Each member of the board shall receive a certificate of appointment from the governor, and, before beginning a term of office, shall file with the secretary of state the constitutional oath of office. The board shall adopt and have an official seal, which shall be affixed to all licenses granted; shall make all rules, not inconsistent with law, needed in performing its duties; and shall fix standards for determining the qualifications of applicants for certificates, which shall not exceed the requirements contained in the

curriculum of a recognized school of architecture, landscape architecture ~~or~~, engineering, *or interior design*. The board shall make rules to define classes of buildings with respect to which persons performing services described in section 326.03, subdivision 2, may be exempted from the provisions of sections 326.02 to 326.15, by a finding of no probable risk to life, health, property or public welfare.

Sec. 11. Minnesota Statutes 1990, section 326.07, is amended to read:

326.07 [BOARD, MEETINGS OF OFFICERS, QUORUM.]

The board shall hold meetings at such times as the bylaws of the board may provide. Notice of all meetings shall be given in such manner as the bylaws may provide. The board shall elect annually from its members a chair, a vice-chair, a secretary and a treasurer. A quorum of the board shall consist of not less than ~~nine~~ *ten* members, of whom ~~three~~ *four* shall be architects ~~or~~, landscape architects ~~or~~, land surveyors, *or certified interior designers*, three engineers, and three public members.

Sec. 12. Minnesota Statutes 1990, section 326.08, subdivision 2, is amended to read:

Subd. 2. Any member of the board, the executive secretary of the board, or the attorney for the board may be authorized by the board to attend any architectural, engineering, land surveying ~~or~~, landscape architectural, *or interior design* conference or meeting held outside of this state, the major purpose of which is the consideration of problems directly associated with the registration or licensing of architects, professional engineers, land surveyors ~~or~~, landscape architects, *or certified interior designers*.

Sec. 13. Minnesota Statutes 1990, section 326.09, is amended to read:

326.09 [RECORDS OF BOARD.]

The board shall keep a record of its proceedings and a register of all applicants for licensing, showing for each the date of application, name, age, educational and other qualifications, place of business, and the place of residence, whether or not an examination was required and whether the applicant was rejected or a license granted, and the date of such action. The books and register of the board shall be prima facie evidence of all matters recorded therein. A roster showing the names and places of business or of residence of all licensed architects, engineers, land surveyors ~~and~~, landscape architects, *and certified interior designers* shall be prepared by the executive secretary of the board during the month of July, of each even numbered year. Roster supplements listing newly licensed persons shall be published semiannually between publications of the biennial roster. Rosters may be printed out of the funds of the board, as provided in section 326.08.

Sec. 14. Minnesota Statutes 1990, section 326.10, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE.] The board shall on application therefor on a prescribed form, and upon payment of a fee prescribed by rule of the board, issue a license *or certificate* as an architect, engineer, land surveyor ~~or~~, landscape architect, *or certified interior designer*. A separate fee shall be paid for each profession licensed.

(1) To any person over 25 years of age, who is of good moral character and repute, and who has the experience and educational qualifications which the board by rule may prescribe.

(2) To any person who holds an unexpired certificate of registration or license issued by proper authority in the District of Columbia, any state or territory of the United States, or any foreign country, in which the requirements for registration or licensure of architects, engineers, land surveyors ~~or~~, landscape architects, *or certified interior designers*, respectively, at the time of registration or licensure in the other jurisdiction, were equal, in the opinion of the board, to those fixed by the board and by the laws of this state, and in which similar privileges are extended to the holders of certificates of registration or licensure issued by this state. The board may require such person to submit a certificate of technical qualification from the National Council of Architectural Registration Boards in the case of an architect, from the National Council of Engineering Examiners in the case of an engineer, ~~and~~ from the National Council of Landscape Architects Registration Board in the case of a landscape architect, *and from the National Council for Interior Design Qualifications in the case of a certified interior designer.*

Sec. 15. Minnesota Statutes 1990, section 326.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION.] The board may subject any applicant for licensure to such examinations as may be deemed necessary to establish qualifications.

In determining the qualifications in such cases of applicants for licensure as architects, a majority vote of the architect members of the board only shall be required; in determining the qualifications in such cases of applicants for licensure as engineers, a majority vote of the engineer members of the board only, shall be required; ~~and~~ in determining the qualifications of applicants for registration as land surveyors, the affirmative vote of the land surveyor member and of one engineer of the board only, shall be required; ~~and~~ in determining the qualifications of applicants for licensure as landscape architects, the affirmative vote of the landscape architect member of the board and of one architect member or one civil engineer member of the board only, shall be required; *and in determining the qualifications of applicants for certification as certified interior designers, the affirmative vote of the interior designer member of the board and of one architect or engineer member of the board only is required.*

Sec. 16. Minnesota Statutes 1990, section 326.10, subdivision 2a, is amended to read:

Subd. 2a. [NEEDS OF PHYSICALLY DISABLED, INCLUSION IN EXAMINATION.] Examinations for architect, civil structural engineer, ~~and~~ landscape architect, *and certified interior designer* shall include questions which require the applicant to demonstrate knowledge of the design needs of people with physical disabilities and of the relevant statutes and codes. The questions shall be developed by the board in consultation with the department of administration.

Sec. 17. Minnesota Statutes 1990, section 326.11, subdivision 1, is amended to read:

Subdivision 1. [REVOCATION OR SUSPENSION.] The board shall have the power to revoke or suspend the license *or certificate* of any architect, engineer, land surveyor ~~or~~, landscape architect, *or certified interior designer*, who is found guilty by the board of any fraud or deceit in obtaining a license *or certificate*, or of attaching the licensee's *or certificate holder's* seal or

signature to any plan, specification, report, plat, or other architectural, engineering, land surveying ~~or~~, landscape architectural, *or interior design* document not prepared by the person signing or sealing it or under that person's direct supervision, or of gross negligence, incompetency, or misconduct in the practice of architecture, engineering, land surveying ~~or~~, landscape architecture, *or interior design*, or upon conviction of any violation of sections 326.02 to 326.15 or amendments thereof, or of any crime involving moral turpitude or upon adjudication of insanity or incompetency.

Sec. 18. Minnesota Statutes 1990, section 326.12, is amended to read:  
326.12 [LICENSE AS EVIDENCE; SEAL.]

Subdivision 1. [JUDICIAL PROOF.] The issuance of a license *or certificate* by the board shall be evidence that the person named therein is entitled to all the rights and privileges of a licensed architect, licensed engineer, licensed land surveyor ~~or~~, licensed landscape architect, *or certified interior designer* while the license *or certificate* remains unrevoked or has not expired or has not been suspended.

Subd. 2. [SEAL.] Each licensee *or certificate holder* may, upon registration, obtain a seal of a design approved by the board, bearing the licensee's *or certificate holder's* name and the legend "licensed architect," "licensed professional engineer," "licensed land surveyor," ~~or~~ "licensed landscape architect," *or "certified interior designer."* Plans, specifications, plats, reports, and other documents prepared by a licensee *or certificate holder* may be stamped with the seal during the life of the license *or certificate*. A rubber stamp facsimile thereof may be used in lieu of the seal on tracings from which prints are to be made or on papers which would be damaged by the regular seal. It shall be unlawful for any one to stamp or seal any document with the stamp or seal after the license of the registrant named thereon has expired, been revoked or suspended, unless said license *or certificate* shall have been renewed or reissued.

Subd. 3. [CERTIFIED SIGNATURE.] Each plan, specification, plat, report, or other document which *under* sections 326.02 to 326.15 ~~require~~ *be* is prepared and submitted to a building official by a licensed architect, licensed engineer, licensed land surveyor ~~or~~, licensed landscape architect, *or certified interior designer* shall *be required* to bear *only* the signature of the *licensed or certified* person preparing it, or the signature of the *licensed or certified* person under whose direct supervision it was prepared. Each signature shall be accompanied by a certification that the signer is licensed under sections 326.02 to 326.15, by the person's license number, and by the date on which the signature was affixed. The provisions of this paragraph shall not apply to documents of an intraoffice or intracompany nature.

Sec. 19. Minnesota Statutes 1990, section 326.13, is amended to read:  
326.13 [PRACTICE EXEMPT.]

Practice of architecture, engineering, *landscape architecture* or land surveying, *or use of the title certified interior designer* in this state prior to licensure by the board shall be permitted under the following conditions and limitations:

(1) By any person or firm not a resident of and having no established place of business in this state, or any person or firm resident in this state, but whose arrival in the state is recent; provided, however, such person or a person connected with such firm:



(a) is registered or licensed and qualified to practice such profession in a state or country to which the board grants registration or licensure by comity in accordance with the provisions of section 326.10, subdivision 1, clause (2); and

(b) shall have filed an application for licensure as an architect ~~or~~, an engineer, *or a certified interior designer* shall have paid the fee provided for in section 326.10, and shall have been notified by the board that the applicant meets the requirements for licensure *or certification* in this state and is entitled to receive a license *or certificate*;

(c) notwithstanding the provisions of paragraph (b) and prior to the notification provided for therein, an applicant who meets the requirements of paragraph (a) shall be permitted to practice in this state provided that such practice is limited solely to solicitation of work within the terms of sections 326.02 to 326.15;

(2) Practice as an architect, an engineer, a land surveyor or a landscape architect, *or use of the title certified interior designer* by any person not a resident of, and having no established place of business in, this state, as a consulting associate of an architect, an engineer, a land surveyor or a landscape architect, *or use of the title certified interior designer* licensed *or certified* under the provisions of sections 326.02 to 326.15; provided, the nonresident is licensed *or certified* and qualified to practice the profession in a state or country to which the board grants licensure *or certification* by comity in accordance with the provisions of section 326.10, subdivision 1, clause (2);

(3) Practice as an architect, an engineer, a land surveyor or a landscape architect, *or use of the title certified interior designer* solely as an officer or employee of the United States.

Sec. 20. Minnesota Statutes 1990, section 326.14, is amended to read:  
326.14 [CORPORATIONS AND PARTNERSHIPS AUTHORIZED.]

A corporation, partnership or other firm may engage in work of an architectural or engineering character, in land surveying or in landscape architecture, *or use the title of certified interior designer* in this state, provided the person or persons connected with such corporation, partnership or other firm in responsible charge of such work is or are licensed *or certified* as herein required for the practice of architecture, engineering, land surveying and landscape architecture, *and use of the title of certified interior designer*.

Sec. 21. [EXISTING INTERIOR DESIGNERS.]

*Persons who on July 1, 1992, are in the business of interior design and who have filed a certification application with the board by September 1, 1993, shall be allowed to continue in that business and use the title certified interior designer as if certified under this act until final action is taken by the board on their application.*

Sec. 22. [REVISOR'S INSTRUCTION.]

*The revisor of statutes shall, in Minnesota Statutes and Minnesota Rules, change the words "board of architecture, engineering, land surveying, and landscape architecture" or similar words to "board of architecture, engineering, land surveying, landscape architecture, and interior design" or similar words."*

Delete the title and insert:

"A bill for an act relating to occupations and professions: requiring the certification of interior designers; defining certified interior designer; providing for administration of certification requirements; changing the name of the board of architecture, engineering, land surveying, and landscape architecture; amending Minnesota Statutes 1990, sections 116J.70, subdivision 2a; 319A.02, subdivision 2; 326.02, subdivisions 1, 5, and by adding a subdivision; 326.03, subdivision 1; 326.031; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, and 2a; 326.11, subdivision 1; 326.12; 326.13; and 326.14; Minnesota Statutes 1991 Supplement, section 326.04."

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. 2017: A bill for an act relating to utilities; providing for protection of certain nonpublic data submitted to public utilities commission by telephone companies; clarifying authority of commission to reinstate original rate for a telephone service subject to emerging competition on finding proposed rate is below incremental cost or is not just and reasonable; requiring commission to make final decision within six months on rate increase of telephone service subject to effective competition; amending Minnesota Statutes 1990, section 237.60, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 237.

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 1991 Supplement, section 216D.01, subdivision 5, is amended to read:

Subd. 5. [EXCAVATION.] "Excavation" means an activity that moves, removes, or otherwise disturbs the soil by use of a motor, engine, hydraulic or pneumatically-powered tool, or machine-powered equipment of any kind, or by explosives. Excavation does not include:

(1) the repair or installation of agricultural drainage tile for which notice has been given as provided by section 116I.07, subdivision 2;

(2) the extraction of minerals;

(3) the opening of a grave in a cemetery;

(4) normal maintenance of roads and streets if the maintenance does not change the original grade and does not involve the road ditch;

(5) plowing, cultivating, planting, harvesting, and similar operations in connection with growing crops, trees, and shrubs, unless any of these

activities disturbs the soil to a depth of 18 inches or more; *or*

(6) landscaping or gardening unless one of the activities disturbs the soil to a depth of 12 inches or more; ~~or~~

~~(7) installation of real estate "For Sale" signs, unless the installation disturbs the soil to a depth of 12 inches or more.~~

Sec. 3. 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. 4. 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. 5. 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.

Sec. 6. [237.115] [DISCUSSION OF INFORMATION SUBJECT TO A PROTECTIVE ORDER.]

*In any meeting of the commission during which information that is subject to a protective order is discussed, the commission shall employ the procedures of section 14.60 to close to all persons who are not authorized to obtain the information under the protective order that portion of the meeting during which the information will be discussed and take other appropriate measures to ensure that the data is not disclosed to persons who are not authorized to obtain the information under the protective order.*

Sec. 7. Minnesota Statutes 1990, section 237.60, subdivision 2, is amended to read:

Subd. 2. [EMERGING COMPETITION.] (a) A company may decrease the rate for a service subject to emerging competition that is listed in the price list, effective ten days after filing a new price list with the commission and the department, along with an incremental cost study demonstrating that the ~~proposed~~ new price is above incremental cost. The commission shall prevent a proposed price reduction from going into effect *or prospectively reinstate the original rate if the reduction has gone into effect* if, after receiving a complaint or on its own motion, under section 237.081, the commission finds that the ~~proposed~~ new rate is below incremental cost or that the ~~proposed~~ new rate is not just and reasonable.

(b) A company may increase the rate for a service subject to emerging competition that is listed in the price list effective 30 days after notice is given to affected customers, the commission, and the department. The notice and new price list filing to the commission and the department for a rate increase must include an incremental cost study demonstrating that the proposed price is above incremental cost. The department shall investigate

an increase in rates for services subject to emerging competition, and report its findings to the commission within 30 days of the filing. The commission may, within 60 days after the date of the filing, order that the rate increase is interim in nature and subject to refund. If interim rates are not ordered, the rate increase is not refundable. If a rate is subject to refund, the commission, after a contested case hearing or an expedited hearing under section 237.61 ~~if there are no material facts in dispute~~, must make a final decision regarding the propriety of the rate increase within ~~ten~~ six months of the date the price change was filed, *except that if a contested case hearing before an administrative law judge is required the commission shall make a final decision within ten months of the date the price change was filed*. If the commission does not do so, the price change is deemed approved.

(c) If language describing a rate, term, or condition of service in a price list is changed without substantially altering the application of the price list, the change may take effect upon one-day notice to the commission.

(d) If a term or condition of service in a price list is changed in a way that results in a substantial change in the application of the price list, but the price is not changed, the change in the price list is effective at the same time as a price decrease under paragraph (a).

(e) If a new pricing plan is proposed for a service that is currently offered by a telephone company, the change in the price list is subject to the same schedules governing a price increase under paragraph (b). For purposes of this paragraph, a new pricing plan is a proposal that bundles rate elements for a service, alters the definition of the rate elements for a service, or includes increases for some rate elements and decreases for other rate elements.

(f) A telephone company may offer a new service to its customers ten days after it files a price list and incremental cost study for the service with the department and the commission.

*(g) A telephone company may discontinue a telephone service that is subject to emerging competition, as long as the discontinuance is effective for that service throughout the state, effective 60 days after notice to the commission, the department, and affected customers, unless the commission, within 45 days of the notice, orders a hearing on it. If the commission orders a hearing, the commission shall make a final determination on the discontinuance within 180 days of the date that notice of the discontinuance was filed with the commission, except that if a contested case hearing before an administrative law judge is required the commission shall make a final decision within ten months of the date the notice of discontinuance was filed.*

(h) A change in a price list not covered by paragraphs (a) to (f) must be reviewed according to the schedule prescribed for a price increase under paragraph (b).

~~(h)~~ (i) An incremental cost study required by this section ~~and~~, section 237.62, ~~and section 4~~ must be a long-run incremental cost study unless the commission has allowed the telephone company required to do the study to set rates based on a variable cost study. A telephone company may include a petition to file a variable cost study instead of a long-run incremental cost study with its notice of price change, *notice of a promotion*, or its filing of a new service. The commission shall grant the petition if the company demonstrates that a long-run incremental cost study is burdensome in relation

to its annual revenue from the service involved, that the company has a low market share, that the service is no longer being offered to new customers, or if the company shows other good cause. A petition must be accompanied by a variable cost study. If the petition is denied, the company shall withdraw a filing made under this section.

⊕ (j) For purposes of this section and section 237.62, (1) long-run incremental cost means the change in total cost associated with a change in volume of the service, expressed on a per-unit basis, and (2) variable cost means the change in total cost, excluding fixed costs, associated with a change in volume of service, expressed on a per-unit basis.

#### Sec. 8. [237.626] [PROMOTION ACTIVITIES.]

*A telephone company may promote the use of its services by offering a waiver of part or all of a recurring or a nonrecurring charge, a redemption coupon, or a premium with the purchase of a service. Section 237.09 does not apply to promotions under this section, but the customer group to which the promotion is available must be based on reasonable distinctions among customers. No single promotion may be effective for longer than 90 days at a time. The service being promoted must have a price that is above the incremental cost of the service, including amortized cost of the promotion. A promotion may take effect the day after the notice is filed with the commission. The notice must identify customers to whom the promotion is available and include cost information demonstrating that the revenue from the service covers incremental cost, including cost of the promotion. A telephone company that offers a promotion under this section shall file a report on the promotion with the commission and the department within 90 days of the conclusion of the promotion.*

Sec. 9. Minnesota Statutes 1990, section 465.79, subdivision 2, is amended to read:

Subd. 2. [DUTIES OF BOUNDARY COMMISSION.] The boundary commission shall review ~~metes and bounds~~ *property* descriptions within the city. Upon notice to all known parties in interest, the commission shall attempt to establish agreements between adjoining landowners as to the location of common boundaries *as delineated by a certified land survey*. If agreement cannot be reached, the commission shall make a recommendation as to the location of the common boundary. The commission shall prepare a plan designating all agreed and recommended boundary lines and report to the city council.

Sec. 10. Minnesota Statutes 1990, section 465.79, subdivision 4, is amended to read:

Subd. 4. [JUDICIAL REVIEW.] Following hearing, the council may petition the district court for judicial approval of the proposed plan. *If any affected parcel is land registered under chapter 508, the petition must be referred to the examiner of titles for a report.* The council shall provide sufficient information to identify all parties in interest and shall give notice to parties in interest as the court may order. The court shall determine the location of any contested, disputed, or unagreed boundary and shall determine adverse claims to each parcel as provided in chapter 559. After hearing and determining all disputes, the court shall issue its judgment in the form of a plat complying with chapter 505 and *an order designating the owners and encumbrancers of each lot. Real property taxes need not be paid or current as a condition of filing the plat, notwithstanding the requirements*

of section 505.04.

Sec. 11. Minnesota Statutes 1990, section 505.02, subdivision 1, is amended to read:

Subdivision 1. The land shall be surveyed and a plat made setting forth and naming all thoroughfares, showing all public grounds, and giving the dimensions of all lots, thoroughfares and public grounds. All in-lots shall be numbered by beginning the numbering with number one and numbering each lot progressively, through the block in which they are situated, all blocks shall be numbered progressively, by beginning the numbering with the number one and numbering each block progressively through each plat. Consecutive lot or block numbering shall not be continued from one plat into another. All outlots shall be designated by alphabetical order beginning with outlot "A" in each plat. Durable iron monuments shall be set at all angle and curve points on the outside boundary lines of the plat and also at all block and lot corners and at all intermediate points on the block and lot lines indicating changes of direction in the lines and witness corners. The plat shall indicate that all monuments have been set *or will be set within one year after recording, or sooner as specified by the approving local governmental unit. A financial guarantee may be required for the placement of monuments.* There shall be shown on the plat all survey and mathematical information and data necessary to locate all monuments and to locate and retrace any and all interior and exterior boundary lines appearing thereon. The outside boundary lines of the plat shall be correctly designated on the plat and shall show bearings on all straight lines, or angles at all angle points, and central angle and radii and arc length for all curves. All distances shall be shown between all monuments as measured to the nearest hundredth of a foot. All lot distances shall be shown on the plat to the nearest hundredth of a foot and all curved lines within the plat shall show central angles, radii and arc distances. If a curved line constitutes the line of more than one lot in any block of a plat, the central angle for that part of each lot on the curved line shall be shown. The width of all thoroughfares shall be shown on the plat. Ditto marks shall not be used on the plat for any purpose. In any instance where a river, stream, creek, lake or pond constitutes a boundary line within or of the plat, a survey line shall be shown with bearings or angles and distances between all angle points and their relation to a water line, and all distances measured on the survey line between lot lines shall be shown, and the survey line shall be shown as a dashed line. The outside boundary lines of the plat shall close by latitude and departure with an error not to exceed one foot in 7,500 feet. All rivers, streams, creeks, lakes, ponds, swamps, and all public highways and thoroughfares laid out, opened, or traveled (existing before the platting) shall be correctly located and plainly shown and designated on the plat. The name and adjacent boundary lines of any adjoining platted lands shall be dotted on the plat.

Sec. 12. Minnesota Statutes 1990, section 505.03, subdivision 1, is amended to read:

Subdivision 1. On the plat shall be written an instrument of dedication, which shall be signed and acknowledged by the owner of the land. All signatures on the plat shall be written with black ink (not ball point). The instrument shall contain a full and accurate description of the land platted and set forth what part of the land is dedicated, and also to whom, and for what purpose these parts are dedicated. The surveyor shall certify on the plat that the plat is a correct representation of the survey, that all distances are correctly shown on the plat, that all monuments have been *or will be*

correctly placed in the ground as shown *or stated*, and that the outside boundary lines are correctly designated on the plat. If there are no wet lands or public highways to be designated in accordance with section 505.02, the surveyor shall so state. The certificate shall be sworn to before any officer authorized to administer an oath. The plat shall, except in cities whose charters provide for official supervision of plats by municipal officers or bodies, together with an abstract and certificate of title, be presented for approval to the council of the city or town board of towns wherein there reside over 5,000 people in which the land is located; and, if the land is located outside the limits of any city, or such town, then to the board of county commissioners of the county in which the land is located."

Delete the title and insert:

"A bill for an act relating to utilities; defining the term excavation; authorizing land surveyors to receive location information related to underground facilities; requiring notice of land surveys; clarifying authority of commission to reinstate original rate for a telephone service subject to emerging competition on finding proposed rate is below incremental cost or is not just and reasonable; requiring commission to make final decision within 180 days on rate increase of telephone service subject to effective competition, when contested case hearing is not held; providing for telephone company promotion activities; authorizing the recording of monuments on plats before actual placement; amending Minnesota Statutes 1990, sections 216D.01, subdivision 8, and by adding subdivisions; 216D.04; 237.60, subdivision 2; 465.79, subdivisions 2 and 4; 505.02, subdivision 1; and 505.03, subdivision 1; Minnesota Statutes 1991 Supplement, 216D.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 237."

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. 2067: A bill for an act relating to waters; allowing exchange of certain state-owned lands for privately owned lands; amending Minnesota Statutes 1991 supplement, section 282.018, subdivision 2.

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

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1991 Supplement, section 103F.535, subdivision 1, is amended to read:

Subdivision 1. [RESERVATION OF MARGINAL LAND AND WETLANDS.] (a) ~~Notwithstanding any other law,~~ Marginal land and wetlands are withdrawn from sale ~~by the state or exchange unless use of the marginal land or wetland is restricted by a conservation easement as provided in this section:~~

(1) *notice of the existence of the nonforested marginal land or wetlands, in a form prescribed by the board of water and soil resources, is provided to prospective purchasers; and*

(2) *the deed contains a restrictive covenant, in a form prescribed by the*



*board of water and soil resources, that precludes enrollment of the land in a state-funded program providing compensation for conservation of marginal land or wetlands.*

(b) This section does not apply to transfers of land by the board of water and soil resources to correct errors in legal descriptions under section 103F.515, subdivision 8, or to transfers by the commissioner of natural resources for:

(1) land that is currently in nonagricultural commercial use if a ~~conservation easement~~ *restrictive covenant* would interfere with the commercial use;

(2) land in platted subdivisions;

(3) conveyances of land to correct errors in legal descriptions under section 84.0273;

(4) exchanges of nonagricultural land with the federal government, or exchanges of Class A, Class B, and Class C nonagricultural land with local units of government under sections 94.342, 94.343, 94.344, and 94.349;

(5) land transferred to political subdivisions for public purposes under sections 84.027, subdivision 10, and 94.10; and

(6) land not needed for trail purposes that is sold to adjacent property owners and lease holders under section 85.015, subdivision 1, paragraph (b).

(c) This section does not apply to transfers of land by the commissioner of administration or transportation or by the Minnesota housing finance agency, or to transfers of tax-forfeited land under chapter 282 if:

(1) the land is in platted subdivisions; or

(2) the conveyance is a transfer to correct errors in legal descriptions.

(d) This section does not apply to transfers of land by the commissioner of administration or by the Minnesota housing finance agency for:

(1) land that is currently in nonagricultural commercial use if a ~~conservation easement~~ *restrictive covenant* would interfere with the commercial use; or

(2) land transferred to political subdivisions for public purposes under sections 84.027, subdivision 10, and 94.10.

## Sec. 2. [CITY OF MOUNTAIN LAKE; SURPLUS LAND FOR PUBLIC USE.]

*(a) Notwithstanding Minnesota Statutes, section 92.45, the commissioner of natural resources may sell the land described in paragraph (b) to the city of Mountain Lake in the manner prescribed by Minnesota Statutes, section 84.027, subdivision 10.*

*(b) The land that may be sold is located in Cottonwood county and described as:*

*A parcel of land in the southeast quarter of the southeast quarter (SE 1/4 SE 1/4), section 29, township 106 north, range 34 west, in Cottonwood county, Minnesota, more particularly described as follows: Beginning at the southeast corner of said section 29; thence west along the south line of said section 29 to the southwest corner of said southeast quarter of the*

southeast quarter (SE 1/4 SE 1/4); thence northerly along the west line of said southeast quarter of the southeast quarter (SE 1/4 SE 1/4), 556 feet, more or less, to the 105 foot contour line as established from a Bench Mark (Elevation 100.00 Assumed Datum), being the top of the Concrete Abutment at its junction with the wing wall at the northwest corner of the Highway Bridge over Spring Creek in the southwest corner of the northwest quarter of the southwest quarter (NW 1/4 SW 1/4), section 28, township 106 north, range 34 west, Cottonwood county, Minnesota, said contour line being shown on Sheet No. 2 of the Topographical Map of the Mountain Lake Dam, Park and Lake Project of the Emergency Relief Administration of the State of Minnesota, dated June 4th, 1985, which map is attached hereto, made a part hereof and marked "Exhibit A"; thence northeasterly along said 105 foot contour line to its intersection with the north line of said southeast quarter of the southeast quarter (SE 1/4 SE 1/4); thence east along said north line 240 feet, more or less, to the northeast corner of said southeast quarter of the southwest quarter (SE 1/4 SW 1/4); thence south along the east line of said section 29, a distance of 1342 feet, more or less, to the point of beginning; containing 55.49 acres, more or less.

(c) The land described in paragraph (b) consists of an island and surrounding submerged lands. The city wishes to improve an existing access to the island and add the island to the city park system for use as a natural area. The land is not needed for resource management and has been declared surplus. It will best serve the public interest if this property is sold and the proceeds used for acquisition of other land.

(d) If the submerged lands included in the legal description in paragraph (b) are held in custody by the state executive council, the council may authorize the commissioner of natural resources to convey the lands.

### Sec. 3. [REPEALER.]

Minnesota Statutes 1990, section 103F.535, subdivisions 2 and 3, are repealed.

### Sec. 4. {EFFECTIVE DATE.}

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

Delete the title and insert:

"A bill for an act relating to state lands; changing provisions relating to withdrawal of certain lands from sale or exchange; authorizing the sale of surplus land bordering public waters for public use; amending Minnesota Statutes 1991 Supplement, section 103F.535, subdivision 1; repealing Minnesota Statutes 1990, section 103F.535, subdivisions 2 and 3."

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

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

S.F. No. 2604: A bill for an act relating to health care; providing health coverage for low-income uninsured persons; establishing statewide and regional cost containment programs; reforming requirements for health insurance companies; establishing rural health system initiatives; creating quality of care and data collection programs; revising malpractice laws; creating a health care access account; imposing taxes; appropriating money;

amending Minnesota Statutes 1990, sections 43A.316, by adding a subdivision; 62A.02, subdivisions 1, 2, 3, and by adding subdivisions; 62E.11, by adding a subdivision; 62H.01; 136A.1355, subdivisions 2 and 3; 145.682, subdivision 4; 256.936, subdivisions 1, 2, 3, 4, and by adding subdivisions; and 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, sections 62A.31, subdivision 1; 145.61, subdivision 5; 145.64, subdivision 2; 256.936, subdivision 5; and 297.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 16A; 62A; 62E; 62J; 136A; 137; 144; 144A; 256; 256B; 295; and 604; proposing coding for new law as Minnesota Statutes, chapter 62L; repealing Minnesota Statutes 1990, sections 62A.02, subdivisions 4 and 5.

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

Page 1, line 33, delete "state" and insert "Minnesota"

Page 1, after line 34, insert:

"Subd. 3. [COMMISSIONER.] *"Commissioner" means the commissioner of health.*"

Page 1, line 35, delete "3" and insert "4"

Page 2, line 5, after "defined" insert "in rules adopted" and delete "state health care commission" and insert "commissioner"

Page 2, line 14, delete "4" and insert "5"

Page 2, lines 17 and 18, delete "state commission" and insert "commissioner"

Page 2, line 21, delete "The state health"

Page 2, delete line 22

Page 2, line 23, delete everything before "The" and delete "commission" and insert "commissioner of health"

Page 2, line 31, delete "state health care commission" and insert "commissioner"

Page 2, line 34, delete "commission" and insert "commissioner"

Page 3, line 1, delete "state commission" and insert "commissioner"

Page 3, line 2, delete "commission" and insert "commissioner"

Page 3, line 4, after the period, insert "The commissioner shall establish procedures and safeguards to ensure that data provided to the Minnesota health care commission is in a form that does not identify individual patients, providers, employers, purchasers, or other individuals and organizations, except with the permission of the affected individual or organization."

Subd. 3. [COST CONTAINMENT DUTIES.] *After obtaining the advice and recommendations of the Minnesota health care commission, the commissioner shall:*

(1) *establish statewide and regional limits on growth in total health care spending under this section, monitor regional and statewide compliance with the spending limits, and take action to achieve compliance to the extent authorized by the legislature;*

(2) *divide the state into no fewer than four regions for purposes of setting*

*regional spending limits and coordinating regional health care systems;*

*(3) provide technical assistance to regional coordinating boards;*

*(4) monitor the quality of health care throughout the state, conduct consumer satisfaction surveys, and take action as necessary to ensure an appropriate level of quality;*

*(5) develop uniform billing forms, uniform electronic billing procedures, and other uniform claims procedures for health care providers by January 1, 1993;*

*(6) undertake health planning responsibilities as provided in section 62J.15;*

*(7) monitor and promote the development and implementation of practice standards;*

*(8) authorize, fund, or promote research and experimentation on new technologies and health care procedures;*

*(9) designate centers of excellence for specialized and high-cost procedures and treatment and establish minimum standards and requirements for particular procedures or treatment;*

*(10) administer or contract for statewide consumer education and wellness programs that will improve the health of Minnesotans and increase individual responsibility relating to personal health and the delivery of health care services;*

*(11) administer the health care analysis unit under article 7; and*

*(12) undertake other activities to monitor and oversee the delivery of health care services in Minnesota with the goal of improving affordability, quality, and accessibility of health care for all Minnesotans.*

*Subd. 4. [CONSULTATION WITH THE COMMISSION.] Before undertaking any of the duties required under this chapter, the commissioner of health shall consult with the Minnesota health care commission and obtain the commission's advice and recommendations. If the commissioner intends to depart from the commission's recommendations, the commissioner shall inform the commission of the intended departure, provide a written explanation of the reasons for the departure, and give the commission an opportunity to comment on the intended departure. If, after receiving the commission's comment, the commissioner still intends to depart from the commission's recommendations, the commissioner shall notify each member of the legislative oversight commission of the commissioner's intent to depart from the recommendations of the Minnesota health care commission. The notice to the legislative oversight commission must be provided at least ten days before the commissioner takes final action. If emergency action is necessary that does not allow the commissioner to obtain the advice and recommendations of the Minnesota health care commission or to provide advance notice and an opportunity for comment as required in this subdivision, the commissioner shall provide a written notice and explanation to the Minnesota health care commission and the legislative oversight commission at the earliest possible time.*

*Subd. 5. [APPEALS.] A person or organization may appeal a decision of the commissioner through a contested case proceeding under chapter 14.*

*Subd. 6. [RULEMAKING.] The commissioner shall adopt rules under*

chapter 14 to implement this chapter.”

Page 3, line 5, delete “3” and insert “7”

Page 3, line 6, before “*commission*” insert “*Minnesota health care*”

Page 5, line 1, delete “*set*” and insert “*make recommendations to the commissioner of health and the legislature regarding*”

Page 5, line 2, delete “*undertake*”

Page 5, line 7, before “*health*” insert “*Minnesota*”

Page 5, line 8, delete “25” and insert “24”

Page 5, line 10, delete “*their*” and insert “*the member’s*”

Page 5, line 32, delete “*be a senior*” and insert “*represent persons over age 65*”

Page 5, delete lines 35 and 36 and insert:

“(f) [EMPLOYEE UNIONS.] *The commission includes three representatives of labor unions, including two appointed by the AFL-CIO Minnesota and one appointed by the governor to represent other unions.*”

Page 6, delete lines 1 and 2

Page 6, line 4, delete “*health,*”

Page 6, line 5, delete everything after the period

Page 6, delete lines 6 to 11

Page 6, delete lines 14 to 36

Page 7, delete lines 1 to 14 and insert:

“*Subd. 3. [CONFLICTS OF INTEREST.] No member of the commission may participate or vote in commission proceedings involving an individual provider, purchaser, or patient, or a specific activity or transaction, if the commission member has a direct financial interest in the outcome of the commission’s proceedings.*”

“*Subd. 4. [IMMUNITY FROM LIABILITY.] Members of the commission and persons employed by the commissioner are immune from civil liability and criminal prosecution for any actions, transactions, or publications in the execution of, or relating to, their duties under this chapter, provided the members or persons are acting in good faith.*”

Page 7, delete lines 20 to 26

Renumber the subdivisions in sequence

Page 7, line 28, delete “*services*” and insert “*service*”

Page 7, line 34, delete “*implementation of this chapter, the*” and before “*state*” insert “*commissioner of health, the*”

Page 8, line 8, delete “*state*” and insert “*commissioner of health and the Minnesota*”

Page 8, line 9, delete “*its*” and insert “*their*”

Page 8, lines 17 and 29, delete “*state commission*” and insert “*commissioner*”

Page 8, line 22, delete “*commission*” and insert “*commissioner*”

Page 8, line 35, delete "their" and insert "the member's"

Page 9, delete lines 22 and 23 and insert:

*"(e) [EMPLOYEE UNIONS.] Regional boards include one member appointed by the AFL-CIO Minnesota who is a union member residing or working in the region or who is a representative of a union that is active in the region."*

Page 9, line 29, delete "members" and insert "member"

Page 10, line 25, delete "state" and insert "Minnesota"

Page 10, line 34, delete everything after the comma and insert "and make findings and recommendations regarding"

Page 10, line 35, delete "on"

Page 10, line 36, delete "set" and insert "recommend to the commissioner of health and the regional boards"

Page 11, line 3, delete "designate" and insert "make recommendations to the commissioner regarding the designation of"

Page 11, line 5, delete "set" and insert "make recommendations to the commissioner regarding"

Page 11, delete lines 8 to 11 and insert:

**"Sec. 7. [62J.17] [TEMPORARY MORATORIUM ON MAJOR CAPITAL EXPENDITURES AND THE INTRODUCTION OF NEW SPECIALIZED SERVICES; EXCEPTIONS.]**

*Subdivision 1. [PURPOSE.] To ensure access to affordable health care services for all Minnesotans it is necessary to restrain the rate of growth in health care costs. An important factor contributing to escalating costs is the purchase of costly new medical equipment, major capital expenditures, and the addition of new specialized services. After spending limits are established under section 2, providers, patients, and communities will have the opportunity to decide for themselves whether they can afford capital expenditures or new equipment or specialized services within the constraints of a spending limit. In this environment, the state's role in reviewing these spending commitments can be more limited. However, during the interim period until spending limits are established, it is important to prevent unrestrained major spending commitments that will contribute further to the escalation of health care costs and make future cost containment efforts more difficult. In addition, it is essential to protect against the possibility that the legislature's expression of its attempt to control health care costs may lead a provider to make major spending commitments before limits or other cost containment constraints are fully implemented because the provider recognizes that the spending commitment may not be considered appropriate, needed, or affordable within the context of a fixed budget for health care spending. Therefore, the legislature finds that a restrictive temporary moratorium on major health care spending commitments is necessary.*

*Subd. 2. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given.*

*(a) [CAPITAL EXPENDITURE.] "Capital expenditure" means an expenditure which, under generally accepted accounting principles, is not properly chargeable as an expense of operation and maintenance.*

(b) [HEALTH CARE SERVICE.] *"Health care service" means:*

(1) *a service or item that would be covered by the medical assistance program under chapter 256B if provided in accordance with medical assistance requirements to an eligible medical assistance recipient; and*

(2) *a service or item that would be covered by medical assistance except that it is characterized as experimental, cosmetic, or voluntary.*

*"Health care service" does not include retail, over-the-counter sales of nonprescription drugs and other retail sales of health-related products that are not generally paid for by medical assistance and other third-party coverage.*

(c) [MAJOR SPENDING COMMITMENT.] *"Major spending commitment" means:*

(1) *acquisition of a unit of medical equipment costing more than \$250,000;*

(2) *a capital expenditure of over \$300,000 for a single project for the purposes of providing health care services, other than for the acquisition of medical equipment;*

(3) *offering a new specialized service not offered before with projected operating costs of over \$150,000 a year;*

(4) *spending over \$300,000 on planning for an activity that would qualify as a major spending commitment under this paragraph; or*

(5) *a project involving a combination of two or more of the activities in clauses (1) to (4) with a combined total cost of more than \$300,000.*

*The cost of acquisition of medical equipment, and the amount of a capital expenditure, is the total cost to the provider regardless of whether the cost is distributed over time through a lease arrangement or other financing or payment mechanism.*

(d) [MEDICAL EQUIPMENT.] *"Medical equipment" means fixed and movable equipment that is used by a provider in the provision of a health care service. "Medical equipment" includes, but is not limited to, the following:*

(1) *an extracorporeal shock wave lithotripter;*

(2) *a computerized axial tomography (CAT) scanner;*

(3) *a magnetic resonance imaging (MRI) unit;*

(4) *a positron emission tomography (PET) scanner; and*

(5) *emergency and nonemergency medical transportation equipment and vehicles.*

(e) [NEW SPECIALIZED SERVICE.] *"New specialized service" means a specialized health care procedure or treatment regimen offered by a provider that was not previously offered by the provider, including, but not limited to:*

(1) *cardiac catheterization services involving high-risk patients as defined in the Guidelines for Coronary Angiography established by the American Heart Association and the American College of Cardiology;*

(2) *heart, heart-lung, liver, kidney, bowel, or pancreas transplantation service, or any other service for transplantation of any other organ;*

- (3) megavoltage radiation therapy;
- (4) open heart surgery;
- (5) neonatal intensive care services; and

(6) any new medical technology for which premarket approval has been granted by the United States Food and Drug Administration.

(f) [PROVIDER.] "Provider" means an individual, corporation, association, firm, partnership, or other entity that is regularly engaged in providing health care services in Minnesota.

Subd. 3. [MORATORIUM.] No provider may make a major spending commitment involving the provision of health care services between May 1, 1992, and July 1, 1993, except as allowed under this section.

Subd. 4. [EXCEPTIONS.] A provider may make a major spending commitment authorized under this subdivision after filing a notice with the commissioner and providing supporting documentation and evidence requested by the commissioner that demonstrates that the spending commitment qualifies for an exception under this subdivision. The commissioner shall make a decision on a completed application for an exception by August 1, 1992, or 60 days after an application is submitted, whichever is later. The Minnesota health care commission shall convene an expert review panel made up of persons with knowledge and expertise regarding medical equipment, specialized services, and health care capital expenditures to review applications and make recommendations to the commissioner and the commission.

(a) [SUBSTANTIAL STEPS TAKEN BEFORE APRIL 1, 1992.] A provider may make a major spending commitment if the provider entered into a contract prior to April 1, 1992, which binds the provider to the spending commitment, or if the provider can prove through contemporaneous documents that the provider took substantial steps toward the spending commitment prior to April 1, 1992. For purposes of this paragraph, "substantial steps" means the provider completed a feasibility study or acquisition plan, obtained preliminary approval from persons responsible for approving the spending commitment, and set in motion a process that would reasonably be expected to lead to making the spending commitment by August 1, 1992.

(b) [REPLACEMENT.] A provider may make a major spending commitment to replace existing equipment with comparable equipment, if the old equipment will no longer be used in the state. A provider may make a major spending commitment to repair, remodel, or replace existing buildings or fixtures if, in the judgment of the commissioner, the project does not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided.

(c) [ACQUISITIONS AND MERGERS.] This section does not apply to mergers, acquisitions, and other changes in ownership or control that, in the judgment of the commissioner, do not involve a substantial expansion of service capacity or a substantial change in the nature of health care services provided.

(d) [COST EFFECTIVE SPENDING COMMITMENTS.] A provider may make a major spending commitment if, in the judgment of the commissioner, the major spending commitment will, over a five-year period, produce a net savings to health care purchasers.



(e) [RESEARCH AND TEACHING.] *A major spending commitment may be made by a public research and teaching institution or a national referral center described in section 144.551, subdivision 1, paragraph (b), clause (1), for conducting research or clinical trials or for health care education and training purposes.*

(f) [NATIONAL REFERRAL CENTERS.] *A major spending commitment may be made by a provider if the provider demonstrates that at least 40 percent of the patients who will benefit from and pay for the capital expenditure, equipment purchase, or new specialized service are residents of another state.*

(g) [APPROVED EXCEPTIONS TO THE NURSING HOME MORATORIUM.] *A major spending commitment may be made by a nursing home if approval has been granted under section 144A.073 or the nursing home has obtained legislation authorizing the project.*

Subd. 5. [HARDSHIP EXCEPTIONS.] (a) *The commission may approve hardship exceptions to the moratorium on major spending commitments if the proposed major spending commitment satisfies all of the criteria in this subdivision.*

(b) *No hardship exception may be approved under this subdivision unless the provider demonstrates that delaying the major spending commitment until July 1, 1993, or later will cause significant and clearly identifiable access problems for patients who would derive a significant benefit as a direct result of the major spending commitment and that the proposed spending commitment is the least costly alternative that will effectively address the access problem.*

(c) *Major spending commitments involving equipment or new specialized services must satisfy the following criteria in addition to the criteria in paragraph (b):*

(1) *the equipment or specialized service has been clearly demonstrated by research and clinical trials to be effective and beneficial;*

(2) *the spending commitment will make available equipment or specialized services that are not currently available within 50 miles of the site of the equipment or new service;*

(3) *the need for the equipment or specialized service within the area from which the provider normally draws patients is clearly sufficient to justify the major spending commitment without drawing patients away from existing providers who already offer the service or equipment in the area; and*

(4) *the provider has or can easily acquire the necessary technical expertise, resources, and support to make effective use of the new equipment or service.*

Subd. 6. [BURDEN OF PROOF.] *A provider seeking an exception to the moratorium on major spending commitments under subdivision 4 or 5 bears the burden of providing evidence and documentation in the form required by the commissioner that establishes that the provider qualifies for an exception under subdivision 4 or meets the criteria for approval under subdivision 5.*

Subd. 7. [RULEMAKING.] *The commissioner is exempt from the rule-making requirements of chapter 14 for purposes of implementing this section.*

*Subd. 8. [APPEALS.] A provider may appeal a decision of the commissioner under this section through a contested case proceeding under chapter 14.*

*Subd. 9. [HOSPITAL AND NURSING HOME MORATORIA PRESERVED.] Nothing in this section supersedes or limits the applicability of sections 144.551 or 144A.071.*

*Subd. 10. [SEVERABILITY IF REVIEW PROCESS CHALLENGED.] The legislature intends that, if the hardship exception review process in subdivision 4 is enjoined or invalidated by a court, the moratorium in subdivision 3 is severable from the exception review process and must be construed to stand alone without a process for approving exceptions.*

*Subd. 11. [REPORT AND RECOMMENDATIONS.] The Minnesota health care commission, in consultation with the health planning advisory committee and regional coordinating boards, shall submit recommendations to the legislature by January 15, 1993, for a permanent strategy to ensure that major spending commitments are appropriate in terms of the accessibility, affordability, and quality of health care in Minnesota."*

Page 11, lines 13 and 29, delete "health care commission" and insert "commissioner of health"

Page 12, line 2, delete "commission's" and insert "commissioner's"

Page 12, lines 23 and 24, delete "state commission and the regional boards" and insert "commissioner"

Page 12, line 32, delete "commission" and insert "commissioner"

Page 13, lines 2 and 3, delete "health care commission" and insert "commissioner"

Page 13, delete section 10 and insert:

"Sec. 10. [62J.27] [PRACTICE PARAMETERS.]

*Subdivision 1. [APPROVAL.] The commissioner of health, after receiving the advice and recommendations of the Minnesota health care commission, may through rulemaking under chapter 14 approve practice parameters that are supported by medical literature and appropriately controlled studies to minimize unnecessary, unproven, or ineffective care.*

*Subd. 2. [MEDICAL NEGLIGENCE CASES.] (a) In a medical negligence action, adherence to a practice parameter approved by the commissioner of health is an absolute defense against an allegation that the provider did not comply with accepted standards of practice in the community.*

*(b) Evidence of a departure from a practice parameter is admissible only on the issue of whether the provider is entitled to an absolute defense under paragraph (a).*

*(c) Paragraphs (a) and (b) apply to claims arising on or after August 1, 1993, or 90 days after the effective date of rules adopted by the commissioner approving the applicable practice parameter, whichever is later."*

Page 13, lines 20 and 36, delete "state commission" and insert "commissioner"

Page 13, line 21, delete "to allow the state to sanction" and insert "for sanctioning"

Page 13, line 30, delete "*involving providers or purchasers*" and after "*are*" insert "*expressly*"

Page 13, line 31, delete "*state*"

Page 13, line 34, delete "*state commission or a regional board*" and insert "*commissioner*"

Renumber the sections of article 1 in sequence

Page 53, delete section 1 and insert:

"Section 1. Minnesota Statutes 1990, section 43A.316, is amended by adding a subdivision to read:

*Subd. 11. [NAME.] Effective July 1, 1993, the name of the public employees insurance plan shall be the pooled employers insurance program. The pooled employers insurance program, as described in section 43A.317, is a continuation and expansion of the public employees insurance plan.*

Sec. 2. Minnesota Statutes 1990, section 43A.316, is amended by adding a subdivision to read:

*Subd. 12. [ELIGIBILITY AND COVERAGE.] Notwithstanding any contrary provision of section 43A.317, any group enrolled in the public employees insurance plan for a term extending beyond June 30, 1993, will become covered by the pooled employers insurance program pursuant to the terms of their participation agreement with the public employees insurance plan. The commissioner of employee relations may provide such a group the option to convert to alternative coverage if available through the pooled employers insurance program. Upon the expiration of their participating agreement with the public employees insurance plan, the group may enroll in the pooled employers insurance program under section 43A.317, provided the group continues to meet the eligibility criteria that existed on June 30, 1993.*

Sec. 3. Minnesota Statutes 1990, section 43A.316, is amended by adding a subdivision to read:

*Subd. 13. [TRUST FUND.] Effective July 1, 1993, all assets and obligations of the public employees insurance trust fund are transferred to the pooled employers insurance trust fund, as described in section 43A.317, subdivision 9.*

Sec. 4. [43A.317] [POOLED EMPLOYERS INSURANCE PROGRAM.]

*Subdivision 1. [INTENT.] The legislature finds that the creation of a statewide program to provide employers with the advantages of a large pool for insurance purchasing would advance the welfare of the citizens of the state.*

*Subd. 2. [DEFINITIONS.] (a) [SCOPE.] For the purposes of this section, the terms defined have the meaning given them.*

*(b) [COMMISSIONER.] "Commissioner" means the commissioner of employee relations.*

*(c) [ELIGIBLE EMPLOYEE.] "Eligible employee" means an employee eligible to participate in the program under the terms described in subdivision 6.*

*(d) [ELIGIBLE EMPLOYER.] "Eligible employer" means an employer eligible to participate in the program under the terms described in subdivision 5.*

(e) [ELIGIBLE INDIVIDUAL.] *"Eligible individual" means a person eligible to participate in the program under the terms described in subdivision 6.*

(f) [EMPLOYEE.] *"Employee" means a common law employee of an eligible employer.*

(g) [EMPLOYER.] *"Employer" means a public or private person, firm, corporation, partnership, association, unit of local government, or other entity actively engaged in business or public services. "Employer" includes both for-profit and nonprofit entities.*

(h) [PROGRAM.] *"Program" means the pooled employers insurance program created by this section.*

(i) [PUBLIC EMPLOYER.] *"Public employer" means an employer within the definition of section 179A.03, subdivision 15, that is a town, county, city, or school district as defined in section 120.02; educational cooperative service unit as defined in section 123.58; intermediate district as defined in section 136C.02, subdivision 7; cooperative center for vocational education as defined in section 123.351; regional management information center as defined in section 121.935; an education unit organized under a joint powers action under section 471.59; or another public employer approved by the commissioner.*

*Subd. 3. [ADMINISTRATION.] The commissioner shall, consistent with the provisions of this section, administer the program and determine its coverage options, funding and premium arrangements, contractual arrangements, and all other matters necessary to administer the program. The commissioner's contracting authority for the program, including authority for competitive bidding and negotiations, is governed by section 43A.23.*

*Subd. 4. [ADVISORY COMMITTEE.] The commissioner shall establish a ten-member advisory committee that includes five members who represent eligible employers and five members who represent eligible individuals. The committee shall advise the commissioner on issues related to administration of the program. The committee is governed by sections 15.014 and 15.059, and continues to exist while the program remains in operation.*

*Subd. 5. [EMPLOYER ELIGIBILITY.] (a) [PROCEDURES.] All employers are eligible for coverage through the program subject to the terms of this subdivision. The commissioner shall establish procedures for an employer to apply for coverage through the program.*

*(b) [TERM.] The initial term of an employer's coverage will be two years from the effective date of the employer's application. After that, coverage will be automatically renewed for additional two-year terms unless the employer gives notice of withdrawal from the program according to procedures established by the commissioner. The commissioner may establish conditions under which an employer may withdraw from the program prior to the expiration of a two-year term, including by reason of a midyear increase in health coverage premiums of 50 percent or more. An employer that withdraws from the program may not reapply for coverage for a period of two years from its date of withdrawal.*

*(c) [MINNESOTA WORK FORCE.] An employer is not eligible for coverage through the program if five percent or more of its eligible employees work primarily outside Minnesota, except that an employer may apply to the program on behalf of only those employees who work primarily in*

*Minnesota. Private entities that are eligible to file a combined tax return for purposes of state tax laws are considered a single employer, except as otherwise approved by the commissioner.*

*(d) [EMPLOYEE PARTICIPATION; AGGREGATION OF GROUPS.] An employer is not eligible for coverage through the program unless its application includes all eligible employees who work primarily in Minnesota, except employees who waive coverage as permitted by subdivision 6. Private entities that are eligible to file a combined tax return for purposes of state tax laws are considered a single employer, except as otherwise approved by the commissioner.*

*(e) [PRIVATE EMPLOYER.] A private employer is not eligible for coverage unless it has two or more eligible employees in the state of Minnesota. If an employer has only two eligible employees, one employee must not be the spouse, child, sibling, parent, or grandparent of the other.*

*(f) [MINIMUM PARTICIPATION.] The commissioner may require as a condition of employer eligibility that: (1) a minimum percentage of eligible employees are covered through the program; and (2) the employer makes a minimum level of contribution toward the cost of coverage.*

*(g) [EMPLOYER CONTRIBUTION.] The commissioner may require as a condition of employer eligibility that the employer contribution toward the cost of coverage is structured in a way that promotes price competition among the coverage options available through the program.*

*(h) [ENROLLMENT CAP.] The commissioner may limit employer enrollment in the program if necessary to avoid exceeding the program's reserve capacity.*

*Subd. 6. [INDIVIDUAL ELIGIBILITY.] (a) [PROCEDURES.] The commissioner shall establish procedures for eligible employees and other eligible individuals to apply for coverage through the program.*

*(b) [EMPLOYEES.] An employer shall determine when it applies to the program the criteria its employees must meet to be eligible for coverage under its plan. An employer may subsequently change the criteria annually, or at other times with approval of the commissioner. The criteria must provide that new employees become eligible for coverage after a probationary period of at least 30 days, but no more than 90 days.*

*(c) [OTHER INDIVIDUALS.] An employer may elect to cover under its plan:*

*(1) the spouse, dependent children, and dependent grandchildren of a covered employee;*

*(2) a retiree who is eligible to receive a pension or annuity from the employer, and a covered retiree's spouse, dependent children, and dependent grandchildren;*

*(3) the surviving spouse, dependent children, and dependent grandchildren of a deceased employee or retiree, if the spouse, children, or grandchildren were covered at the time of the death;*

*(4) a covered employee who becomes disabled, as provided in sections 62A.147 and 62A.148; or*

*(5) any other categories of individuals for whom group coverage is required by state or federal law.*

*An employer shall determine when it applies to the program the criteria individuals in these categories must meet to be eligible for coverage. An employer may subsequently change the criteria annually, or at other times with approval of the commissioner. The criteria must provide that new employees become eligible for coverage after a probationary period of at least 30 days, but no more than 90 days. The criteria for dependent children and dependent grandchildren may be no more inclusive than the criteria under section 43A.18, subdivision 2.*

*(d) [WAIVER AND LATE ENTRANCE.] An eligible individual may waive coverage at the time the employer joins the program or when coverage first becomes available. The commissioner may establish a preexisting condition exclusion of not more than 18 months for late entrants as defined in section 62L.02, subdivision 20.*

*(e) [CONTINUATION COVERAGE.] Continuation coverage is available through the program for all qualified beneficiaries as may be required by state and federal law.*

*Subd. 7. [COVERAGE.] Coverage is available through the program beginning on July 1, 1993. At least annually, the commissioner shall solicit bids from carriers regulated under chapters 62A, 62C, and 62D, to provide coverage of eligible individuals. To the extent feasible, the commissioner shall provide coverage through contracts with carriers.*

*(a) [HEALTH COVERAGE.] Health coverage is available to all employers in the program. The commissioner shall attempt to establish health coverage options that have strong care management features to control costs and promote quality and shall attempt to make a choice of health coverage options available. Health coverage for a retiree who is eligible for the federal Medicare program must be administered as though the retiree is enrolled in Medicare parts A and B. To the extent feasible as determined by the commissioner and in the best interests of the program, the commissioner shall model coverage after the plan established in section 43A.18, subdivision 2. Health coverage must include at least the benefits required of a carrier regulated under chapter 62A, 62C, or 62D for comparable coverage.*

*(b) [OPTIONAL COVERAGES.] In addition to offering health coverage, the commissioner may arrange to offer life, dental, and disability coverage through the program. Employers with health coverage may choose to offer one or more of these optional coverages according to the terms established by the commissioner. Life and disability insurance may be offered only to public employers.*

*(c) [OPEN ENROLLMENT.] The program must provide periodic open enrollments for eligible individuals for those coverages where a choice exists.*

*(d) [TECHNICAL ASSISTANCE.] The commissioner may arrange for technical assistance and referrals for eligible employers in areas such as health promotion and wellness, employee benefits structure, tax planning, and health care analysis services as described in section 62J.33.*

*Subd. 8. [PREMIUMS.] (a) [PAYMENTS.] Employers enrolled in the program shall pay premiums according to terms established by the commissioner. If an employer fails to make the required payments, the commissioner may cancel coverage and pursue other civil remedies.*

*(b) [RATING METHOD.] The commissioner shall determine the premium rates and rating method for the program. The rating method for eligible*

*small employers must meet or exceed the requirements of chapter 62L. The rating methods may exclude from premiums all or part of the costs for state administration and for maintenance of a premium stability and claim fluctuation reserve, provided that the commissioner shall incorporate these costs into premium as permitted by the size and stability of the program.*

(c) [TAX STATUS.] *Premiums paid to or by the program are exempt from the tax imposed by sections 60A.15 and 60A.198.*

Subd. 9. [POOLED EMPLOYERS INSURANCE TRUST FUND.] (a) [CONTENTS.] *The pooled employer insurance trust fund in the state treasury consists of deposits received from eligible employers and individuals, contractual settlements or rebates relating to the program, investment income or losses, and direct appropriations.*

(b) [APPROPRIATION.] *All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other costs necessary to administer the program.*

(c) [RESERVES.] *For any coverages for which the program does not contract to transfer full financial responsibility, the commissioner shall establish and maintain reserves: (1) for claims in process, incomplete and unreported claims, premiums received but not yet earned, and all other accrued liabilities; and (2) to ensure premium stability and the timely payment of claims in the event of adverse claims experience. The reserve for premium stability and claim fluctuations must be established according to the standards of section 62C.09, subdivision 3, except that the reserve may exceed the upper limit under this standard until July 1, 1997. The commissioner shall repay direct appropriations provided to establish a reserve for the program when the commissioner of finance determines that a sufficient reserve has accumulated to allow repayment.*

(d) [INVESTMENTS.] *The state board of investment shall invest money in the fund according to section 11A.24. Investment income and losses attributable to the fund must be credited to the fund.*

Subd. 10. [PROGRAM STATUS.] *The pooled employers insurance program is a state program to provide the advantages of a large pool for purchasing health coverage, other coverages, and related services from insurance companies, health maintenance organizations, and other organizations. The program and, where applicable, the employers enrolled in it do not constitute insurance within the meaning of state law and are not subject to chapters 60A, 62A, 62C, 62D, 62E, 62H, and 62L, section 471.617, subdivisions 2 and 3, and the bidding requirements of section 471.6161.*

Subd. 11. [EVALUATION.] *The commissioner shall report to the legislature on December 15, 1995, concerning the success of the program in fulfilling the intent of the legislature."*

Page 59, after line 11, insert:

"Sec. 12. [62A.022] [UNIFORM CLAIMS FORMS AND BILLING PRACTICES.]

*By January 1, 1993, the commissioner of commerce, in consultation with the commissioners of health and human services, shall establish and require uniform claims forms and uniform billing and record keeping practices applicable to all policies of accident and health insurance, group subscriber contracts offered by nonprofit health service plan corporations regulated*

*under chapter 62C, health maintenance contracts regulated under chapter 62D, and health benefit certificates offered through a fraternal beneficiary association regulated under chapter 64B, if issued or renewed to provide coverage to Minnesota residents."*

Page 67, line 3, before "Minnesota" insert "(a)"

Page 67, after line 4, insert:

*"(b) Minnesota Statutes 1990, section 43A.316, subdivisions 1, 2, 3, 4, 5, 6, 7, and 10; and Minnesota Statutes 1991 Supplement, section 43A.316, subdivisions 8 and 9, are repealed effective July 1, 1993."*

Page 67, line 6, delete "9" and insert "13" and delete "2 to 8, 10" and insert "5 to 11, 14"

Page 67, line 7, delete "13, and 18" and insert "17, and 22" and delete "11, 15, 16" and insert "15, 19, 20"

Page 67, line 8, delete "17" and insert "21"

Re-number the sections of article 3 in sequence

Page 78, line 34, delete "individuals" and insert "members"

Page 79, line 30, delete everything after the period

Page 79, delete line 31

Page 83, delete section 7 and insert:

"Sec. 7. [SPECIAL STUDIES.]

*(a) The commissioner of health, through the office of rural health, shall:*

*(1) investigate the adequacy of access to perinatal services in rural Minnesota and report findings and recommendations to the legislature by January 15, 1994; and*

*(2) study the impact of current reimbursement provisions for midlevel practitioners on the use of midlevel practitioners in rural practice settings, examining reimbursement provisions in state programs, federal programs, and private sector health plans, and report findings and recommendations to the legislature by January 1, 1993.*

*(b) The commissioner of administration, through the statewide telecommunications access routing program and its advisory council, and in cooperation with the commissioner of health and the rural health advisory committee, shall investigate and develop recommendations regarding the use of advanced telecommunications technologies to improve rural health education and health care delivery. The commissioner of administration shall report findings and recommendations to the legislature by January 15, 1994."*

Page 91, lines 22 and 23, delete "state health care commission" and insert "commissioner of health, in consultation with the Minnesota health care commission,"

Page 91, line 27, delete "commission" and insert "commissioner"

Page 94, lines 18, 22, 31, and 36, delete "commission" and insert "commissioner"

Page 97, line 15, delete "unit" and insert "commissioner" and after "may" insert "appoint peer review panels and"



Page 97, line 18, delete “unit” and insert “commissioner”

Page 97, line 23, delete “shall” and insert “must” and delete “if” and insert “whether”

Page 97, line 33, delete “commission” and insert “commissioner”

Page 98, line 7, delete “is governed by section 15.059” and insert “expires upon the submission of its recommendations”

Page 101, line 19, delete “commission” and insert “commissioner of health and the Minnesota health care commission”

Page 118, line 5, delete “Notwithstanding any other law to the contrary,”

Page 124, delete lines 38 and 39

Amend the title as follows:

Page 1, line 10, delete “a”

Page 1, line 11, delete “subdivision” and insert “subdivisions”

Page 1, line 20, after “16A;” insert “43A;”

Page 1, line 23, after “sections” insert “43A.316, subdivisions 1, 2, 3, 4, 5, 6, 7, and 10;”

Page 1, line 24, before the period, insert “; Minnesota Statutes 1991 Supplement, section 43A.316, subdivisions 8 and 9”

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

Mr. Solon from the Committee on Commerce, to which was referred

S.F. No. 2374: A bill for an act relating to insurance; auto; requiring insurers to fully reimburse insureds for deductible amounts before retaining subrogation proceeds; specifying related rights of insureds; amending Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6.

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 72A.20, subdivision 23, is amended to read:

Subd. 23. [DISCRIMINATION IN AUTOMOBILE INSURANCE POLICIES.] (a) No insurer that offers an automobile insurance policy in this state shall:

(1) use the employment status of the applicant as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

(b) No insurer that offers an automobile insurance policy in this state shall:

(1) use the applicant’s status as a tenant, as the term is defined in section 566.18, subdivision 2, as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

(c) No insurer that offers an automobile insurance policy in this state shall:

(1) use the failure of the applicant to have an automobile policy in force during any period of time before the application is made as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

This provision does not apply if the applicant was required by law to maintain automobile insurance coverage and failed to do so.

An insurer may require reasonable proof that the applicant did not fail to maintain this coverage. The insurer is not required to accept the mere lack of a conviction or citation for failure to maintain this coverage as proof of failure to maintain coverage.

*(d) No insurer that offers an automobile insurance policy in this state shall use an applicant's prior no-fault claims history as an underwriting standard or guideline if the applicant was 50 percent or less negligent in the accident or accidents causing the claims.*

Sec. 2. Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6, is amended to read:

Subd. 6. [STANDARDS FOR AUTOMOBILE INSURANCE CLAIMS HANDLING, SETTLEMENT OFFERS, AND AGREEMENTS.] In addition to the acts specified in subdivisions 4, 5, 7, 8, and 9, the following acts by an insurer, adjuster, or a self-insured or self-insurance administrator constitute unfair settlement practices:

(1) if an automobile insurance policy provides for the adjustment and settlement of an automobile total loss on the basis of actual cash value or replacement with like kind and quality and the insured is not an automobile dealer, failing to offer one of the following methods of settlement:

(a) comparable and available replacement automobile, with all applicable taxes, license fees, at least pro rata for the unexpired term of the replaced automobile's license, and other fees incident to the transfer or evidence of ownership of the automobile paid, at no cost to the insured other than the deductible amount as provided in the policy;

(b) a cash settlement based upon the actual cost of purchase of a comparable automobile, including all applicable taxes, license fees, at least pro rata for the unexpired term of the replaced automobile's license, and other fees incident to transfer of evidence of ownership, less the deductible amount as provided in the policy. The costs must be determined by:

(i) the cost of a comparable automobile, adjusted for mileage, condition, and options, in the local market area of the insured, if such an automobile is available in that area; or

(ii) one of two or more quotations obtained from two or more qualified sources located within the local market area when a comparable automobile is not available in the local market area. The insured shall be provided the information contained in all quotations prior to settlement; or

(iii) any settlement or offer of settlement which deviates from the procedure above must be documented and justified in detail. The basis for the settlement or offer of settlement must be explained to the insured;

(2) if an automobile insurance policy provides for the adjustment and

settlement of an automobile partial loss on the basis of repair or replacement with like kind and quality and the insured is not an automobile dealer, failing to offer one of the following methods of settlement:

(a) to assume all costs, including reasonable towing costs, for the satisfactory repair of the motor vehicle. Satisfactory repair includes repair of both obvious and hidden damage as caused by the claim incident. This assumption of cost may be reduced by applicable policy provision; or

(b) to offer a cash settlement sufficient to pay for satisfactory repair of the vehicle. Satisfactory repair includes repair of obvious and hidden damage caused by the claim incident, and includes reasonable towing costs;

(3) regardless of whether the loss was total or partial, in the event that a damaged vehicle of an insured cannot be safely driven, failing to exercise the right to inspect automobile damage prior to repair within five business days following receipt of notification of claim. In other cases the inspection must be made in 15 days;

(4) regardless of whether the loss was total or partial, requiring unreasonable travel of a claimant or insured to inspect a replacement automobile, to obtain a repair estimate, to allow an insurer to inspect a repair estimate, to allow an insurer to inspect repairs made pursuant to policy requirements, or to have the automobile repaired;

(5) regardless of whether the loss was total or partial, if loss of use coverage exists under the insurance policy, failing to notify an insured at the time of the insurer's acknowledgment of claim, or sooner if inquiry is made, of the fact of the coverage, including the policy terms and conditions affecting the coverage and the manner in which the insured can apply for this coverage;

(6) regardless of whether the loss was total or partial, failing to include the insured's deductible in the insurer's demands under its subrogation rights. Subrogation recovery must be shared at least on a proportionate basis with the insured, unless the deductible amount has been otherwise recovered by the insured, except that when an insurer is recovering directly from an uninsured third party by means of installments, the insured must receive the full deductible share as soon as that amount is collected and before any part of the total recovery is applied to any other use. No deduction for expenses may be made from the deductible recovery unless an attorney is retained to collect the recovery, in which case deduction may be made only for a pro rata share of the cost of retaining the attorney. *An insured is not bound by any settlement of its insurer's subrogation claim with respect to the deductible amount, unless the insured receives, as a result of the subrogation settlement, the full amount of the deductible. Recovery by the insurer and receipt by the insured of less than all of the insured's deductible amount does not affect the insured's rights to recover any unreimbursed portion of the deductible from parties liable for the loss;*

(7) requiring as a condition of payment of a claim that repairs to any damaged vehicle must be made by a particular contractor or repair shop or that parts, other than window glass, must be replaced with parts other than original equipment parts;

(8) where liability is reasonably clear, failing to inform the claimant in an automobile property damage liability claim that the claimant may have a claim for loss of use of the vehicle;

(9) failing to make a good faith assignment of comparative negligence percentages in ascertaining the issue of liability;

(10) failing to pay any interest required by statute on overdue payment for an automobile personal injury protection claim;

(11) if an automobile insurance policy contains either or both of the time limitation provisions as permitted by section 65B.55, subdivisions 1 and 2, failing to notify the insured in writing of those limitations at least 60 days prior to the expiration of that time limitation;

(12) if an insurer chooses to have an insured examined as permitted by section 65B.56, subdivision 1, failing to notify the insured of all of the insured's rights and obligations under that statute, including the right to request, in writing, and to receive a copy of the report of the examination;

(13) failing to provide, to an insured who has submitted a claim for benefits described in section 65B.44, a complete copy of the insurer's claim file on the insured, excluding internal company memoranda, all materials that relate to any insurance fraud investigation, materials that constitute attorney work-product or that qualify for the attorney-client privilege, and medical reviews that are subject to section 145.64, within ten business days of receiving a written request from the insured. The insurer may charge the insured a reasonable copying fee. This clause supersedes any inconsistent provisions of sections 72A.49 to 72A.505;

(14) if an automobile policy provides for the adjustment or settlement of an automobile loss due to damaged window glass, failing to assume all costs sufficient to pay the insured's chosen vendor for the replacement of comparable window glass at a price generally available in the area. This clause does not prohibit an insurer from recommending a vendor to the insured or from agreeing with a vendor to perform work at an agreed-upon price.

### Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective January 1, 1993, and apply to all policies issued or renewed on or after that date."*

Delete the title and insert:

"A bill for an act relating to insurance; automobile; prohibiting discrimination in automobile insurance policies; specifying rights of insureds; amending Minnesota Statutes 1990, section 72A.20, subdivision 23; Minnesota Statutes 1991 Supplement, section 72A.201, subdivision 6."

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 1857: A bill for an act relating to health; changing home care licensure requirements; requiring persons who provide home management services to be registered, but not licensed; removing the fee exemption for local government providers; amending Minnesota Statutes 1990, sections 144A.43, subdivisions 3 and 4; and 144A.46, subdivision 5; Minnesota Statutes 1991 Supplement, section 144A.46, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 144A.

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

Page 5, line 3, delete "*an agency*" and insert "*a provider*"

Page 5, line 6, after "9525.0660" insert "*when providing home care services to a person with a developmental disability*"

Page 5, line 7, strike "person"

Page 5, line 8, delete "*or agency*" and insert "*provider*"

Page 5, line 13, after "9525.2140" insert "*when providing home care services to a person with a developmental disability*"

Page 5, line 22, strike "An" and delete "*individual*"

Page 5, lines 23 to 27, strike the old language

Page 5, line 28, strike everything before "The" and insert "*All persons who have or will have direct contact with clients, including the home care provider, employees of the provider, and applicants for employment shall be required to disclose all criminal convictions.*"

Page 6, line 30, delete "*not licensed as a home care*"

Page 6, line 31, delete "*provider*" and after "*provides*" insert "*only*"

Page 6, line 35, after "*must*" insert "*annually*"

Page 7, line 4, after "*rights*" insert "*provisions contained in section 144A.44*" and after the period, insert "*A person who provides home management services under this section must, within six months after beginning to provide services, attend an orientation session approved by the commissioner that provides training on the bill of rights and an orientation on the aging process and the needs and concerns of elderly and disabled persons.*"

Page 7, line 7, delete "*controlling persons*" and insert "*individuals responsible for the management or direction*"

Page 7, line 8, delete "*a*" and insert "*an annual*"

Page 7, line 19, delete the comma and insert "*or*"

Page 7, line 20, delete "*, or impose conditions of registration,*"

Page 7, line 21, delete everything after the period and insert "*Any fine assessed for a violation of the bill of rights by a provider registered under this section shall be in the amount established in the licensure rules for home care providers.*"

Page 7, delete lines 22 and 23

Page 7, line 24, delete everything before "As"

Page 7, after line 32, insert:

"Sec. 7. Minnesota Statutes 1991 Supplement, section 144A.49, is amended to read:

144A.49 [TEMPORARY PROCEDURES.]

For purposes of this section, "home care providers" shall mean the providers described in section 144A.43, subdivision 4, including hospice programs described in section 144A.48. Home care providers are exempt from the licensure requirement in section 144A.46, subdivision 1, until 90

days after the effective date of the licensure rules. Beginning July 1, 1987, no home care provider, as defined in section 144A.43, subdivision 4, except a provider exempt from licensure under section 144A.46, subdivision 2, may provide home care services in this state without registering with the commissioner. A home care provider is registered with the commissioner when the commissioner has received in writing the provider's name; the name of its parent corporation or sponsoring organization, if any; the street address and telephone number of its principal place of business; the street address and telephone number of its principal place of business in Minnesota; the counties in Minnesota in which it may render services; the street address and telephone number of all other offices in Minnesota; and the name, educational background, and ten-year employment history of the person responsible for the management of the agency. A registration fee must be submitted with the application for registration; ~~except that the commissioner shall not collect a registration fee from a home care provider operated by a statutory or home rule charter city, county, town, or other governmental entity.~~ The fee must be established pursuant to section 144.122 and must be based on a consideration of the following factors: the number of clients served by the home care provider, the number of employees, the number of services offered, and annual revenues of the provider. The registration is effective until 90 days after licensure rules are effective. In order to maintain its registration and provide services in Minnesota, a home care provider must comply with section 144A.44 and comply with requests for information under section 144A.47. A registered home care provider is subject to sections 144A.51 to 144A.54. Registration under this section does not exempt a home care provider from the licensure and other requirements later adopted by the commissioner.

Within 90 days after the effective date of the licensure rules under section 144A.45, the commissioner of health shall issue provisional licenses to all home care providers registered with the department as of that date. The provisional license shall be valid until superseded by a license issued under section 144A.46 or for a period of one year, whichever is shorter. Applications for licensure as a home care provider received on or after the effective date of the home care licensure rules, shall be issued under section 144A.46, subdivision 1.

Sec. 8. Minnesota Statutes 1991 Supplement, section 144A.61, subdivision 3a, is amended to read:

Subd. 3a. [COMPETENCY EVALUATION PROGRAM.] The commissioner of health shall approve the competency evaluation program. A competency evaluation must be administered to nursing assistants who desire to be listed in the nursing assistant registry *and who have done one of the following: (1) completed an approved training program; (2) been listed on the nursing assistant registry maintained by another state; or (3) completed a training program in nursing assistant skills other than the approved course.* The tests may only be administered by technical colleges, community colleges, or other organizations approved by the department of health. ~~After January 1, 1992,~~ A competency evaluation for a person, other than an individual enrolled in a licensed nurse education program, who has not completed an approved nursing assistant training program, must include an evaluation of all clinical skills.

Sec. 9. Minnesota Statutes 1991 Supplement, section 144A.61, subdivision 6a, is amended to read:

Subd. 6a. [NURSING ASSISTANTS HIRED IN 1990 AND AFTER.] Each nursing assistant hired to work in a nursing home or in a certified boarding care home on or after January 1, 1990, must have successfully completed an approved competency evaluation *prior to employment* or an approved nursing assistant training program and competency evaluation within four months from the date of employment.

Sec. 10. [CONSOLIDATION OF REGULATION OF HOME CARE SERVICES AND RESIDENTIAL CARE HOMES.]

*The commissioner of health, in consultation with the commissioner of human services, shall submit a report to the legislature by November 1, 1992, on the advisability and feasibility of consolidating licensure and regulation of home care services and residential care homes into one activity with the goal of avoiding contradictory or duplicative regulation and allowing flexibility for creative service development by regulating services rather than institutions. If the commissioner determines that consolidation of the two systems is feasible and desirable, the commissioner shall submit recommendations for changes in laws and regulations that are necessary to consolidate the systems. In developing the report and recommendations, the commissioner shall consider methods of enforcing physical plant and fire safety standards that are appropriate to congregate living setting and that reflect the needs and characteristics of different populations served in residential care homes. The commissioner shall also consider the need to modify home care rules to allow a social model for providing services as an alternative to a medical model for certain supportive services provided in residential care homes and home care settings. The commissioner of health shall consult with the commissioner of human services regarding the impact of changes on costs and payment mechanisms."*

Page 7, line 34, delete "6" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "requiring a report on consolidation of regulation of home care services and residential care homes;"

Page 1, line 9, delete "section" and insert "sections" and after the semicolon, insert "144A.49; and 144A.61, subdivisions 3a and 6a;"

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

Ms. Berglin from the Committee on Health and Human Services, to which was referred

S.F. No. 2732: A bill for an act relating to public health; providing for the reporting and monitoring of certain licensed health care workers who are infected with the human immunodeficiency virus or hepatitis B virus; authorizing rulemaking for certain health-related licensing boards; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 144.054; 144.55, subdivision 3; 147.091, subdivision 1; 148.261, subdivision 1; 150A.08, subdivision 1; 153.19, subdivision 1; and 214.12; proposing coding in Minnesota Statutes, chapters 150A; and 214.

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 144.054, is amended to read:

144.054 [SUBPOENA POWER.]

*Subdivision 1.* The commissioner may, as part of an investigation to determine whether a serious health threat exists or to locate persons who may have been exposed to an agent which can seriously affect their health, issue subpoenas to require the attendance and testimony of witnesses and production of books, records, correspondence, and other information relevant to any matter involved in the investigation. The commissioner or the commissioner's designee may administer oaths to witnesses or take their affirmation. The subpoenas may be served upon any person named therein anywhere in the state by any person authorized to serve subpoenas or other processes in civil actions of the district courts. If a person to whom a subpoena is issued does not comply with the subpoena, the commissioner may apply to the district court in any district and the court shall order the person to comply with the subpoena. Failure to obey the order of the court may be punished by the court as contempt of court. *Except as provided in subdivision 2,* no person may be compelled to disclose privileged information as described in section 595.02, subdivision 1. All information pertaining to individual medical records obtained under this section shall be considered health data under section 13.38. The fees for the service of a subpoena must be paid in the same manner as prescribed by law for a service of process issued out of a district court. Witnesses must receive the same fees and mileage as in civil actions.

*Subd. 2. The commissioner may subpoena privileged medical information of patients who may have been exposed by a licensed dental hygienist, dentist, physician, nurse, podiatrist, a registered dental assistant, or a physician's assistant who is infected with the human immunodeficiency virus (HIV) or hepatitis B virus (HBV) when the commissioner has determined that it may be necessary to notify those patients that they may have been exposed to HIV or HBV.*

Sec. 2. Minnesota Statutes 1990, section 144.55, subdivision 3, is amended to read:

Subd. 3. [STANDARDS FOR LICENSURE.] (a) Notwithstanding the provisions of section 144.56, for the purpose of hospital licensure, the commissioner of health shall use as minimum standards the hospital certification regulations promulgated pursuant to Title XVIII of the Social Security Act, United States Code, title 42, section 1395, et. seq. The commissioner may use as minimum standards changes in the federal hospital certification regulations promulgated after May 7, 1981 if the commissioner finds that such changes are reasonably necessary to protect public health and safety. The commissioner shall also promulgate in rules additional minimum standards for new construction.

(b) *Each hospital shall establish policies and procedures to prevent the transmission of human immunodeficiency virus and hepatitis B virus to patients and within the health care setting. The policies and procedures shall be developed in conformance with the most recent recommendations issued by the United States Department of Health and Human Services, Public Health Service, Centers for Disease Control. The commissioner of*



*health shall evaluate a hospital's compliance with the policies and procedures according to subdivision 4.*

Sec. 3. Minnesota Statutes 1990, section 147.091, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS LISTED.] The board may refuse to grant a license or may impose disciplinary action as described in section 147.141 against any physician. The following conduct is prohibited and is grounds for disciplinary action:

(a) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in this chapter or rules of the board. The burden of proof shall be upon the applicant to demonstrate such qualifications or satisfaction of such requirements.

(b) Obtaining a license by fraud or cheating, or attempting to subvert the licensing examination process. Conduct which subverts or attempts to subvert the licensing examination process includes, but is not limited to: (1) conduct which violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination; (2) conduct which violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or (3) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(c) Conviction, during the previous five years, of a felony reasonably related to the practice of medicine or osteopathy. Conviction as used in this subdivision shall include a conviction of an offense which if committed in this state would be deemed a felony without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered thereon.

(d) Revocation, suspension, restriction, limitation, or other disciplinary action against the person's medical license in another state or jurisdiction, failure to report to the board that charges regarding the person's license have been brought in another state or jurisdiction, or having been refused a license by any other state or jurisdiction.

(e) Advertising which is false or misleading, which violates any rule of the board, or which claims without substantiation the positive cure of any disease, or professional superiority to or greater skill than that possessed by another physician.

(f) Violating a rule promulgated by the board or an order of the board, a state, or federal law which relates to the practice of medicine, or in part regulates the practice of medicine including without limitation sections 148A.02, 609.344, and 609.345, or a state or federal narcotics or controlled substance law.

(g) Engaging in any unethical conduct; conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare or safety of a patient; or medical practice which is professionally incompetent, in that it may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury

need not be established.

(h) Failure to supervise a physician's assistant or failure to supervise a physician under any agreement with the board.

(i) Aiding or abetting an unlicensed person in the practice of medicine, except that it is not a violation of this paragraph for a physician to employ, supervise, or delegate functions to a qualified person who may or may not be required to obtain a license or registration to provide health services if that person is practicing within the scope of that person's license or registration or delegated authority.

(j) Adjudication as mentally incompetent, mentally ill or mentally retarded, or as a chemically dependent person, a person dangerous to the public, or a person who has a psychopathic personality by a court of competent jurisdiction, within or without this state. Such adjudication shall automatically suspend a license for the duration thereof unless the board orders otherwise.

(k) Engaging in unprofessional conduct. Unprofessional conduct shall include any departure from or the failure to conform to the minimal standards of acceptable and prevailing medical practice in which proceeding actual injury to a patient need not be established.

(l) Inability to practice medicine with reasonable skill and safety to patients by reason of illness, drunkenness, use of drugs, narcotics, chemicals or any other type of material or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills.

(m) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(n) Failure by a doctor of osteopathy to identify the school of healing in the professional use of the doctor's name by one of the following terms: osteopathic physician and surgeon, doctor of osteopathy, or D.O.

(o) Improper management of medical records, including failure to maintain adequate medical records, to comply with a patient's request made pursuant to section 144.335 or to furnish a medical record or report required by law.

(p) Fee splitting, including without limitation:

(1) paying, offering to pay, receiving, or agreeing to receive, a commission, rebate, or remuneration, directly or indirectly, primarily for the referral of patients or the prescription of drugs or devices;

(2) dividing fees with another physician or a professional corporation, unless the division is in proportion to the services provided and the responsibility assumed by each professional and the physician has disclosed the terms of the division;

(3) referring a patient to any health care provider as defined in section 144.335 in which the referring physician has a significant financial interest unless the physician has disclosed the physician's own financial interest; and

(4) dispensing for profit any drug or device, unless the physician has disclosed the physician's own profit interest.

The physician must make the disclosures required in this clause in advance and in writing to the patient and must include in the disclosure a statement that the patient is free to choose a different health care provider. This clause does not apply to the distribution of revenues from a partnership, group practice, nonprofit corporation, or professional corporation to its partners, shareholders, members, or employees if the revenues consist only of fees for services performed by the physician or under a physician's direct supervision, or to the division or distribution of prepaid or capitated health care premiums, or fee-for-service withhold amounts paid under contracts established under other state law.

(q) Engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws.

(r) Becoming addicted or habituated to a drug or intoxicant.

(s) Prescribing a drug or device for other than medically accepted therapeutic or experimental or investigative purposes authorized by a state or federal agency or referring a patient to any health care provider as defined in section 144.335 for services or tests not medically indicated at the time of referral.

(t) Engaging in conduct with a patient which is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior which is seductive or sexually demeaning to a patient.

(u) Failure to make reports as required by section 147.111 or to cooperate with an investigation of the board as required by section 147.131.

*(v) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.*

Sec. 4. Minnesota Statutes 1990, section 148.261, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS LISTED.] The board shall have power to deny, revoke, suspend, limit, or condition the license and registration of any person to practice professional or practical nursing pursuant to sections 148.171 to 148.285, or to otherwise discipline a licensee or applicant as described in section 148.262. The following are grounds for disciplinary action:

(1) Failure to demonstrate the qualifications or satisfy the requirements for a license contained in section 148.171 to 148.285 or rules of the board. In the case of a person applying for a license, the burden of proof is upon the applicant to demonstrate the qualifications or satisfaction of the requirements.

(2) Employing fraud or deceit in procuring or attempting to procure a permit, license, or registration certificate to practice professional or practical nursing or attempting to subvert the licensing examination process. Conduct that subverts or attempts to subvert the licensing examination process includes, but is not limited to:

(i) conduct that violates the security of the examination materials, such as removing examination materials from the examination room or having unauthorized possession of any portion of a future, current, or previously administered licensing examination;

(ii) conduct that violates the standard of test administration, such as communicating with another examinee during administration of the examination, copying another examinee's answers, permitting another examinee to copy one's answers, or possessing unauthorized materials; or

(iii) impersonating an examinee or permitting an impersonator to take the examination on one's own behalf.

(3) Conviction during the previous five years of a felony or gross misdemeanor reasonably related to the practice of professional or practical nursing. Conviction as used in this subdivision shall include a conviction of an offense that if committed in this state would be considered a felony or gross misdemeanor without regard to its designation elsewhere, or a criminal proceeding where a finding or verdict of guilt is made or returned but the adjudication of guilt is either withheld or not entered.

(4) Revocation, suspension, limitation, conditioning, or other disciplinary action against the person's professional or practical nursing license in another state, territory, or country; failure to report to the board that charges regarding the person's nursing license are pending in another state, territory, or country; or having been refused a license by another state, territory, or country.

(5) Failure to or inability to perform professional or practical nursing as defined in section 148.171, paragraph (3) or (5), with reasonable skill and safety, including failure of a registered nurse to supervise or a licensed practical nurse to monitor adequately the performance of acts by any person working at the nurse's direction.

(6) Engaging in unprofessional conduct including, but not limited to, a departure from or failure to conform to board rules of professional or practical nursing practice that interpret the statutory definition of professional or practical nursing as well as provide criteria for violations of the statutes, or, if no rule exists, to the minimal standards of acceptable and prevailing professional or practical nursing practice, or any nursing practice that may create unnecessary danger to a patient's life, health, or safety. Actual injury to a patient need not be established under this clause.

(7) Delegating or accepting the delegation of a nursing function or a prescribed health care function when the delegation or acceptance could reasonably be expected to result in unsafe or ineffective patient care.

(8) Actual or potential inability to practice nursing with reasonable skill and safety to patients by reason of illness, use of alcohol, drugs, chemicals, or any other material, or as a result of any mental or physical condition.

(9) Adjudication as mentally incompetent, mentally ill, a chemically dependent person, or a person dangerous to the public by a court of competent jurisdiction, within or without this state.

(10) Engaging in any unethical conduct including, but not limited to, conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient. Actual injury need not be established under this clause.

(11) Engaging in conduct with a patient that is sexual or may reasonably be interpreted by the patient as sexual, or in any verbal behavior that is seductive or sexually demeaning to a patient, or engaging in sexual exploitation of a patient or former patient.

(12) Obtaining money, property, or services from a patient, other than reasonable fees for services provided to the patient, through the use of undue influence, harassment, duress, deception, or fraud.

(13) Revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law.

(14) Engaging in abusive or fraudulent billing practices, including violations of federal Medicare and Medicaid laws or state medical assistance laws.

(15) Improper management of patient records, including failure to maintain adequate patient records, to comply with a patient's request made pursuant to section 144.335, or to furnish a patient record or report required by law.

(16) Knowingly aiding, assisting, advising, or allowing an unlicensed person to engage in the unlawful practice of professional or practical nursing.

(17) Violating a rule adopted by the board, an order of the board, or a state or federal law relating to the practice of professional or practical nursing, or a state or federal narcotics or controlled substance law.

*(18) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.*

Sec. 5. Minnesota Statutes 1990, section 150A.08, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS.] The board may refuse or by order suspend or revoke, limit or modify by imposing conditions it deems necessary, any license to practice dentistry or dental hygiene or the registration of any dental assistant upon any of the following grounds:

(1) Fraud or deception in connection with the practice of dentistry or the securing of a license or annual registration certificate;

(2) Conviction, including a finding or verdict of guilt, an admission of guilt, or a no contest plea, in any court of a felony or gross misdemeanor reasonably related to the practice of dentistry as evidenced by a certified copy of the conviction;

(3) Conviction, including a finding or verdict of guilt, an admission of guilt, or a no contest plea, in any court of an offense involving moral turpitude as evidenced by a certified copy of the conviction;

(4) Habitual overindulgence in the use of intoxicating liquors;

(5) Improper or unauthorized prescription, dispensing, administering, or personal or other use of any legend drug as defined in chapter 151, of any chemical as defined in chapter 151, or of any controlled substance as defined in chapter 152;

(6) Conduct unbecoming a person licensed to practice dentistry or dental hygiene or registered as a dental assistant, or conduct contrary to the best interest of the public, as such conduct is defined by the rules of the board;

(7) Gross immorality;

(8) Any physical, mental, emotional, or other disability which adversely affects a dentist's, dental hygienist's, or registered dental assistant's ability to perform the service for which the person is licensed or registered;

(9) Revocation or suspension of a license, registration, or equivalent authority to practice, or other disciplinary action or denial of a license or registration application taken by a licensing, registering, or credentialing authority of another state, territory, or country as evidenced by a certified copy of the licensing authority's order, if the disciplinary action or application denial was based on facts that would provide a basis for disciplinary action under this chapter and if the action was taken only after affording the credentialed person or applicant notice and opportunity to refute the allegations or pursuant to stipulation or other agreement;

(10) Failure to maintain adequate safety and sanitary conditions for a dental office in accordance with the standards established by the rules of the board;

(11) Employing, assisting, or enabling in any manner an unlicensed person to practice dentistry;

(12) Failure or refusal to attend, testify, and produce records as directed by the board under subdivision 7; ~~or~~

(13) Violation of, or failure to comply with, any other provisions of sections 150A.01 to 150A.12, the rules of the board of dentistry, or any disciplinary order issued by the board or for any other just cause related to the practice of dentistry. Suspension, revocation, modification or limitation of any license shall not be based upon any judgment as to therapeutic or monetary value of any individual drug prescribed or any individual treatment rendered, but only upon a repeated pattern of conduct; *or*

*(14) Knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.*

#### Sec. 6. [150A.081] [ACCESS TO MEDICAL DATA.]

*When the board has probable cause to believe that a licensee's or registrant's condition meets a ground listed in section 150A.08, subdivision 1, clause (4) or (8), it may, notwithstanding sections 13.42, 144.651, or any other law limiting access to medical data, obtain medical or health records relating to the licensee or registrant without the person's consent. The medical data may be requested from a provider, as defined in section 144.335, subdivision 1, paragraph (b), an insurance company, or a government agency. A provider, insurance company, or government agency shall comply with a written request of the board under this subdivision and is not liable in any action for damages for releasing the data requested by the board if the data are released under the written request, unless the information is false and the entity providing the information knew, or had reason to believe, the information was false. Information obtained under this subdivision is classified as private data on individuals under chapter 13. Under this subdivision, the commissioner of health is not required to release health data collected and maintained under section 13.38.*

Sec. 7. Minnesota Statutes 1990, section 153.19, subdivision 1, is amended to read:

Subdivision 1. [GROUNDS LISTED.] The board may refuse to grant a license or may impose disciplinary action as described in this section against any doctor of podiatric medicine. The following conduct is prohibited and is grounds for disciplinary action:

(1) failure to demonstrate the qualifications or satisfy the requirements

for a license contained in this chapter or rules of the board; the burden of proof shall be upon the applicant to demonstrate the qualifications or satisfaction of the requirements;

(2) obtaining a license by fraud or cheating or attempting to subvert the licensing examination process;

(3) conviction, during the previous five years, of a felony reasonably related to the practice of podiatric medicine;

(4) revocation, suspension, restriction, limitation, or other disciplinary action against the person's podiatric medical license in another state or jurisdiction, failure to report to the board that charges regarding the person's license have been brought in another state or jurisdiction, or having been refused a license by any other state or jurisdiction;

(5) advertising that is false or misleading;

(6) violating a rule adopted by the board or an order of the board, a state, or federal law that relates to the practice of podiatric medicine, or in part regulates the practice of podiatric medicine, or a state or federal narcotics or controlled substance law;

(7) engaging in any unethical conduct; conduct likely to deceive, defraud, or harm the public, or demonstrating a willful or careless disregard for the health, welfare, or safety of a patient; or podiatric medical practice that is professionally incompetent, in that it may create unnecessary danger to any patient's life, health, or safety, in any of which cases, proof of actual injury need not be established;

(8) failure to supervise a preceptor or resident;

(9) aiding or abetting an unlicensed person in the practice of podiatric medicine, except that it is not a violation of this clause for a podiatrist to employ, supervise, or delegate functions to a qualified person who may or may not be required to obtain a license or registration to provide health services if that person is practicing within the scope of that person's license or registration or delegated authority;

(10) adjudication as mentally incompetent, or mentally ill, or as a chemically dependent person, a person dangerous to the public, or a person who has a psychopathic personality by a court of competent jurisdiction, within or without this state;

(11) engaging in unprofessional conduct that includes any departure from or the failure to conform to the minimal standards of acceptable and prevailing podiatric medical practice, but actual injury to a patient need not be established;

(12) inability to practice podiatric medicine with reasonable skill and safety to patients by reason of illness or chemical dependency or as a result of any mental or physical condition, including deterioration through the aging process or loss of motor skills;

(13) revealing a privileged communication from or relating to a patient except when otherwise required or permitted by law;

(14) improper management of medical records, including failure to maintain adequate medical records, to comply with a patient's request made under section 144.335 or to furnish a medical record or report required by law;

(15) accepting, paying, or promising to pay a part of a fee in exchange

for patient referrals;

(16) engaging in abusive or fraudulent billing practices, including violations of the federal Medicare and Medicaid laws or state medical assistance laws;

(17) becoming addicted or habituated to a drug or intoxicant;

(18) prescribing a drug for other than medically accepted therapeutic or experimental or investigative purposes authorized by a state or federal agency;

(19) engaging in sexual conduct with a patient or conduct that may reasonably be interpreted by the patient as sexual, or in verbal behavior which is seductive or sexually demeaning to a patient;

(20) failure to make reports as required by section 153.24 or to cooperate with an investigation of the board as required by section 153.20;

(21) *knowingly providing false or misleading information that is directly related to the care of that patient unless done for an accepted therapeutic purpose such as the administration of a placebo.*

Sec. 8. Minnesota Statutes 1990, section 214.12, is amended to read:

214.12 [CONTINUING EDUCATION.]

*Subdivision 1. [REQUIREMENTS.] The health-related and non-health-related licensing boards may promulgate by rule requirements for renewal of licenses designed to promote the continuing professional competence of licensees. These requirements of continuing professional education or training shall be designed solely to improve professional skills and shall not exceed an average attendance requirement of 50 clock hours per year. All requirements promulgated by the boards shall be effective commencing January 1, 1977, or at a later date as the board may determine. The 50 clock hour limitation shall not apply to the board of teaching.*

*Subd. 2. [INFECTION CONTROL.] The boards listed in section 214.17, subdivision 1, shall require by rule that licensees obtain instruction or continuing education in the subject of infection control including blood-borne diseases.*

Sec. 9. [214.16] [HIV AND HBV PREVENTION PROGRAM; PURPOSE AND SCOPE.]

*Sections 214.16 to 214.24 are intended to promote the health and safety of patients and regulated persons by reducing the risk of infection in the provision of health care.*

Sec. 10. [214.17] [DEFINITIONS.]

*Subdivision 1. [BOARD.] "Board" means the boards of dentistry, medical practice, nursing, and podiatric medicine. For purposes of sections 214.18, subdivisions 4 and 5; 214.19, paragraph (a); and 214.23, board also includes the board of chiropractic examiners.*

*Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of health.*

*Subd. 3. [HBV.] "HBV" means the hepatitis B virus with the e antigen present in the most recent blood test.*

*Subd. 4. [HIV.] "HIV" means the human immunodeficiency virus.*



*Subd. 5. [REGULATED PERSON.] "Regulated person" means a licensed dental hygienist, dentist, physician, nurse, podiatrist, a registered dental assistant, a physician's assistant, and for purposes of sections 214.18, subdivisions 4 and 5; 214.19, paragraph (a); and 214.23, a chiropractor.*

**Sec. 11. [214.18] [REPORTING OBLIGATIONS.]**

*Subdivision 1. [PERMISSION TO REPORT.] A person with actual knowledge that a regulated person has been diagnosed as infected with HIV or HBV may file a report with the commissioner.*

*Subd. 2. [SELF-REPORTING.] A regulated person who is diagnosed as infected with HIV or HBV shall report that information to the commissioner promptly, and as soon as medically necessary for disease control purposes but no more than 30 days after learning of the diagnosis or 30 days after becoming licensed or registered by the state.*

*Subd. 3. [MANDATORY REPORTING.] A person or institution required to report HIV or HBV status to the commissioner under Minnesota Rules, parts 4605.7030, subparts 1 to 4 and 6, and 4605.7040, shall, at the same time, notify the commissioner if the person or institution knows that the reported person is a regulated person.*

*Subd. 4. [INFECTION CONTROL REPORTING.] A regulated person shall, within ten days, report to the appropriate board personal knowledge of a serious failure or a pattern of failure by another regulated person to comply with accepted and prevailing infection control procedures related to the prevention of HIV and HBV transmission. In lieu of reporting to the board, the regulated person may make the report to a designated official of the hospital, nursing home, clinic, or other institution or agency where the failure to comply with accepted and prevailing infection control procedures occurred. The designated official shall report to the appropriate board within 30 days of receiving a report under this subdivision. The report shall include specific information about the response by the institution or agency to the report. A regulated person shall not be discharged or discriminated against for filing a complaint in good faith under this subdivision.*

*Subd. 5. [IMMUNITY.] A person is immune from civil liability or criminal prosecution for submitting a report in good faith to the commissioner or to a board under this section.*

**Sec. 12. [214.19] [GROUNDS FOR DISCIPLINARY OR RESTRICTIVE ACTION.]**

*A board may refuse to grant a license or registration or may impose disciplinary or restrictive action against a regulated person who:*

*(1) fails to follow accepted and prevailing infection control procedures, including a failure to conform to current recommendations of the Centers for Disease Control for preventing the transmission of HIV and HBV, or fails to comply with infection control rules promulgated by the board. Injury to a patient need not be established;*

*(2) fails to comply with any requirement of sections 214.16 to 214.23;*  
*or*

*(3) fails to comply with any monitoring or reporting requirement.*

**Sec. 13. [214.20] [TEMPORARY SUSPENSION.]**

*The board may, without hearing, temporarily suspend the right to practice*

*of a regulated person if the board finds that the regulated person has refused to submit to or comply with monitoring under section 214.22. The suspension shall take effect upon written notice to the regulated person specifying the statute or rule violated. The suspension shall remain in effect until the board issues a final order based on a stipulation or after a hearing. At the time the board issues the suspension notice, the board shall schedule a disciplinary hearing to be held under chapter 14. The regulated person shall be provided with at least 20 days' notice of a hearing held under this section. The hearing shall be scheduled to begin no later than 30 days after the issuance of the suspension order.*

**Sec. 14. [214.21] [NOTICE; ACTION.]**

*If the board has reasonable grounds to believe a regulated person infected with HIV or HBV has done or omitted doing any act that would be grounds for disciplinary action under section 214.19, the board may take action after giving notice three business days before the action, or a lesser time if deemed necessary by the board. The board may:*

*(1) temporarily suspend the regulated person's right to practice under section 214.20;*

*(2) require the regulated person to appear personally at a conference with representatives of the board and to provide information relating to the regulated person's health or professional practice; and*

*(3) take any other lesser action deemed necessary by the board for the protection of the public.*

**Sec. 15. [214.22] [MONITORING.]**

*Subdivision 1. [COMMISSIONER OF HEALTH.] The board shall enter into a contract with the commissioner to perform the functions in subdivisions 2 and 3. The contract shall provide that:*

*(1) unless requested to do otherwise by a regulated person, a board shall refer all regulated persons infected with HIV or HBV to the commissioner;*

*(2) the commissioner may choose to refer any regulated person who is infected with HIV or HBV as well as all information related thereto to the person's board at any time for any reason, including but not limited to: the degree of cooperation and compliance by the regulated person; the inability to secure information or the medical records of the regulated person; or when the facts may present other possible violations of the regulated persons practices act. Upon request of the regulated person who is infected with HIV or HBV the commissioner shall refer the regulated person and all information related thereto to the person's board. Once the commissioner has referred a regulated person to a board, the board may not thereafter submit it to the commissioner to establish a monitoring plan unless the commissioner of health consents in writing;*

*(3) a board shall not take action on grounds relating solely to the HIV or HBV status of a regulated person until after referral by the commissioner; and*

*(4) notwithstanding sections 13.39 and 13.41 and chapters 147, 148, 150A, 153, and 214, a board shall forward to the commissioner any information on a regulated person who is infected with HIV or HBV that the department of health requests.*

*Subd. 2. [MONITORING PLAN.] After receiving a report that a regulated person is infected with HIV or HBV, the board or the commissioner acting on behalf of the board shall evaluate the past and current professional practice of the regulated person to determine whether there has been a violation under section 214.19. After evaluation of the regulated person's past and current professional practice, the board or the commissioner, acting on behalf of the board, shall establish a monitoring plan for the regulated person. The monitoring plan may:*

*(1) address the scope of a regulated person's professional practice when the board or the commissioner, acting on behalf of the board, determines that the practice constitutes an identifiable risk of transmission of HIV or HBV from the regulated person to the patient;*

*(2) include the submission of regular reports at a frequency determined by the board or the commissioner, acting on behalf of the board, regarding the regulated person's health status; and*

*(3) include any other provisions deemed reasonable by the board or the commissioner of health, acting on behalf of the board.*

*The board or commissioner, acting on behalf of the board, may enter into agreements with qualified persons to perform monitoring on its behalf. The regulated person shall comply with any monitoring plan established under this subdivision.*

*Subd. 3. [EXPERT REVIEW PANEL.] The board or the commissioner acting on behalf of the board may appoint an expert review panel to assist in the performance of the responsibilities under this section. In consultations with the expert review panel, the commissioner or board shall, to the extent possible, protect the identity of the regulated person. When an expert review panel is appointed, it must contain at least one member appointed by the commissioner and one professional member appointed by the board. The panel shall provide expert assistance to the board, or to the commissioner acting on behalf of the board, in the subjects of infectious diseases, epidemiology, practice techniques used by regulated persons, and other subjects determined by the board or by the commissioner acting on behalf of the board. Members of the expert review panel are subject to those provisions of chapter 13 that restrict the commissioner or the board under this act.*

*Subd. 4. [IMMUNITY.] Members of the board or the commissioner acting on behalf of the board, and persons who participate on an expert review panel or who assist the board or the commissioner in monitoring the practice of a regulated person, are immune from civil liability or criminal prosecution for any actions, transactions, or publications made in good faith and in execution of, or relating to, their duties under sections 9 to 16 of this act, except that no immunity shall be available for persons who have knowingly violated any provision of chapter 13.*

#### **Sec. 16. [214.23] [INSPECTION OF PRACTICE.]**

*Subdivision 1. [AUTHORITY.] The board is authorized to conduct inspections of the clinical practice of a regulated person to determine whether the regulated person is following accepted and prevailing infection control procedures. The board shall provide at least three business days' notice to the clinical practice prior to the inspection. The clinical practice of a regulated person includes any location where the regulated person practices*

*that is not an institution licensed and subject to inspection by the commissioner of health. During the course of inspections the privacy and confidentiality of patients and regulated persons shall be maintained. The board may require on license renewal forms that regulated persons inform the board of all locations where they practice.*

**Subd. 2. [ACCESS; RECORDS.]** *An inspector from the board shall have access, during reasonable business hours for purposes of inspection, to all areas of the practice setting where patient care is rendered or drugs or instruments are held that come into contact with a patient. An inspector is authorized to interview employees and regulated persons in the performance of an inspection, to observe infection control procedures, test equipment used to sterilize instruments, and to review and copy all relevant records, excluding patient health records. In performing these responsibilities, inspectors shall make reasonable efforts to respect and preserve patient privacy and the privacy of the regulated person. Boards are authorized to conduct joint inspections and to share information obtained under this section. The boards shall contract with the commissioner to perform the duties under this subdivision.*

**Subd. 3. [BOARD ACTION.]** *If accepted and prevailing infection control techniques are not being followed, the board may educate the regulated person or take other actions. The board and the inspector shall maintain patient confidentiality in any action resulting from the inspection.*

**Subd. 4. [RULEMAKING.]** *A board is authorized to adopt rules setting standards for infection control procedures. Boards shall engage in joint rulemaking. Boards must seek and consider the advice of the commissioner of health before adopting rules. No inspections shall be conducted under this section until after infection control rules have been adopted. Each board is authorized to provide educational information and training to regulated persons regarding infection control. All regulated persons who are employers shall make infection control rules available to employees who engage in functions related to infection control.*

**Sec. 17. [214.24] [DATA PRIVACY.]**

**Subdivision 1. [BOARD DATA.]** *(a) All data collected or maintained as part of the board's duties under sections 214.18, 214.22, and 214.23 shall be classified as investigative data under section 13.39 except that inactive investigative data shall be classified as private data under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9, in the case of data not on individuals.*

*(b) Notwithstanding section 13.05, subdivision 9, data addressed in this subdivision shall not be disclosed except as provided in this subdivision or section 13.04; except that the board may disclose to the commissioner under section 214.22.*

**Subd. 2. [COMMISSIONER OF HEALTH DATA.]** *(a) All data collected or maintained as part of the commissioner of health's duties under sections 214.18, 214.22, and 214.23 shall be classified as investigative data under section 13.39, except that inactive investigative data shall be classified as private data under section 13.02, subdivision 12, or nonpublic data under section 13.02, subdivision 9, in the case of data not on individuals.*

*(b) Notwithstanding section 13.05, subdivision 9, data addressed in this subdivision shall not be disclosed except as provided in this subdivision or section 13.04; except that the commissioner may disclose to the boards*

*under section 214.22.*

*(c) The commissioner may disclose data addressed under this subdivision as necessary: to identify, establish, implement, and enforce a monitoring plan; to investigate a regulated person; to alert persons who may be threatened by illness as evidenced by epidemiologic data; to control or prevent the spread of HIV or HBV disease; or to diminish an imminent threat to the public health.*

**Sec. 18. [APPROPRIATIONS.]**

*Subdivision 1. (a) \$ . . . . . is appropriated from the special revenue fund to the board of medical practice for the purposes of this act to be available until June 30, 1993.*

*(b) \$ . . . . . is appropriated from the special revenue fund to the board of dentistry for the purposes of this act to be available until June 30, 1993.*

*(c) \$ . . . . . is appropriated from the special revenue fund to the board of nursing for the purposes of this act to be available until June 30, 1993.*

*(d) \$ . . . . . is appropriated from the special revenue fund to the board of podiatric medicine for the purposes of this act to be available until June 30, 1993.*

*(e) \$ . . . . . is appropriated from the special revenue fund to the board of chiropractic examiners for the purposes of this act to be available until June 30, 1993.*

*Subd. 2. \$ . . . . . is appropriated from the special revenue fund to the commissioner of health for purposes of Minnesota Statutes, section 214.22, to be available until June 30, 1993. The boards of medical practice, dentistry, nursing, and podiatric medicine shall increase fees to recover the cost of this appropriation.*

*Subd. 3. \$ . . . . . is appropriated from the general fund to the commissioner of health for the purposes of section 2 to be available until June 30, 1993.*

**Sec. 19. [EFFECTIVE DATE.]**

*Subdivision 1. Section 11 is effective July 1, 1992.*

*Subd. 2. All other provisions of this act are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 11, after "coding" insert "for new law"

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. 2186 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2186	1780				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2186 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2186 and insert the language after the enacting clause of S.F. No. 1780, the first engrossment; further, delete the title of H.F. No. 2186 and insert the title of S.F. No. 1780, the first engrossment.

And when so amended H.F. No. 2186 will be identical to S.F. No. 1780, and further recommends that H.F. No. 2186 be given its second reading and substituted for S.F. No. 1780, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1489 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1489	1297				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1489 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1489 and insert the language after the enacting clause of S.F. No. 1297, the first engrossment; further, delete the title of H.F. No. 1489 and insert the title of S.F. No. 1297, the first engrossment.

And when so amended H.F. No. 1489 will be identical to S.F. No. 1297, and further recommends that H.F. No. 1489 be given its second reading and substituted for S.F. No. 1297, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2113 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

**GENERAL ORDERS**

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

2113 1999

**CONSENT CALENDAR**

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

**CALENDAR**

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

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2113 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2113 and insert the language after the enacting clause of S.F. No. 1999, the first engrossment; further, delete the title of H.F. No. 2113 and insert the title of S.F. No. 1999, the first engrossment.

And when so amended H.F. No. 2113 will be identical to S.F. No. 1999, and further recommends that H.F. No. 2113 be given its second reading and substituted for S.F. No. 1999, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2388 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

**GENERAL ORDERS**

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

2388 2170

**CONSENT CALENDAR**

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

**CALENDAR**

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

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2388 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2388 and insert the language after the enacting clause of S.F. No. 2170; further, delete the title of H.F. No. 2388 and insert the title of S.F. No. 2170.

And when so amended H.F. No. 2388 will be identical to S.F. No. 2170, and further recommends that H.F. No. 2388 be given its second reading and substituted for S.F. No. 2170, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 1969 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
				1969	2175

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 1969 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1969 and insert the language after the enacting clause of S.F. No. 2175, the first engrossment; further, delete the title of H.F. No. 1969 and insert the title of S.F. No. 2175, the first engrossment.

And when so amended H.F. No. 1969 will be identical to S.F. No. 2175, and further recommends that H.F. No. 1969 be given its second reading and substituted for S.F. No. 2175, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2352 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2352	2292				

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2352 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2352 and insert the language after the enacting clause of S.F. No. 2292, the first engrossment; further, delete the title of H.F. No. 2352 and insert the title of S.F. No. 2292, the first engrossment.

And when so amended H.F. No. 2352 will be identical to S.F. No. 2292, and further recommends that H.F. No. 2352 be given its second reading and substituted for S.F. No. 2292, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2115 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:



**GENERAL ORDERS**

H.F. No.

S.F. No.

**CONSENT CALENDAR**

H.F. No.

S.F. No.

**CALENDAR**

H.F. No.

S.F. No.

2115

2461

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2115 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2115 and insert the language after the enacting clause of S.F. No. 2461, the first engrossment; further, delete the title of H.F. No. 2115 and insert the title of S.F. No. 2461, the first engrossment.

And when so amended H.F. No. 2115 will be identical to S.F. No. 2461, and further recommends that H.F. No. 2115 be given its second reading and substituted for S.F. No. 2461, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2030 for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

**GENERAL ORDERS**

H.F. No.

S.F. No.

**CONSENT CALENDAR**

H.F. No.

S.F. No.

**CALENDAR**

H.F. No.

S.F. No.

2030

2057

Pursuant to Rule 49, the Committee on Rules and Administration recommends that H.F. No. 2030 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2030 and insert the language after the enacting clause of S.F. No. 2057; further, delete the title of H.F. No. 2030 and insert the title of S.F. No. 2057.

And when so amended H.F. No. 2030 will be identical to S.F. No. 2057, and further recommends that H.F. No. 2030 be given its second reading and substituted for S.F. No. 2057, and that the Senate File be indefinitely postponed.

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

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

H.F. No. 2732 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.
2732	2660				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 1996 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.
1996	2023				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 2273 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.
2273	2084				

and that the above Senate File be indefinitely postponed.

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

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

H.F. No. 2683 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

**GENERAL ORDERS**

H.F. No.	S.F. No.
2683	2467

**CONSENT CALENDAR**

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

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

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

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

H.F. No. 2063 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

**GENERAL ORDERS**

H.F. No.	S.F. No.
2063	1819

**CONSENT CALENDAR**

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

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

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

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

H.F. No. 2375 for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

**GENERAL ORDERS**

H.F. No.	S.F. No.
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**CONSENT CALENDAR**

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

H.F. No.	S.F. No.
2375	1770

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. Spear from the Committee on Judiciary, to which was re-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, subdivision 1; 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 5, lines 6 and 7, delete "*if referred by the commissioner or*"

Page 6, line 7, after the period, insert "*There is no appeal from the order. Any determination by a settlement judge may not be considered as evidence in any other proceeding and the issues decided are not res judicata in any other proceeding.*"

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

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

S.F. No. 2533: A bill for an act relating to human services; establishing a project to enhance the recovery of overpaid benefits; creating administrative fraud disqualification hearings as an optional method for resolving AFDC and food stamp fraud cases; creating a task force to consider and evaluate mechanisms which would allow the administrative determination of overpayments and their docketing as judgments; defining in-kind income in the AFDC and GA programs; authorizing disqualification from the AFDC and food stamp programs based on administrative fraud hearings; creating and authorizing the use of commissioner's subpoenas in investigations involving public assistance programs; establishing the offense defined as assistance transaction card fraud; establishing a pilot project to examine options designed to enhance the recovery of overpayments in assistance programs; providing penalties; appropriating money; amending Minnesota Statutes 1990, sections 256.019; 256.12, by adding a subdivision; 256D.02, subdivision 8; and 256D.35, subdivision 11; Minnesota Statutes 1991 Supplement, section 256.98, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Page 3, delete lines 16 to 36

Page 4, delete lines 1 to 7

Page 5, line 14, delete "COMMISSIONER'S" and insert "INVESTIGATORY"

Page 5, line 17, delete "*commissioner of human services*" and insert "*district court*" and after "*subpoena*" insert "*based on probable cause*"

Page 5, line 19, delete everything after "*programs*"

Page 5, line 20, delete everything before the second "*of*"

Page 5, line 21, delete "*that*" and insert "*who*"

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

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

Mr. Moe, R.D. moved that Joint Rule 2.03 be suspended as to the Committee Report on S.F. No. 2533. The motion prevailed.

Mr. Moe, R.D. moved the adoption of the Committee Report on S.F. No.

2533. The motion prevailed. Amendments adopted. Report adopted.

### **SECOND READING OF SENATE BILLS**

S.F. Nos. 2137, 2048, 589, 1847, 1859, 1856, 394, 2017, 2067 and 2374 were read the second time.

### **SECOND READING OF HOUSE BILLS**

H.F. Nos. 2186, 1489, 2113, 2388, 1969, 2352, 2115, 2030, 2732, 1996, 2273, 2683, 2063 and 2375 were read the second time.

### **MOTIONS AND RESOLUTIONS**

Mr. Sams moved that the name of Mr. Morse be added as a co-author to S.F. No. 2728. The motion prevailed.

Mr. Johnson, D.E. introduced—

Senate Resolution No. 132: A Senate resolution congratulating Vince Mehmel on his retirement.

Referred to the Committee on Rules and Administration.

Ms. Johnson, J.B. moved that S.F. No. 589, on General Orders, be stricken and re-referred to the Committee on Finance. The motion prevailed.

### **SUSPENSION OF RULES**

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

### **CALENDAR**

S.F. No. 1644: A bill for an act relating to commerce; regulating negotiable instruments; adopting the revised article 3 of the Uniform Commercial Code with conforming amendments to articles 1 and 4 approved by the American Law Institute and the National Conference of Commissioners on Uniform State Laws; amending Minnesota Statutes 1990, sections 336.1-201; 336.1-207; 336.4-101; 336.4-102; 336.4-103; 336.4-104; 336.4-105; 336.4-106; 336.4-107; 336.4-108; 336.4-201; 336.4-202; 336.4-203; 336.4-204; 336.4-205; 336.4-206; 336.4-207; 336.4-208; 336.4-209; 336.4-210; 336.4-211; 336.4-212; 336.4-213; 336.4-214; 336.4-301; 336.4-302; 336.4-303; 336.4-401; 336.4-402; 336.4-403; 336.4-404; 336.4-405; 336.4-406; 336.4-407; 336.4-501; 336.4-502; 336.4-503; and 336.4-504; proposing coding for new law in Minnesota Statutes, chapter 336; repealing Minnesota Statutes 1990, sections 336.3-101 to 336.3-805; and 336.4-109.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 52 and nays 9, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Belanger	Benson, J.E.	Day	Larson	Terwilliger
Benson, D.D.	Brataas	Knaak	Mehrkins	

So the bill passed and its title was agreed to.

S.F. No. 2247: A bill for an act relating to human services; prohibiting the commissioner from adopting rules requiring counties to separate their public guardianship function from their case management function, unless state funding is provided to cover county costs; requiring a report.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1841: A bill for an act relating to commerce; consumer protection; regulating the sale of dogs and cats by pet dealers; prescribing penalties; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

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 53 and nays 6, as follows:

Those who voted in the affirmative were:

Beckman	Flynn	Kroening	Moe, R. D.	Reichgott
Belanger	Frank	Laidig	Mondale	Renneke
Benson, D.D.	Frederickson, D.J.	Langseth	Morse	Riveness
Benson, J.E.	Frederickson, D.R.	Larson	Novak	Samuelson
Berglin	Hottinger	Lessard	Olson	Spear
Bernhagen	Hughes	Luther	Pappas	Stumpf
Chmielewski	Johnson, D.E.	Marty	Pariseau	Terwilliger
Cohen	Johnson, D.J.	McGowan	Piper	Traub
Day	Johnson, J.B.	Mehrkins	Pogemiller	Waldorf
Dicklich	Johnston	Merriam	Price	
Finn	Kelly	Metzen	Ranum	

Those who voted in the negative were:

Berg	Davis	DeCramer	Sams	Vickerman
Bertram				

So the bill passed and its title was agreed to.

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; requiring notice of land surveys; amending Minnesota Statutes 1990, sections 216D.01, subdivision 8, and by adding subdivisions; and 216D.04.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

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.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2298: A bill for an act relating to watershed districts; requiring counties to provide public notice prior to making watershed district manager appointments; modifying requirements for appointing watershed district managers; exempting watershed districts from permit fees charged by political subdivisions; requiring watershed district audits by certified public accountants or the state auditor under certain circumstances; clarifying procedures for appealing watershed district decisions; allowing recovery of attorney fees; amending Minnesota Statutes 1990, sections 103D.311, subdivisions 2 and 3; 103D.335, by adding a subdivision; 103D.355, subdivision 1; 103D.535, subdivision 1; and 103D.545, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 103D.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2299: A bill for an act relating to state trails; providing for the establishment of the Blufflands Trail System; amending Minnesota Statutes 1990, section 85.015, subdivision 7.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:



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

So the bill passed and its title was agreed to.

S.F. No. 1319: A bill for an act relating to the practice of law; allowing the sole shareholder of a corporation to appear on behalf of the corporation in court; amending Minnesota Statutes 1991 Supplement, section 481.02, subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2383: A bill for an act relating to peace officers; affording qualified federal law enforcement officers the authority of peace officers when assigned to special state and federal task forces; proposing coding for new law in Minnesota Statutes, chapter 626.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2088: A bill for an act relating to corporations; making miscellaneous changes in provisions dealing with the organization and operation of nonprofit corporations; amending Minnesota Statutes 1990, sections 317A.011, subdivision 14; 317A.111, subdivision 3; 317A.227; 317A.251, subdivision 3; 317A.255, subdivisions 1, 2, and by adding a subdivision; 317A.341, subdivision 2; 317A.431, subdivision 2; 317A.447; 317A.461; 317A.751, subdivision 3; 317A.821, subdivision 3; and 317A.827, by adding a subdivision; Minnesota Statutes 1991 Supplement, sections 317A.821, subdivision 2; 317A.823; and 317A.827, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1876: A bill for an act relating to occupations and professions; board of medical practice; clarifying requirements for granting medical licenses; amending Minnesota Statutes 1991 Supplement, section 147.03.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

H.F. No. 2142: A bill for an act relating to employment; leaves of absence; assigning duties to the division of labor standards; modifying provisions relating to school conference leave for employees with children; amending

Minnesota Statutes 1990, sections 177.26, subdivision 2; and 181.9412; proposing coding for new law in Minnesota Statutes, chapter 181.

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 41 and nays 21, as follows:

Those who voted in the affirmative were:

Adkins	Frank	Lessard	Novak	Riveness
Benson, J.E.	Frederickson, D.J.	Luther	Olson	Sams
Berglin	Hottinger	Marty	Pappas	Spear
Brataas	Hughes	McGowan	Pariseau	Stumpf
Chmielewski	Johnson, D.J.	Mehrkins	Piper	Traub
Cohen	Johnson, J.B.	Metzen	Pogemiller	
DeCramer	Kelly	Moe, R.D.	Price	
Dicklich	Knaak	Mondale	Ranum	
Flynn	Kroening	Morse	Reichgott	

Those who voted in the negative were:

Beckman	Davis	Johnson, D.E.	Neuville	Waldorf
Belanger	Day	Johnston	Renneke	
Berg	Finn	Laidig	Samuelson	
Bernhagen	Frederickson, D.R.	Langseth	Terwilliger	
Bertram	Gustafson	Larson	Vickerman	

So the bill passed and its title was agreed to.

H.F. No. 980: A bill for an act relating to the legislature; authorizing joint legislative commissions to issue subpoenas; amending Minnesota Statutes 1990, section 3.153.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2282: A bill for an act relating to state government; regulating administrative rulemaking; providing for corrective legislation; extending the response period that precedes the writing of an administrative law judge's report on rules adopted after public hearing; requiring the attorney general and administrative law judge to disregard harmless errors; regulating notices; amending Minnesota Statutes 1990, sections 3C.04, subdivision 4; 14.115, subdivision 5; 14.15, subdivision 1, and by adding a subdivision; 14.22; 14.26; 14.30; and 14.32.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1938: A bill for an act relating to landlords and tenants; providing for assignment to the county attorney of the landlord's right to evict for breach of the covenant not to sell drugs or permit their sale; clarifying the law on forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1990, sections 504.181, subdivision 2; and 609.5317, 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 62 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 1778: A resolution memorializing Congress to refrain from imposing upon the states' constitutional authority to regulate traffic and motor vehicle safety within their respective boundaries, and specifically, to refrain from mandating the passage of state laws requiring the use of motorcycle helmets, safety belts, and child restraint systems.

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 56 and nays 8, as follows:

Those who voted in the affirmative were:

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

Those who voted in the negative were:

Kelly	Merriam	Ranum	Traub	Waldorf
Marty	Piper	Spear		

So the resolution passed and its title was agreed to.

H.F. No. 2397: A bill for an act relating to pipelines; regulating liquefied natural gas facilities; amending Minnesota Statutes 1990, sections 299J.02, subdivisions 12, 13, and by adding subdivisions; 299J.04; 299J.07, subdivision 1; 299J.10; 299J.12, subdivisions 2 and 3; and 299J.15.

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

So the bill passed and its title was agreed to.

S.F. No. 2430: A bill for an act relating to the environment; adding sanctions and procedures relating to petroleum tank release consultants and contractors; amending Minnesota Statutes 1990, sections 115C.02, by adding subdivisions; 115C.03, by adding a subdivision; 116.48, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 115C.09, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 115C.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2694: A bill for an act relating to courts; authorizing Ramsey county to provide for a single suburban court facility; amending Minnesota Statutes 1990, sections 488A.18, subdivision 10; and 488A.185.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2368: A bill for an act relating to probate; enacting the uniform transfer on death security registration act; providing for rights of creditors and revocation of beneficiary designation by will; proposing coding for new law in Minnesota Statutes, chapter 524.

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

So the bill passed and its title was agreed to.

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

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 1, as follows:

Those who voted in the affirmative were:

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

Mr. Merriam voted in the negative.

So the bill passed and its title was agreed to.

S.F. No. 2728: A bill for an act relating to agriculture; establishing a state over-order premium milk price for dairy farmers for certain milk; proposing coding for new law in Minnesota Statutes, chapter 32A.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 50 and nays 11, as follows:

Those who voted in the affirmative were:

Adkins	Finn	Johnston	Metzen	Ranum
Beckman	Frank	Kelly	Moe, R.D.	Reichgott
Benson, D.D.	Frederickson, D.J.	Kroening	Mondale	Renneke
Bernhagen	Frederickson, D.R.	Laidig	Morse	Riveness
Bertram	Gustafson	Langseth	Neuville	Sams
Chmielewski	Hottinger	Larson	Novak	Samuelson
Cohen	Hughes	Lessard	Pappas	Stumpf
Davis	Johnson, D.E.	Marty	Piper	Traub
DeCramer	Johnson, D.J.	McGowan	Pogemiller	Vickerman
Dicklich	Johnson, J.B.	Mehrkins	Price	Waldorf

Those who voted in the negative were:

Belanger	Day	Knaak	Merriam	Pariseau
Benson, J.E.	Flynn	Luther	Olson	Spear
Berglin				

So the bill passed and its title was agreed to.

S.F. No. 1805: A bill for an act relating to human services; requiring reporting of legally blind persons to Minnesota state services for the blind and visually handicapped; modifying the duties of the commissioner of jobs and training; removing a council's expiration date; amending Minnesota Statutes 1990, sections 248.07, subdivisions 1 and 5; and 248.10, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 248.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2234: A bill for an act relating to occupations and professions; modifying disciplinary requirements of the board of social work; allowing the issuance of practice permits; clarifying requirements for changes in licensure level; providing penalties; amending Minnesota Statutes 1990, sections 148B.04, by adding a subdivision; 148B.15; 148B.18, subdivisions 9 and 12; 148B.21, subdivision 2, and by adding subdivisions; 148B.22, subdivision 2; 148B.27, subdivision 3; 148B.28, subdivision 2; Minnesota Statutes 1991 Supplement, sections 148B.04, subdivision 3; 148B.05, subdivision 1; 148B.07, subdivision 3; 148B.08, subdivision 1, and by adding a subdivision; and 148B.175, subdivisions 3, 4, 5, and 8; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1990, section 148B.05, subdivision 2.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 2, as follows:

Those who voted in the affirmative were:

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

Messrs. Samuelson and Waldorf voted in the negative.

So the bill passed and its title was agreed to.

H.F. No. 1763: A bill for an act relating to state lands; authorizing the conveyance or release of a state easement in Faribault.

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



The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2628: A bill for an act relating to public safety officers; defining firefighters for purposes of the public safety officer's survivor benefits law; amending Minnesota Statutes 1990, section 299A.41, subdivision 4.

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

The question was taken on the passage of the bill.

The roll was called, and there were yeas 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2037: A bill for an act relating to public employment; requiring the commissioner of the bureau of mediation services to adopt a uniform baseline determination document and a uniform collective bargaining agreement settlement document and to prescribe procedures for the use of these documents; amending Minnesota Statutes 1990, section 179A.04, subdivision 3.

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

The question was taken on the passage of the bill.

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

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

S.F. No. 2352: A bill for an act relating to retirement; Austin fire department relief association; authorizing an actuarial assumption change; providing various benefit increases; authorizing board member per diem payments.

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

So the bill passed and its title was agreed to.

H.F. No. 2704: A bill for an act relating to state government; increasing the size of the council on Asian-Pacific Minnesotans; providing for representation of various Asian-Pacific communities on the council; amending Minnesota Statutes 1991 Supplement, section 3.9226, 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 63 and nays 0, as follows:

Those who voted in the affirmative were:

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

So the bill passed and its title was agreed to.

## MOTIONS AND RESOLUTIONS - CONTINUED

### SUSPENSION OF RULES

Remaining on the Order of Business of Motions and Resolutions, Mr. Moe, R.D. moved that the Senate take up the General Orders Calendar and that the rules of the Senate be so far suspended as to waive the lie-over requirement. The motion prevailed.

### GENERAL ORDERS

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

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

S.F. Nos. 1972, 2319, 2499, 1725, 1728 and H.F. Nos. 2377, 2254, which the committee recommends to pass.

H.F. No. 2465, which the committee recommends to pass with the following amendment offered by Mr. Bertram:

Amend H.F. No. 2465, as amended pursuant to Rule 49, adopted by the Senate March 18, 1992, as follows:

(The text of the amended House File is identical to S.F. No. 2029.)

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1990, section 197.447, is amended to read:

197.447 [VETERAN, DEFINED.]

The word "veteran" as used in Minnesota Statutes, except in sections 136C.13, 196.21, 197.971, and 243.251, means a citizen of the United States or a resident alien who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, *or who has met the minimum active duty requirement as defined by Code of Federal Regulations, title 38, section 3.12a*, or who has active military service certified under section 401, Public Law Number 95-202. The active military service must be certified by the United States Secretary of Defense as active military service and a discharge under honorable conditions must be issued by the Secretary."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "clarifying the definition of "veteran;""

Page 1, line 4, delete "section" and insert "sections 197.447; and"

The motion prevailed. So the amendment was adopted.

S.F. No. 1755, which the committee recommends to pass with the following amendment offered by Mr. Knaak:

Page 1, delete line 16 and insert:

*"This act is effective the day after the board of commissioners of Ramsey county and the city council of the city of White Bear Lake file certificates of approval in compliance with Minnesota Statutes, section 645.021, subdivision 3."*

The motion prevailed. So the amendment was adopted.

S.F. No. 2376, which the committee recommends to pass with the following amendment offered by Mr. Berg:

Pages 3 to 5, delete section 9

Page 5, line 23, after "but" insert "not"

Page 5, delete section 12

Page 5, line 28, delete "11" and insert "10"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete everything after the second semicolon

Page 1, line 7, delete everything before the second "and"

Page 1, line 11, delete "97C.211;"

Page 1, line 13, delete everything after "2" and insert a period

Page 1, delete line 14

The motion prevailed. So the amendment was adopted.

S.F. No. 2511, which the committee recommends to pass with the following amendment offered by Mr. Chmielewski:

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. [EXCHANGE OF LAND; AITKIN COUNTY.]

*(a) Notwithstanding the requirements of Minnesota Statutes, sections 94.341 to 94.348 and 103F.535, and with the approval of the land exchange board, the commissioner of natural resources shall exchange the land described in paragraph (c) for land owned by Thomas Godward, et. al., and described in paragraph (d).*

*(b) The exchange must be in a form approved by the attorney general after the attorney general has determined, in the manner provided for in Minnesota Statutes, section 94.343, subdivision 9, that the title of the land proposed to be conveyed to the state is good and marketable. The land the state receives must be substantially equal in value to the state land exchanged and any deficiency in value must be paid to the state.*

*(c) Subject to the provisions of this section, the commissioner shall exchange the property described in this subdivision for the property owned by Thomas Godward, et. al., which is described in paragraph (d).*

*W1/2 of the NE 1/4 of Section 18-48-26; E1/2 of the SW 1/4 of the SE 1/4 of section 7-48-26; and the W1/2 of the SE 1/4 of section 13-48-27 except the South 66 feet, all in Aitkin county, containing 176 acres, more or less.*

*(d) Thomas Godward, et. al., may exchange the real property described*

*in this subdivision for the real property owned by the state and described in paragraph (c).*

*S1/2 of the NE 1/4, and the SE 1/4 of the NW 1/4 of section 33-48-24, subject to the railroad right of way and less 1 acre (to be specifically described in the deed of conveyance); and the N1/2 of the NW 1/4 of section 22-46-23 all in Aitkin county containing 175 acres, more or less."*

The motion prevailed. So the amendment was adopted.

S.F. No. 2389, which the committee recommends to pass with the following amendments offered by Messrs. Morse and Finn:

Mr. Morse moved to amend S.F. No. 2389 as follows:

Page 5, line 12, strike "97C.001" and delete "or"

Pages 8 and 9, delete sections 15 to 17 and insert:

"Sec. 15. Minnesota Statutes 1990, section 97C.001, is amended to read:

97C.001 [EXPERIMENTAL WATERS.]

Subdivision 1. [DEFINITION; DESIGNATION.] (a) *Experimental waters are lakes and streams where special regulations are used and evaluated to meet a specific fisheries objective.*

(b) *The commissioner may designate ~~all or part of a lake or stream~~ any waters of the state having free access to the public as experimental waters. The designated experimental waters may not exceed 100 lakes and 25 streams at one time. ~~Only lakes and streams that have a public access may be designated.~~ For all experimental waters, the commissioner shall develop an evaluation plan and specify a termination date. On the termination date, the commissioner shall vacate or extend the experimental waters designation, or designate the experimental waters as special management waters under section 97C.005. The commissioner shall by rule establish methods and criteria for public initiation of experimental waters designation and for public participation in the evaluation of the waters designated.*

(c) *Designation of experimental waters under this section is not subject to chapter 14.*

Subd. 2. [PUBLIC NOTICE AND MEETING.] (a) *Before the commissioner designates, or vacates or extends the designation of, experimental waters, a public meeting must be held in the county where the largest portion of the ~~lake or stream~~ waters is located.*

(b) *At least ~~seven~~ 90 days before the public meeting and during the open angling season for fish the taking of which is, or is proposed to be, regulated under subdivision 3 on the waters under consideration, notice of the proposed designation, vacation, or extension must be posted at publicly maintained access points on the water.*

(c) *Before the public meeting, notice of the meeting must be published in a ~~legal~~ news release issued by the commissioner and in a newspaper ~~within the counties of general circulation in the area where the lake or stream is proposed experimental waters are located.~~ The notice must be published at least once between 30 and 60 days before the meeting, and at least once between 7 and 30 days before the meeting.*

*(d) The notices required in this subdivision must summarize the proposed action, invite public comment, and specify a deadline for the receipt of public comments. The commissioner shall mail a copy of each required notice to persons who have registered their names with the commissioner for this purpose. The commissioner shall consider any public comments received in making a final decision.*

*(e) If a lake water to be designated has is a lake with a water area of more than 1,500 acres, or is a stream or river with a reach of more than six miles, a public meeting must also be held in the seven-county metropolitan area.*

Subd. 3. [SEASONS, LIMITS, AND RULES OTHER REQUIREMENTS.] The commissioner may, in accordance with the procedures in subdivision 2 or by order rule under chapter 14, establish open seasons, limits, methods, and other rules to take requirements for taking fish on experimental waters.

Sec. 16. Minnesota Statutes 1990, section 97C.005, is amended to read:

97C.005 [SPECIAL MANAGEMENT LAKES WATERS.]

*Subdivision 1. [DEFINITION; DESIGNATION.] The commissioner may classify waters (a) Special management waters are waters that:*

*(1) have been subject to special regulations that have been evaluated and proven effective under an experimental waters designation under section 97C.001; or*

*(2) are classified by the commissioner for their primary use as trophy lakes, family fishing lakes, designated trout lakes, designated trout streams, special species management lakes, and other designated uses.*

*(b) The commissioner may designate any waters of the state, including experimental waters, as special management waters. The commissioner shall by rule establish methods and criteria for public participation in the evaluation and designation of waters as special management waters.*

*(c) Designation of special management waters under this section is not subject to chapter 14.*

Subd. 2. [PUBLIC NOTICE AND MEETING.] *(a) Before the commissioner designates special management waters, public comment must be received and, for waters other than those proposed to be designated as trout streams or trout lakes, a public meeting must be held in the county where the largest portion of the waters is located.*

*(b) For waters previously designated as experimental waters, a proposed change in status to special management waters must be announced before the public meeting by notice published in a news release issued by the commissioner and in a newspaper of general circulation in the area where the waters are located. The notice must be published at least once between 30 and 60 days before the public meeting, and at least once between seven and 30 days before the meeting. If a water proposed to be designated is a lake with a water area of more than 1,500 acres, or is a stream or river with a reach of more than six miles, a public meeting must also be held in the seven-county metropolitan area.*

*(c) For proposed special management waters, other than designated*

trout lakes and designated trout streams, that were not previously designated as experimental waters, notice of the proposed designation must be given as provided in this paragraph. The notice must be posted at publicly maintained access points at least 90 days before the public meeting and during the open angling season for fish the taking of which on the waters is proposed to be regulated under subdivision 3. Before the public meeting, notice of the meeting must be published in a news release issued by the commissioner and in a newspaper of general circulation in the area where the proposed special management waters are located. The notice must be published at least once between 30 and 60 days before the meeting, and at least once between seven and 30 days before the meeting. If a water to be designated is a lake with a water area of more than 1,500 acres, or is a stream or river with a reach of more than six miles, a public meeting must also be held in the seven-county metropolitan area.

(d) For waters proposed to be designated as trout streams or trout lakes, notice of the proposed designation must be posted at publicly maintained access points at least 90 days before the effective date of the designation and during the open angling season for fish the taking of which on the waters is proposed to be regulated under subdivision 3. The notice must also be published at least 90 days before the effective date of the designation in a news release issued by the commissioner and in a newspaper of general circulation in the area where the waters are located. In addition, all riparian owners along the waters must be notified at least 90 days before the effective date of the designation.

(e) The notices required in this subdivision must summarize the proposed action, invite public comment, and specify a deadline for the receipt of public comments. The commissioner shall mail a copy of each required notice to persons who have registered their names with the commissioner for this purpose. The commissioner shall consider any public comments received in making a final decision.

*Subd. 3. [SEASONS, LIMITS, AND OTHER RULES.] The commissioner may, in accordance with the procedures in subdivision 2, paragraphs (c) and (e), or by rule under chapter 14, establish open seasons, limits, methods, and other requirements for taking fish on special management waters."*

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

Mr. Finn moved to amend S.F. No. 2389 as follows:

Page 2, line 2, after "ginseng" insert "roots"

The motion prevailed. So the amendment was adopted.

S.F. No. 2529, which the committee reports progress, subject to the following motions:

Mr. McGowan moved to amend S.F. No. 2529 as follows:

Page 4, after line 25, insert:

*"(i) If arbitration is requested under this subdivision, a strike by employees or a lockout by an employer is prohibited unless the employee*

*in the case of a lockout or the employer in the case of a strike does not comply with the terms of an arbitration order issued under this division."*

Page 5, after line 18, insert:

*"(d) If arbitration is requested under this subdivision, a strike by employees or a lockout by an employer is prohibited unless the employee in the case of a lockout or the employer in the case of a strike does not comply with the terms of an arbitration order issued under this subdivision."*

The motion prevailed. So the amendment was adopted.

Mr. Knaak moved to amend S.F. No. 2529 as follows:

Pages 1 to 4, delete section 1

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

S.F. No. 2529 was then progressed.

S.F. No. 2136, which the committee recommends to pass with the following amendment offered by Mr. Mondale:

Page 2, delete sections 2 and 3

Page 2, line 27, delete ", 2, or 2a" and insert "or 2"

Renumber the sections in sequence

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

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

### **MOTIONS AND RESOLUTIONS - CONTINUED**

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

### **REPORTS OF COMMITTEES**

Mr. Luther moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

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

S.F. No. 2166: A bill for an act relating to public employment; providing an early retirement incentive for certain public employees; amending Minnesota Statutes 1990, section 275.125, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 275.50, subdivision 5.

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



Page 2, line 2, after "(2)" insert "(i)"

Page 2, line 4, delete ", or" and insert "; or (ii) has"

Page 2, line 7, after the semicolon, insert "*or (iii) has at least 25 years of service credit in the public pension plan that the person is a member of on the day before retirement;*"

Page 2, after line 12, insert:

*"During the biennium ending June 30, 1993, an executive branch state agency may not hire a replacement for a person who retires under this subdivision, except under conditions specified by the commissioner of finance, the commissioner of employee relations, the chancellor of the state university system, and the chancellor of the community college system."*

Page 2, line 14, delete "school"

Page 2, line 15, delete "district," and insert "joint vocational technical district formed under Minnesota Statutes, sections 136C.60 to 136C.69," and after "state" insert "may, and the governing body of a school district"

Page 2, line 23, after "retirement" insert "; or in the case of a teacher has a total of at least 25 years of service credit in the teachers retirement association, a first-class city teacher retirement fund, or any combination of these groups"

Page 2, after line 30, insert:

*"An employer that pays for insurance under this subdivision may not exclude any eligible employees."*

Page 3, line 18, delete "obligates," and delete ", or otherwise affects"

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

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

S.F. No. 2337: A bill for an act relating to human services; providing for medical assistance coverage of home health services delivered in a facility under certain circumstances; providing for medical assistance coverage of personal care services provided outside the home when authorized by the responsible party; allowing foster care providers to deliver personal care services if monitored; defining responsible party; allowing recipients to request continuation of services at a previously authorized level while an appeal is pending; requiring cost effectiveness of services to be considered; amending Minnesota Statutes 1991 Supplement, sections 256B.0625, subdivisions 6a and 19a; and 256B.0627, subdivisions 1, 4, 5, and 6.

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

Page 2, line 26, reinstate the stricken language

Page 3, line 35, after "persons" insert "*who, as of April 1, 1992, are*"

Page 5, line 15, strike "adult"

Page 9, line 17, strike "they require" and insert "*the care required is difficult to perform and requires more time than community-based standards allow or the recipient's condition or treatment requires more training or skill than would ordinarily be required and the recipient needs or has one*

or more of the following”

Page 9, line 24, strike “or”

Page 9, after line 24, insert:

“(G) quadriplegia; or”

Page 9, line 25, strike “(G)” and insert “(H)”

Page 11, strike lines 26 to 30 and insert “*Providers may request a temporary authorization for home care services by telephone. The commissioner may approve a temporary level of home care services based on the assessment and care plan information provided by an appropriately licensed nurse. Authorization for a temporary level of home care services is limited to the time specified by the commissioner, but shall not exceed 30 days. The level of services authorized under this provision shall have no bearing on a future prior authorization.*”

Page 12, lines 19 and 20, delete the new language and insert “*the recipient's foster placement made the placement prior to April 1, 1992, requests that home care services be provided, and case management is provided as required in section 256B.0625, subdivision 19a*”

Page 12, line 23, after “*services*” insert “*unless the costs of home care services and waived services are combined and managed under the waiver program*”

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

## SECOND READING OF SENATE BILLS

S.F. No. 2337 was read the second time.

## INTRODUCTION AND FIRST READING OF SENATE BILLS

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

Messrs. Hottinger, Davis, Dicklich, DeCramer and Morse introduced—

S.F. No. 2775: A bill for an act relating to taxation; reducing the income tax deduction for personal exemptions; changing certain income tax rates; amending Minnesota Statutes 1990, section 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19a; 290.06, subdivision 2c; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Mses. Flynn, Pappas, Ranum, Messrs. Mondale and Vickerman introduced—

S.F. No. 2776: A bill for an act relating to taxation; reducing the income tax deduction for personal exemptions; changing certain income tax rates; amending Minnesota Statutes 1990, section 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19a; 290.06, subdivision 2c; proposing coding for new law in Minnesota Statutes, chapter

290.

Referred to the Committee on Taxes and Tax Laws.

Messrs. Frank, Waldorf, Kroening, Metzen and Cohen introduced—

S.F. No. 2777: A bill for an act relating to taxation; reducing the income tax deduction for personal exemptions; changing certain income tax rates; amending Minnesota Statutes 1990, section 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19a; 290.06, subdivision 2c; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

Ms. Berglin, Messrs. Chmielewski, Stumpf, Frederickson, D.J. and Kelly introduced—

S.F. No. 2778: A bill for an act relating to taxation; reducing the income tax deduction for personal exemptions; changing certain income tax rates; amending Minnesota Statutes 1990, section 290.01, subdivision 19b; Minnesota Statutes 1991 Supplement, section 290.01, subdivision 19a; 290.06, subdivision 2c; proposing coding for new law in Minnesota Statutes, chapter 290.

Referred to the Committee on Taxes and Tax Laws.

### **MEMBERS EXCUSED**

Mr. Halberg was excused from the Session of today. Messrs. Moe, R.D. and Pogemiller were excused from the Session of today at 3:00 p.m. Mr. Dahl was excused from the Session of today from 12:00 noon to 3:00 p.m. Mr. Solon was excused from the Session of today from 12:00 noon to 3:15 p.m. Mses. Berglin, Piper and Mr. Benson, D.D. were excused from the Session of today from 1:30 to 2:00 p.m.

### **ADJOURNMENT**

Mr. Luther moved that the Senate do now adjourn until 12:00 noon, Friday, March 27, 1992. The motion prevailed.

Patrick E. Flahaven, Secretary of the Senate